

Have your say on HMO licensing in Camden



Summary of proposals for the additional HMO licensing scheme

Summary of proposal for the additional HMO licensing scheme.

Camden sits at the heart of the world's most vibrant city and as such is a popular place to live. With the cost of housing, and home ownership becoming an unachievable goal for many, there is an increasing demand for property within the private rented sector and the need for alternative housing options. With 36% of households in Camden now living in the private rented sector, it is more important than ever to ensure properties provide good quality accommodation to all residents who choose to make Camden their home.

With rents becoming increasingly unaffordable, more renters are having to share properties in a variety of ways, for example shared flats and houses, bedsits and studios. Good quality shared accommodation can provide decent and affordable places for Camden residents to live, however, the Council is aware that this type of accommodation can in some cases, be of poor quality and badly managed, causing problems for the occupants as well as those living nearby.

The Council's key missions are laid out in "[We Make Camden](#)", with one of the key challenges being Housing. Camden's ambition for the years ahead is to have enough decent, safe, warm and family-friendly housing to support our communities, and we believe an additional HMO licensing scheme will contribute towards achieving this goal.

Before you answer our online survey, please read the summary of our scheme below. If you want to learn more about the proposed scheme and the reasons why we think it will continue to improve the private rented sector, please also view the supplementary information documents on the Council website [here](#).

Background

Since 2015, Camden Council has operated borough wide additional licensing schemes for HMOs. An HMO is defined in law as a house or flat shared by three or more persons who are not part of the same family. The Council also licenses some buildings converted into flats (where the conversion does not meet recent building standards) and where less than half of the flats are owner occupied.

Our licensing schemes have helped improve the quality and safety of homes for people living in the private rented sector. We have received over 4000 licence

applications, and following an inspection, 94% of the licences issued have required improvement works to bring the properties up to meet the HMO standards. These improvements mainly relate to fire safety but also to a range of other works including electrical safety improvements, the installation of mechanical extractor fans to help prevent damp and mould in bathrooms and kitchens, installing carbon monoxide detectors, and ensuring tenants have adequate controls for their own heating. Our compliance inspections show that in approximately 80% of cases, licences have either been fully or mostly complied with when we revisit.

At the same time, the Council is targeting letting agents and landlords who are operating unlicensed or ineffectively managed HMOs. During the current scheme, over 100 civil penalty notices have been issued to landlords and managing agents, which is the second highest of any London borough according to the GLA rogue landlord database. Camden has also taken a number of prosecutions against the very worst offenders, with the Courts finding a number of landlords and managing agents guilty of licensing offences and handing down over £300,000 in fines. We have also obtained eight Banning Orders, preventing some of the worst landlords from operating for a period of five years.

Our proposals

The recent review of the current additional HMO licensing scheme provided clear evidence that it is having a positive impact on improving property and management standards within Camden.

However, it also showed there are still a significant number of HMOs that are being managed ineffectively, and/or have not yet been licensed. Despite the scheme having been run and publicised for a number of years, and it being a legal requirement, we appreciate some individual landlords may still not be aware they need a licence. There also remains a core group of rogue landlords and agents that seek to exploit vulnerable tenants for financial gain. Whilst the HMO enforcement team are actively pursuing these landlords, and have achieved many successes, there is still more to be done.

The purpose of the scheme will be to build on the achievements of the current licensing scheme and focus on improving safety, conditions and general management of these HMOs. The scheme will also allow for overcrowded conditions in licensed properties to be addressed and make licence holders responsible for dealing with antisocial behaviour should it arise from their property. Ultimately, we believe that continuing the licensing scheme will help us work together with landlords and tenants to make sure all homes are safe and well managed. For these reasons, the Council is proposing to renew the current scheme.

Shorter licence period

When the scheme was last renewed in 2020, a number of changes were made, including introducing shorter (one-year) licences where there were serious concerns regarding the management of properties. The recent review has shown this policy is working well and allows such cases to be prioritised for compliance visits to check whether the causes for concern have been addressed. It is therefore proposed to continue with this policy in the new scheme. The criteria for a short licence is contained in the supplementary information.

Standards

Licensing schemes allow Councils to produce guidance documents for expected standards to be met. This allows Councils to ensure consistency when applying minimum requirements for things like fire safety precautions, bedroom sizes, the provision of adequate food preparation and storage space in communal kitchens, adequate washing facilities, heating controls and so on. These also allow landlords and managing agents to be aware of the requirements to meet, prior to letting the property as an HMO. The standards have been refined and updated during the previous and current schemes. On order provide consistency and reassurance for landlords, there are currently no proposed changes to these standards. We will continue to have separate standards for a) shared flats and houses, b) self-contained flats and c) hostels. The standards are contained in the supplementary information.

Fees

The Council charges a fee to cover the administration of the licensing scheme over five years. The law states the fee can only be used for this purpose and no other Council function. The Council does not (and cannot) make a profit from running the scheme.

A recent benchmarking exercise was undertaken and found Camden's fees are average when compared to other London Boroughs, even though we carry out a full survey of all properties if they have not previously been licensed (many local authorities do not do this). **We are proposing a new basic fee of £1,570 for all HMOs, with a discount of £100 for accredited landlords.** The fees will be kept under review on an annual basis to ensure income does not fall short or exceed cost recovery. For more information on the fee structure, see the supplementary information.

What properties are included in the additional licensing scheme?

The scheme includes all HMOs which are not currently subject to mandatory licensing and to the exemptions detailed in the legislation.

This includes properties that have been converted into self-contained flats which do not meet recent building regulation standards (known as section 257 HMOs). Licensing only applies to those properties where less than half of the flats are owner-occupied (not including those with resident landlords). See the supplementary information for more information.

Examples of properties that are included in the additional HMO licensing scheme

Property description	Likely occupiers
Bedsits or rented rooms	<p>Individual tenants who have no connection to each other. The landlord rents each room separately. The tenant only has exclusive use of their own room, although there are likely to be shared facilities such as kitchens, bathrooms or toilets. Or there may be facilities which are for the tenant's own use but not within the room.</p> <p>Three or more sharers living as above in a house or flat requires a licence.</p>
House or flat shares	<p>Likely to be rented by a group of students or professionals on one tenancy agreement. The group will typically know each other when they move in, and choose replacement tenants when someone moves out. Any shared house with three or more sharers living as above requires a licence. Any shared flats under the control of a leaseholder with three or more sharers living as above requires a licence.</p>

<p>Resident landlord with lodgers</p>	<p>The owner lives on site and rents out rooms to more than two lodgers. Occupiers may share meals with the owner, or have meals included, or they may live independently. Any resident landlord with three or more lodgers requires a licence.</p>
<p>Buildings (or parts of a building) are converted into self-contained flats or studios. The conversion does not comply with the Building Regulations 1991 (or later) and less than 50% of the flats are owner occupied</p>	<p>This does not apply to properties which were originally built as self-contained flats – only those that were subsequently converted. A freeholder who owns/controls the common parts of a converted building where the flats are owned by separate leaseholders must apply for a ‘common parts’ licence. A freeholder who owns a converted building and owns/rents any of the flats within it must apply for ‘common parts and flats’ licence. NB: If one of the flats within the building is itself a flat in multiple occupation, then this will need an independent licence.</p>
<p>Student accommodation</p>	<p>This includes purpose-built flats and cluster flats occupied solely by students that are not owned or managed by an exempted educational establishment. Parts of the building will have shared facilities such as kitchens, bathrooms and toilets. This type of accommodation requires a licence.</p>
<p>Hostels</p>	<p>This would include hostels managed by charities and refuges for people seeking refuge from domestic abuse. Other hostels such as those used for homeless etc. will be treated on a case-by-case basis. It would not include youth or backpacker hostels housing people on holiday.</p>

How do I apply for an HMO licence?

Landlords or their agents (or someone on their behalf) apply for a licence online if their property falls under the scheme. The application form includes details about the landlord, managing agent, and interested parties such as the mortgage company and other leaseholders (if it is a building converted into self-contained flats). It also requires details about the property. For more information about the application process, visit our [webpages](#).

The licence holder needs to be the most appropriate person to be the licence holder – the person in receipt of the rent and in control of the property. This is nearly always the landlord. There needs to be suitable management arrangements in place and the licence holder must be considered a ‘fit and proper’ person before we issue a licence.

There are several documents that need to be submitted with an application for a licence. These include a 5 yearly electrical installation condition report (EICR), annual gas safety certificate (where there is a gas appliance), floor plans, and any necessary fire alarm and emergency lighting certificates. In addition, a fee needs to be paid (see above).

We always inspect properties before issuing a licence for the first time. Properties are expected to meet a set of HMO standards including the number and type of kitchen, bathroom and toilet facilities for the number of occupants, and any necessary works must be complied with within a specified time. The licence also specifies the maximum number of people who may live in the HMO and includes specific conditions which apply to every licence.

If there are safety or management issues found, these are listed on a separate advisory note. These issues are listed separately for legal reasons, but will need action at the same time as the works on the licence. Any serious safety hazards or management issues which are identified in a property during the licence inspection will be referred to our housing enforcement team for further action.

Licences are generally issued for a period of five years. However, as mentioned earlier, a shorter licence will be issued where we have serious concerns about the management of a property or other cause for concern.

Renewal applications

The Council writes to existing licence holders 3 months before the expiry of the existing licence. If the licence holder has changed or the property has been sold, then the new responsible person will need to apply for a new licence (see process above).

When a renewal application is made online, certain information will be retrieved from the previous licence application (and inspection) and will not need inputting again. Such information will need to be checked and verified. This will mean the process for renewal applicants will be simpler than the original application. We will not be re-inspecting all properties on renewal. We will be taking a risk-based approach to inspections, taking into consideration whether any evidence has been provided by the applicant regarding works which have been completed, as well as the history of compliance or complaints received during the previous licence period.

We will also be undertaking random sampling inspections of licenced properties to ensure the schedule of works (where applicable) has been completed within the time period given on the licence.

What else are we doing to improve private renting in Camden?

There is no single solution - improvements in the sector need a diverse set of interventions.

- Training and support for landlords through the London Landlord Accreditation Scheme;
- Grants and financial incentives for landlords to improve or bring empty properties into use;
- Help to improve the energy efficiency of homes;
- Continued use of our existing powers to take enforcement action and replace poor management with decent provisions;
- The HMO Enforcement team targeting unlicensed HMOs and ensuring compliance.
- Our tenancy relations officers tackling harassment, illegal evictions and other landlord/tenant disputes. This is complemented through our joint working with Safer Renting – a service providing specialist advice, support and advocacy to help protect tenants.
- Providing advice to private renters and supporting a stronger private tenant voice; eg: through the [Camden Private Renters website](#), and ward-based surgeries for private tenants.
- The continuation of the PRS partnership – a forum of tenant support and advisory services in Camden and the surrounding areas, to co-ordinate services and share information.
- The continuation of Landlord forums and newsletters aimed at informing and supporting HMO landlords.