



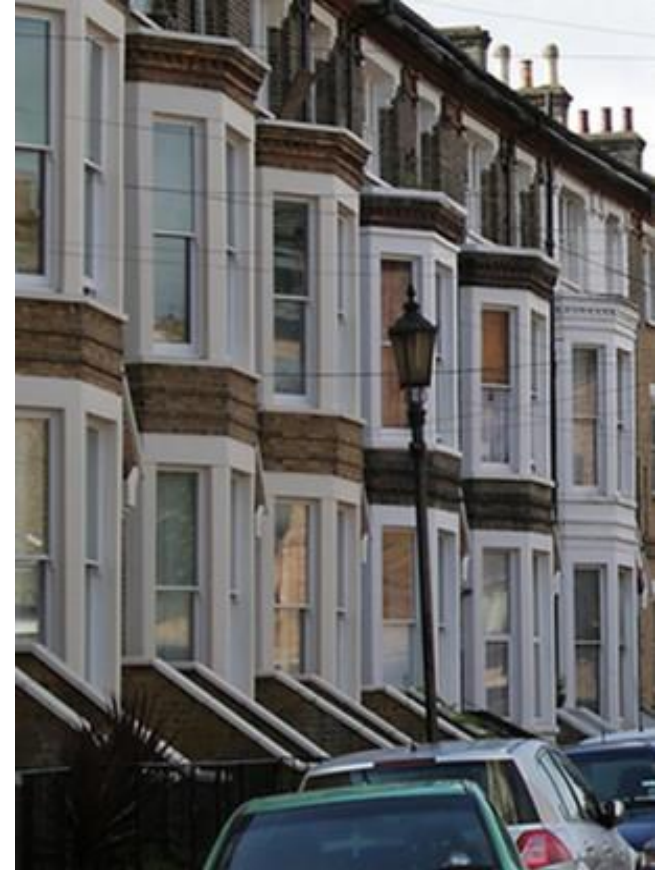
MEMBER TRAINING

**Houses in multiple
occupation**

9 February 2016

What we will be focusing on

- **Role that HMOs play in meeting housing need**
- **Housing legislation affecting all HMOs**
- **Licensing of HMOs**
- **Interim Planning Policy and Article 4 Direction**
- **Housing & Planning's strategic approach to management of HMOs**



Meeting housing need

- **Half the weekly rent of self-contained housing**
- **Single people under the age of 35 limited to the Shared Accommodation Rate when claiming HB**
- **Ideally suited for people who are on low income and/or looking for low cost accommodation**



Legislation affecting all HMOs

- **Housing Act 2004**
- **HMO Management Regulations**
- **Conditions assessed using Housing Health and Safety Rating System (HHSRS)**
- **Amenity standards**
- **Overcrowding**
- **Fire safety**



Licensing of HMOs

- **Mandatory – HMOs with 3 or more storeys and occupied by 5 or more persons forming 2 or more households**
- **Additional – All 2 storey HMOs that are in the designated area and occupied by 3 or more persons forming 2 or more households**



Licensing of HMOs

- **Suitability of HMO for number of occupiers**
- **Suitability of facilities (toilets, bathrooms cooking facilities, etc)**
- **Suitability of landlord and/or managing agent to manage the HMO**
- **Suitability of current arrangements for the management of HMO**



Conditions attached to licence

- **Produce annual gas safety certificate**
- **Keep all furniture and electrical appliances in a safe condition**
- **Install smoke alarms and maintain them in good working order**
- **Provide tenants with a statement of their terms of occupation**



Conditions attached to licence

- **Restrictions on the use or occupation of parts of the HMO**
- **Reasonable steps to prevent or reduce ASB by persons occupying or visiting the HMO**
- **Carry out works and/or provide facilities**
- **Apply for planning permission if the HMO is in an Article 4 area**



Failure to license an HMO

- **Committing an offence and could face a fine of up to £20,000 plus costs**
- **Council must make an Interim Management Order if it is unable to grant an HMO licence or it revokes a licence**
- **Council can apply for Rent Repayment Order (for up to 12 months if HMO was unlicensed)**



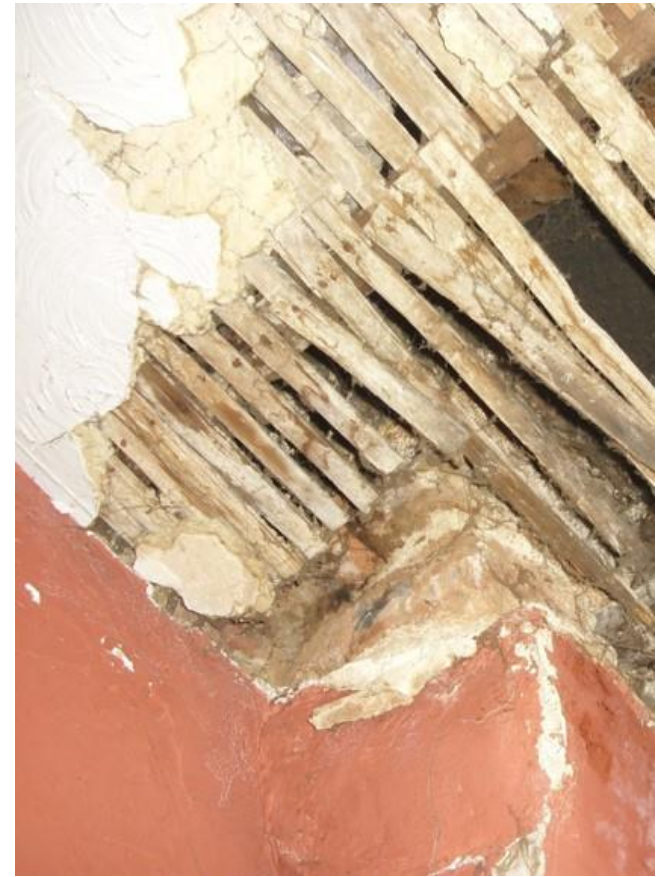
Failure to license an HMO

- **If a licensable HMO is operating without a licence, any Section 21 Notice served on the tenant(s) will be invalid**
- **If Council is satisfied that any owner has threatened to evict the occupiers in order to avoid the licensing requirements, it can make an Interim Management Order**



Breaches of licence conditions

- **It is a criminal offence to allow an HMO to be occupied (without a reasonable excuse) by more persons than it is licensed for**
- **It is a criminal offence to fail to meet the HMO licence conditions and, if the breach is serious or persistent, the HMO licence may be revoked**



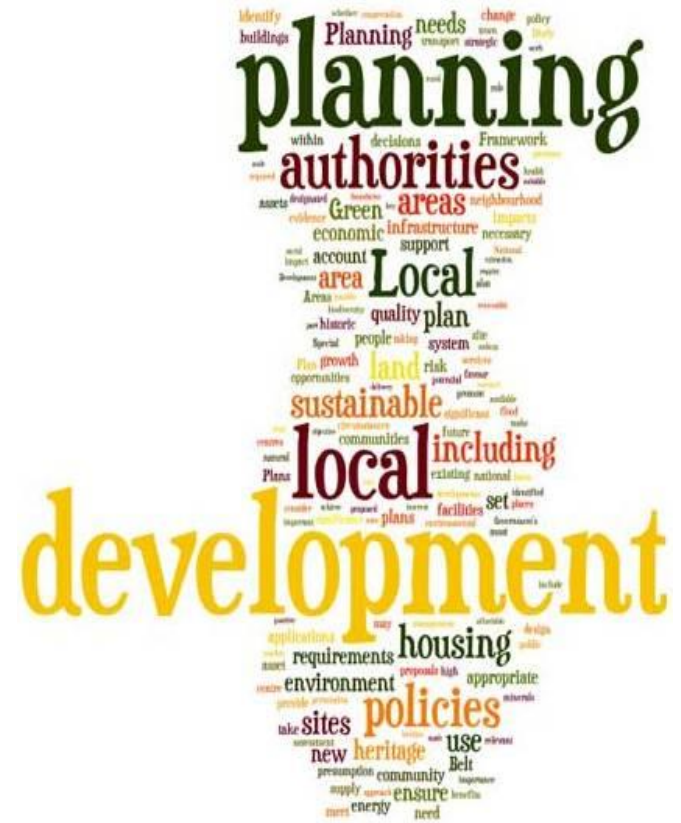
Revoking an HMO licence

- **May revoke licence if it considers management of HMO unsatisfactory or the HMO is no longer suitable to house the number of occupiers**
- **Unless it grants a new licence, the Council will make an Interim Management Order, to enable the occupiers to continue living there**



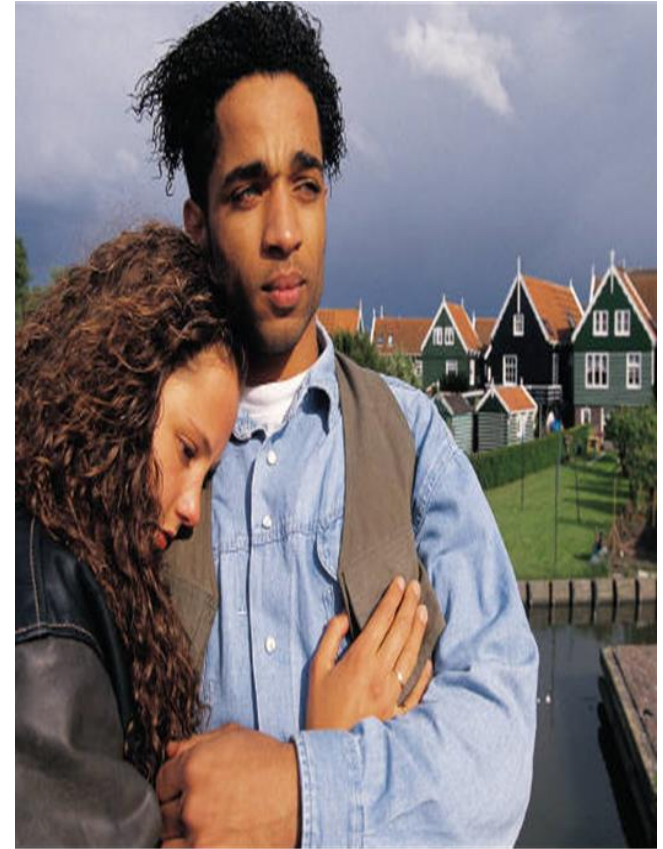
National Planning Policy

- **Government planning policy framework (sets out policies and how they should be applied)**
- **Development Plan (specifies the mix of housing – type, tenure and size – that will meet the needs of different groups in the borough)**



Northampton Development Plan

- **Joint Core Strategy
Policy H5**
- **The existing housing stock will be managed and safeguarded by allowing HMOs where this has no adverse effect on the character and amenity of existing residential areas**



Northampton Development Plan

- **Northampton Local Plan
Saved Policy H30**
- **HMOs will be permitted
subject to:**
 - (a) Size of the existing
property**
 - (b) Over concentration
(change in character
detrimental to amenity)**
 - (c) On-street parking**



Permitted development rights

- **General Permitted Development Order 2015 (allows permitted development rights for dwellings to be used for HMOs shared by between 3 and 6 people)**
- **Article 4 Directions (used in order to require planning applications)**

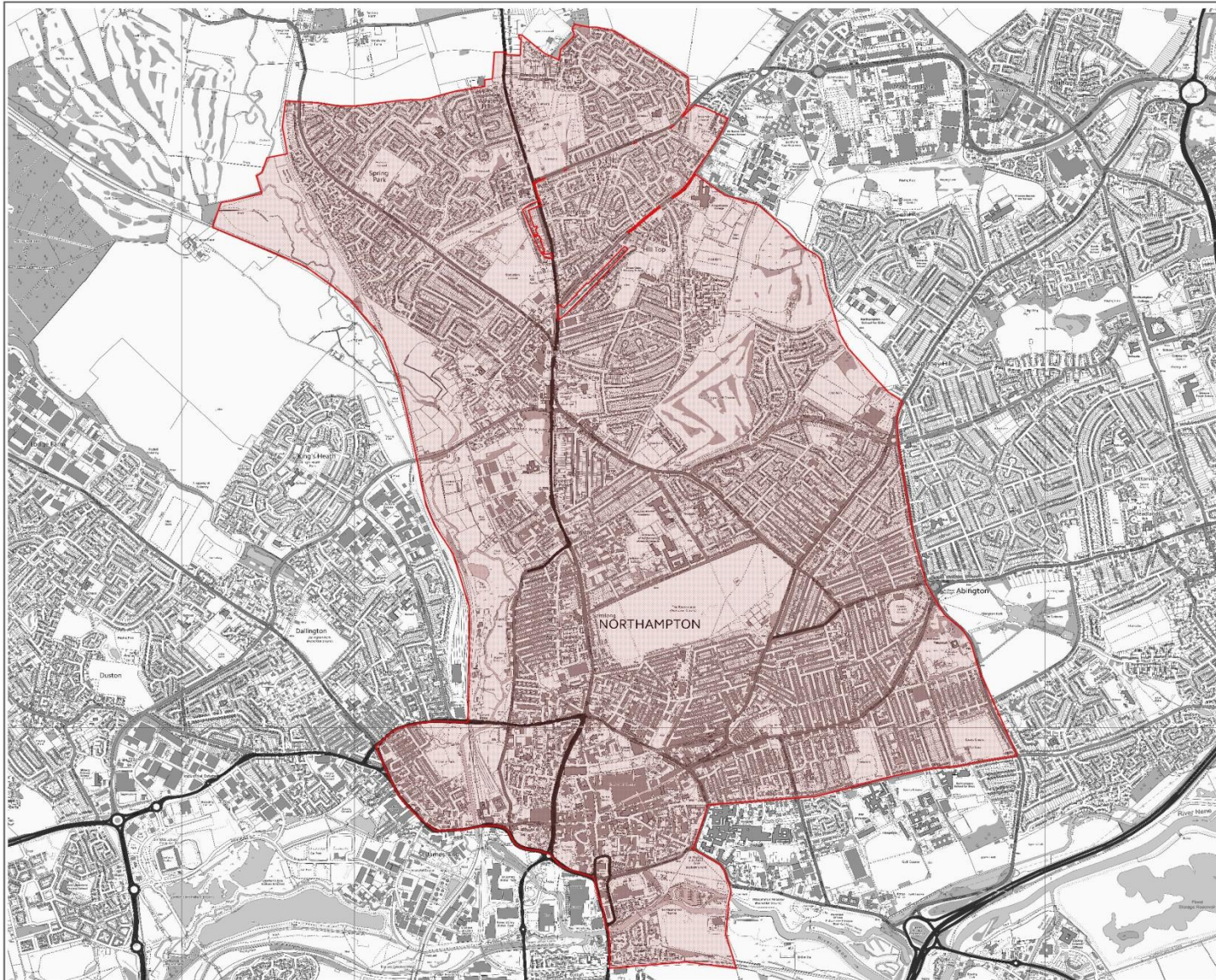


Article 4 Directions – HMOs

- **When the Council considers character of an area is harmed by exercise of permitted development rights**
- **Article 4 removes the permitted development rights for change of use from C3 [dwelling house] to C4 [HMO 3-6 residents]**



Article 4 Directions – HMOs



Article 4 Direction Area

8 February 2016
not to scale



NORTHAMPTON
BOROUGH COUNCIL

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Planning applications – HMOs

- **Interim Planning Policy Statement (IPPS) was adopted in Nov 2014**
- **IPPS sets out what the Council will consider when determining planning applications relating to HMOs**
- **Based on 4 principles**



IPPS Principle 1 – HMOs

- **Balanced community and protect character of the area**
- **Supports the change of use, but it should not result in concentration of similar uses or in an adverse impact on area's character and amenity**



IPPS Principle 1 – HMOs

- **Balanced community and protect character of the area**
- **Planning permission will not be given for a change of use to an HMO if more than 15% of the dwellings within a 50m radius of the application are HMOs**



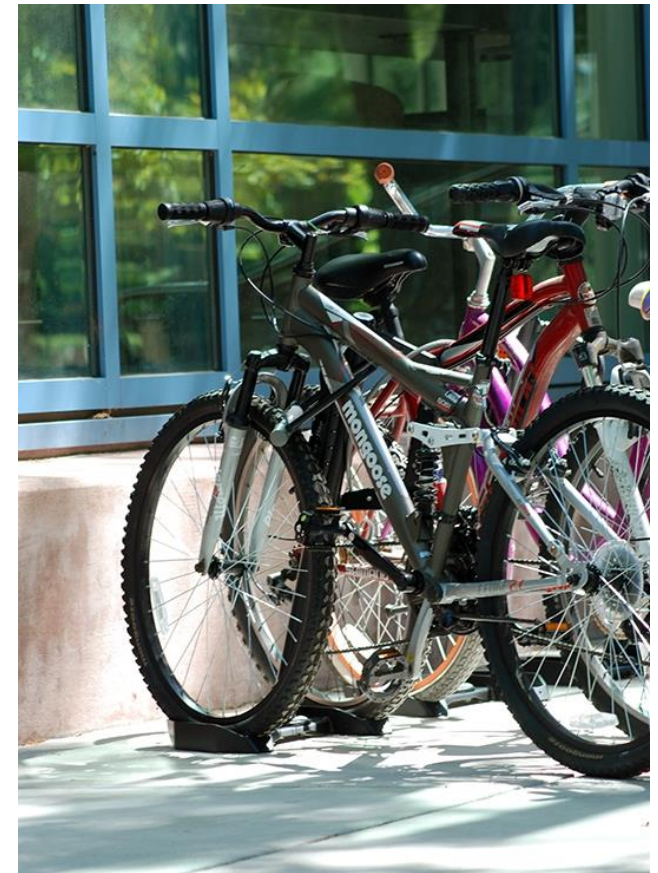
IPPS Principle 2 – HMOs

- **Adequate facilities and amenities** – proposals must provide a range of facilities / amenities to acceptable standards
- **Minimise flood risk** – proposals must not increase flood risk (including surface water drainage)



IPPS Principle 3 – HMOs

- **Adequate parking** – must meet NCC's standards
- **Public transport, cycling and walking** – bicycle storage should be provided and, if there is limited or no parking, the property should be within 400m of a bus stop and within walking distance of services



IPPS Principle 4 – HMOs

- **Adequate refuse provision and storage**
– the proposals must provide waste and recycling storage, either within the site or in a secure facility



HMOs within a 50m radius



New Enforcement Policy

- **Where possible, NBC will try to resolve the problems before any formal enforcement action is taken**
- **If enforcement action needs to be taken, the landlord or owner will fund the enforcement**



New Enforcement Policy

- **Charged the full cost** (Improvement Notices, Prohibition Orders and Emergency Remedial Action Notices, etc)
- **Given opportunity to undertake remedial works themselves**
- **Administration fee will be charged if works are carried out in default**



Current Fees and Charges Policy

- **Mandatory – 5 years**
@ £682.63 for up to 5
bedrooms (+ £20 for
each extra bedroom)
- **Additional – 3 years**
@ £323.25 for all sizes
- **Size of fee and length**
of licence unaffected by
housing conditions and
behaviour of landlords



New Fees and Charges Policy

- **We want consistent licensing periods for Mandatory / Additional**
- **We want to support licensing process with online applications**
- **We want to penalise landlords and agents who fail to license their HMOs on time**



New Fees and Charges Policy

- **Fees will reflect true cost of processing HMO applications**
- **Online applications will improve efficiency and reduce licensing costs**
- **Timely licensing will be incentivised by offers of 'early bird' discounts (initial licence / renewals)**



New Fees and Charges Policy

Initial HMO licence

- **£700 (up to 5 persons*)**
- **£150 'early bird' discount**

Renewal of HMO licence

- **£500 (up to 5 persons*)**
- **Renewal reminder sent 3 months before expiry**
- **Standard (initial) fee if not renewed on time**

*** + £30 for each extra person**



New Fees and Charges Policy

- **£50 – help to complete online application**
- **£50 – each reminder letter for missing documentation**
- **£60 – pre-application inspection**
- **£60 – missed inspection (or cancelled at less than 24 hrs notice)**



Tackling bad practice

- **2 year licence issued if HMO is unlicensed and discovered by NBC**
- **1 year licence issued if discovered by NBC and there are hazards that need addressing and/or management offences that have been committed**



Tackling bad practice

- **Where a 1 year licence has been issued and the landlord has failed to comply with the Notice, court action will be considered**
- **If convicted, they will be refused a licence on grounds they are not 'fit and proper' person**



Example 1

NBC identifies unlicensed 2-storey, 4-person HMO. Complete application submitted on 08/04/16. No defects found on inspection.

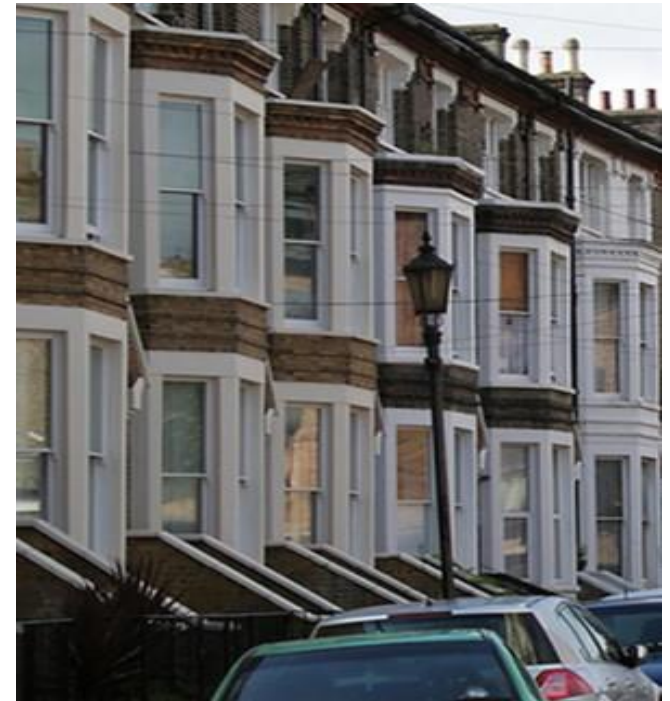
- **HMO licence will be issued for 2 years**
- **Initial HMO licence fee will be £700**
- **Length of licence renewal will depend on previous conduct**



Example 2

NBC identifies unlicensed 3-storey, 6-person HMO. Application submitted on 01/03/16. Management offences and defects found.

- **HMO licence will be issued for 1 year**
- **Notice will be served for offences / defects (one month to remedy)**
- **Initial HMO licence fee will be £730**



Managing HMOs together



EXAMPLE ONLY - HMO DENSITY CALCULATION: 35 COWPER STREET

9 February 2016
1:1000 @ A4

Managing HMOs together

- **Enforcement Policy**
- **Fees & Charges Policy**
- **Bespoke and robust licensing conditions**
- **Multi Agency Casework**
- **Proactive Prosecutions**
- **Social Lettings Agency (Management Orders)**
- **Rewarding & supporting responsible letting**

