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**Report to:** Overview and Scrutiny Committee (Regeneration & Skills)

**Date of Meeting:** 8<sup>th</sup> November 2016

**Subject:** Selective and Additional (HMO) Licensing Schemes – Introduction of the Business Case

**Report of:** Head of Regeneration & Housing

**Wards Affected:** Linacre, Derby, Litherland, Cambridge, Dukes, Kew, Church, Blundellsands & Victoria

**Is this a Key Decision?** Yes

**Is it included in the Forward Plan?**

Yes

**Exempt/Confidential**

No

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**Purpose/Summary**

To provide information on Selective and Additional HMO Licensing of private rented sector housing, and how this will be considered for Sefton.

**Recommendation(s)**

That Overview and Scrutiny Committee consider

- (1) That Selective and Additional HMO Licensing is the right approach to the private rented sector in Sefton.
- (2) That appropriate areas of the borough have been identified for Selective and Additional HMO Licensing.
- (3) That the approach to levying of Fees is appropriate.
- (4) That the draft licence conditions are appropriate to meet the schemes objective of improving standards in the private rented sector.

**How does the decision contribute to the Council's Corporate Objectives?**

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		X	
2	Jobs and Prosperity		X	
3	Environmental Sustainability	X		
4	Health and Well-Being	X		
5	Children and Young People		X	
6	Creating Safe Communities	X		

7	Creating Inclusive Communities		X	
8	Improving the Quality of Council Services and Strengthening Local Democracy	X		

**Reasons for the Recommendation:**

To allow adequate scrutiny of the approach being considered for engagement with the private rented sector in Sefton.

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

Additional resources will be required to operate the proposed schemes. The schemes will be costed and the licence fees set to make the schemes self-financing. Hence the schemes are dependent on fee income levied.

**(B) Capital Costs**

None

**Implications:**

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

**Legal**

Part 2 & 3 of the Housing Act 2004 sets out the legislative framework for Selective and Additional (HMO) Licensing. Section 80 of the Housing Act 2004 allows the local authority to designate the area of their district or an area in their district as subject to selective licensing. Section 56 of the Housing Act 2004 allows the local authority to designate the area of their district or an area in their district as subject to additional licensing.

**Human Resources**

Additional staff resources will be required to operate the scheme over their 5 year period. The cost of these staff will be incorporated in the setting of licence fees.

**Equality**

- |   |                                     |
|---|-------------------------------------|
| 1. No Equality Implication                          | <input checked="" type="checkbox"/> |
| 2. Equality Implications identified and mitigated   | <input type="checkbox"/>            |
| 3. Equality Implication identified and risk remains | <input type="checkbox"/>            |

**Impact on Service Delivery:**

Selective & Additional (HMO) Licensing schemes are new areas of work. The introduction of the schemes would introduce more proactive engagement with private landlords rather than the traditional reactive way of working. The schemes will create

an increased level of work for the Council's Housing Standards and Legal Services Teams.

### **What consultations have taken place on the proposals and when?**

The proposals will be the subject of an extensive public consultation exercise in 2017.

The Head of Corporate Resources (FD 4356/16) has been consulted and notes there are no direct financial implications. Given Overview and Scrutiny Committee consider the approach to levying of Fees is appropriate, Cabinet will receive a future report providing details of the scheme and details of the actual level of fees we propose to charge.

The Head of Regulation and Compliance (LD 3639/16) has been consulted and has no comments to make.

### **Are there any other options available for consideration?**

These are outlined in the report.

### **Implementation Date for the Decision**

Following the expiry of the "call-in" period for the Minutes of the Cabinet/Cabinet Member Meeting

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### **Background Papers:**

There are no background papers available for inspection.

## **1. Introduction/Background**

### **1.1 Sefton Context**

Sefton's private rented sector (PRS) has increased by 64.4% between 2001 and 2011. This shows a significant and continuing growth. In 6 wards located in Southport (4), Waterloo (1) and Bootle (1) the PRS exceeds the national average [2011 census]. A well-managed PRS plays an important role in meeting the Borough's housing needs. However, the short-term nature of tenancies brings it challenges especially when those properties are not well managed. Increased anti-social behaviour and poor property condition are a growing concern. The 2014

house condition survey found that 24.4% of privately rented property failed to meet the decent homes standard, compared to 15.8% of all private properties in Sefton. This is largely due to the fact that the PRS is generally unregulated.

## 1.2 Sefton 2030 Vision & Housing Strategy

Since January 2016, the Council has been consulting and leading on developing a new Vision for the borough. The process has helped us understand what matters and to be ambitious for the Borough and its communities in the future. A number of themes began to emerge, which were then developed into the Vision & Outcomes Framework. The introduction of the proposed Licensing schemes can help contribute to the delivery of the Framework. As part of the Sefton 2030 vision there is a significant ambition to improve living conditions and attract investment to improve the prosperity of Sefton. As part of our commitment to the success of this we want the licensing of privately rented properties to improve confidence in the private rented sector and help improve the prospects for the whole area.

Our new Housing Strategy (2016-20) seeks to;

***“Continue to make Sefton a great place to live, by ensuring that people can access high quality housing appropriate for their needs”.***

The Strategy recognises the contribution the private rented sector can play, but also the need to improve standards in this sector.

1.3 In December 2015, The Cabinet Member Communities and Housing considered a report seeking approval for the allocation of funds from the Community Transition Fund, and gave approval to provide £250,000 to support the development of a selective licensing scheme in Sefton, as detailed within that report.

## 2. What is Licensing?

**Selective licensing** is a power that the local authority has under the Housing Act 2004. It allows the Council to designate an area within the borough that requires all private landlords and managing agents who operate within the area to have a license for each property. In order to be granted a license, landlords would have to meet certain criteria, which would include passing a fit and proper person test and providing information about their management arrangements. Landlords would be required to adhere to license conditions set by the Council.

Prior to April 2015, local authorities had powers to introduce selective licensing of privately rented homes in order to tackle problems caused by either:

- (i) low housing demand
- (ii) significant anti-social behaviour.

With effect from 1 April 2015, a new Government General Approval came into force. Local authorities are required to obtain confirmation from the Secretary of State for any selective licensing scheme which would cover more than 20% of their geographical area or would affect more than 20% of privately rented homes in the local authority area.

If the local authority makes two or more designations at the same time, each of which account for less than 20% of the area or private rented stock, but cumulatively account for more than 20% of either, all of the schemes will need to be submitted to the Secretary of State for confirmation.

As well as the 2 existing criteria, additional criteria for making a scheme are also now in force. A designation may be made to combat problems in an area also experiencing:

- poor property conditions,
- an influx of migration,
- a high level of deprivation or
- high levels of crime.

**Additional (HMO) Licensing** will operate in the same way and alongside the existing Mandatory HMO Licensing scheme that already operates across the Borough. Mandatory licensing requires that a certain type of HMO must have a license. These are those that comprise 3 storeys or more, house 5 or more people who form 2 or more households and do not have all facilities within a self-contained unit, i.e. bathroom or kitchen. (The Government has recently begun consulting on extending the scope of Mandatory licensing, but there are no proposals at present to include poorly converted blocks of flats (Section 257 HMOs), of which Sefton has many). The same process will be followed for the Additional HMO scheme as with the existing Mandatory scheme, with the same legal obligations and penalties for failing to comply with the scheme requirements.

Additional HMO Licensing will require **all** privately rented HMOs, which are located within designated areas, to be licensed. Before making an additional HMO licensing designation for a particular area, a local authority must consider that a significant proportion of the HMOs of that description in the area are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

Currently there are 98 HMOs in the borough that fall under the Mandatory licensing scheme. It is estimated there are a further 200 HMOs in the 2 areas proposed for Additional HMO Licensing.

### **3. Alternative Options for engagement or regulation of the Private Rented Sector (PRS).**

#### ***Provide services at existing levels***

Sefton could continue solely with the current enforcement regime, linked with more assertive promotion of Accreditation. This option is unlikely to have significant impact due to Accreditation being a voluntary scheme, with only the better landlords usually obtaining accreditation status. Sefton has operated a Property Accreditation Scheme since 2013, this is a voluntary scheme whereby landlords sign up to a code of

standards which sets a minimum standards for both property condition and management practice. Sefton has accredited 942 housing units equating to 129 individual properties (October 2016) since the scheme began. Whilst the scheme has been successful in accordance with the number of properties accredited, this represents less than 1% of the private rented stock in the borough.

### ***Expand the Current Enforcement Regime***

The Council currently has a reactive enforcement approach in relation to privately rented properties, dealing with cases as they present themselves. A more proactive approach could be taken to target the worst landlords. This would develop an outward facing image of enforcement in relation to rogue landlords. The Government advocate approaches which target 'rogue landlords'.

To practically do this would involve the need to increase the resourcing allocated to the Housing standards Team by a minimum of 3 additional posts at significant cost.

This is a more traditional enforcement approach and less of an enabling one than licensing would bring.

### ***Introduce a borough wide Selective Licensing Scheme***

The Council could consider introducing a borough-wide scheme. This is not recommended because the evidence is not sufficient to justify introduction for the whole district. Therefore, an application to the Secretary of State (who has to agree to the implementation of such a scheme) is unlikely to be supported.

## **4. Areas chosen for Licensing**

Selective licensing is proposed to be introduced in an area of Bootle. See map at Appendix 1.

Additional (HMO) Licensing is proposed in 2 areas of the Borough; one in central Southport and one in the Waterloo/Seaforth area. See map at Appendix 2.

Evidence needs to be gathered to prove the need for the scheme and extensive consultation is needed to seek the views of residents and landlords in the proposed area. The evidence for the proposed area usually needs to be compared with other areas and shown to be significantly worse.

For Selective Licensing in Bootle, evidence has been based on 4 of the 6 criteria; ie, *anti-social behaviour, housing conditions, deprivation, and crime*. A designation based on migration or low demand is not proposed. Only one criteria needs to be proved to make a designation lawful.

Evidence needs to be considered from a wide range of data sources before coming to conclusions.

## **The Bootle area is proposed for Selective Licensing as it suffers from:**

### **Deprivation**

- Being within the top 1-5% of the most deprived areas across the country
- Contains the highest rate of PRS properties across the Borough
- Suffers high levels of unemployment, low level educational achievement with low skill and low paid occupations
- Highest rate of lone parents across the Borough
- Average household incomes of £17,809 are the lowest in the borough and compare to an average £22,894 for the whole borough
- Over a third of people aged 16 and over in Bootle have no qualifications, compared to a quarter for the whole borough

Selective Licensing will help identify landlords and provide for a better relationship between the Local Authority and landlords to work together and help struggling households. By helping struggling tenants of private landlords there could be benefits for landlords too. If more households can be helped out of poverty, the prosperity of the area generally will improve making it a more attractive area to live which in turn should improve the popularity of housing in this area.

### **Property Conditions**

- Housing stock consists of predominantly Victorian terraced properties (52.1%) compared to the National average of 24.5%
- Majority of properties are within Council Tax Band 'A' (83%) far higher than the National average of 24.8%, or Sefton at 31%
- High rate of housing disrepair complaints, with enforcement action taken over property conditions
- Levels of non-decent homes of circa 26% are higher than the rate of all private housing in the borough of 15.8%
- The highest levels of fuel poverty are found in Bootle

Selective Licensing provides additional powers to help the Local Authority inspect and tackle poorly managed privately rented property. As around 25.5% (2015 estimate) of the accommodation in Bootle is in the private rented sector (national average 19.6%), improved management standards in this sector should contribute to an overall improvement in living conditions in the area, ultimately leading to a better quality of life for its residents.

### **Crime and ASB**

- Significant problem with Crime and ASB with all areas of Bootle being above Sefton's average

- When crime across all wards is standardised per 1,000 population Linacre ward is the worst affected area with 137 crimes per 1,000 population; compared a borough wide average of 54.6 crimes per head of population.

Overall, Selective Licensing aims to improve premises conditions including the security of homes, as well as their management and occupation, and contribute to the community they are in. It will aid in protecting the safety and welfare of tenants, provide confidence in the rented sector, and put clear standards in place for the good of all. It will be more conducive to good landlords but provide an environment that is less opportunistic and attractive for poor and criminal landlords. It will also give the authority and landlords more powers in dealing with those tenants that chose to cause ASB.

### **Low Housing Demand**

In addition, low housing demand, although not a criteria Sefton has identified to base this business case on, it is worth noting that Bootle does demonstrate characteristics exhibiting low demand as identified within The CURS Report "Changing Housing Markets and Urban Regeneration In the M62 Corridor" (2001). This report identified a range of criteria that made an area vulnerable to housing market failure. Utilising a range of Indicators, including Indices of Multiple Deprivation, the CURS team plotted areas of potential housing market failure geographically. Significant parts of the south Sefton area were identified on the basis of the criteria as suffering from potential housing market failure.

The criteria and indices used can still be used to identify weak housing market areas that are more likely to suffer low demand. These characteristics still exist in Bootle today, which include;

- High levels of empty housing
- House prices low and stalling, with fewer transactions taking place in an area, compared to adjacent areas
- Monolithic housing provision, such as high concentrations of 'Back of pavement' 'two up — two down' Victorian terraced housing
- Little choice (in terms of housing type) within an area
- Unbalanced tenure provision
- Households mix within an area is unbalanced, eg a mix of younger, transient households or an ageing long term,
- relatively deprived population
- Poor quality housing in relatively poor condition

Therefore, the above data helps demonstrate that the legal test for designating Bootle for Selective Licensing has been met.

### **The central Southport and part of the Waterloo/Seaforth area are proposed for Additional HMO licensing**

An Additional (HMO) Licensing designation may be made "if a Local Authority considers that a significant proportion of HMOs of a defined description, in either a



designated area or across the whole of the Borough are being managed insufficiently enough to give rise to **one or more** particular problems either for those occupying the property or for members of the public.”

Evidence of poor management practices can be evidenced through issues that arise within the property such as poor conditions or within the local community including ASB and crime.

Parts of Waterloo/Seaforth and central Southport have high levels of deprivation, being within the worst 10% most deprived areas nationally. Both areas also have above the national average of flats/maisonettes within the PRS and have a significant stock of larger style properties that in recent years have been prone to conversion, to either bedsits or self-contained flats. Waterloo and Southport have also seen an increase in cases of overcrowding, although this is lower than seen nationally. The highest level of empty properties (over 24 months) are located in central Southport. Hence there is a strong correlation between these issues and the location of the PRS.

The highest rates of non-decent homes at 26% are recorded within areas of Southport [Stock Condition Survey 2014] and along with a higher number of service requests received by the Council regarding property conditions within Southport and Waterloo being well above the Sefton average (Over 66 service requests per 1000 households compared to the Borough average of 21.7 service requests per 1000 households). This highlights both areas as having poorer housing conditions, therefore, poor management practice.

Overall, Additional (HMO) Licensing can provide additional powers to help the Local Authority tackle poorly managed privately rented property. As around 43.4% of the private rented sector HMO accommodation across Sefton is in Waterloo and central Southport, the improved management standards in this sector should contribute to an overall improvement in living conditions in the area, ultimately leading to a better quality of life for its residents. It will help the areas to be more conducive to good landlords but provide an environment that is less opportunistic and attractive for poor and rogue landlords. It will also give the authority and landlords more powers in dealing with those tenants that choose to cause ASB.

Therefore, the above data helps demonstrate that the legal test for designating central Southport and Waterloo/Seaforth for Additional (HMO) Licensing has been met.

## **5. Fees to support Licensing schemes**

The costs of operation of both selective and additional licensing will need to be met from Fee income derived from landlords applying and obtaining a license from the Council. The Council needs to ensure fees are set an adequate level.

In setting licence fees, the Council must follow certain principles established by the European Services Directive (ESD) and in particular that the fee must not exceed the actual and direct costs of processing an application, monitoring compliance and enforcing the scheme. The fee structure is also required to be reasonable and proportionate.

The licence fees will have to be based on an estimate of the number of properties that will require a licence. The calculated income stream cannot be guaranteed at this stage as it is dependent upon the number of applications received when the scheme is launched and reactively from then onwards. The fees will be subject to annual review to ensure recovery of all relevant costs to operate the schemes.

While it is possible to set a single standard fee charge, it is felt appropriate to set some differential charges, and introduce some incentives into the fee structure. This sort of approach has been adopted by other local authorities who have set up PRS licensing schemes.

It is proposed we offer 'discounts' as incentives for;

- Properties which are in the Council's Property Accreditation scheme
- Landlord who apply for a license 'early' to join the scheme (during the first 3 months of the scheme)

It is proposed we set 'additional' charges for landlords with properties that contain a higher number of units. So a landlord would pay the standard fee but an additional fee [on an increasing scale];

<b>In addition :</b>
7-12 units
13-20 units
21+ units

## **6. License Conditions**

Licence holders in both schemes will be required to comply with conditions on their licence. Some of these conditions are mandatory and have to be applied to each licence, as defined in the Housing Act 2004. Each licence will also have a further set of conditions that are specific to Sefton. A full set of conditions can be found at Appendix 1 (Selective and Additional HMO).

In summary, the main conditions we would require selective licence holders to:

- Provide gas safety certificates annually (if gas is supplied);
- Keep any electrical appliances and furniture provided in a safe condition;
- Provide smoke alarms and keep them in good working order;
- Issue residents with a written statement of the terms of occupation (e.g. a tenancy agreement or licence);
- Require references from prospective tenants;
- Provide electrical installation condition reports for the fixed wiring installations if requested by Sefton;
- Appropriately manage ASB, should it ever originate from their property;

- Limit occupation of the property to the numbers of persons and households specified in the licence;
- Make suitable arrangements for waste management;
- Make suitable arrangements for completing routine repairs and maintenance;
- Advise the Local Authority of any change in circumstances.

## **Selective Licensing Conditions**

### **1 Fit and Proper Person**

**1.1** The licence holder must at all times be a fit and proper person to be the licence holder. The licence holder must notify the Local Authority within 7 days of a finding by any court that the licence holder or any person involved in the management of the house has committed any of the matters identified at 1.1 (a) to (c) below. In deciding for the purposes of the Housing Act 2004 section (3) (a) or (c) whether a person is a fit and proper person to be a licence holder or the manager of the house, the local housing authority must have regard to any offences as follows;

- (a) Any offences involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 of the Sexual Offences Act 2003
- (b) Any unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in, or in connection with the carrying on of any business.
- (c) Any contravention of any provision of the law relating to housing or of landlord and tenant law.
- (d) Any person involved in the management of the property has sufficient level of competence to be so involved.
- (e) Any person involved in the management of the house is a fit and proper person to be so involved.
- (f) Provision of adequate management structures and funding arrangements.

Our licensing conditions will be amended to reflect any legislative changes to definition.

### **2 Mandatory Conditions – Schedule 4 of the Housing Act 2004**

#### **2.1 Gas**

If gas is supplied to the property, the licence holder must provide to Sefton Council a Gas Safety Certificate issued within the previous 12 months at the time of application and thereafter annually or on demand.

#### **2.2 Electrical Appliances**

The licence holder must keep all electrical appliances supplied in a safe condition and must supply to Sefton Council on demand a declaration by him as to the safety of such appliances.

#### **2.3 Furniture**

The licence holder must ensure that furniture made available by him (or if he is not the landlord, by the landlord) in the property is in a safe condition. All upholstered furniture and covers and fillings of cushions and pillows should comply with current fire safety legislation. A declaration as to the safety of such furniture must be provided to Sefton Council on demand.

## **2.4 Smoke Alarms**

The licence holder must ensure that smoke alarms and carbon monoxide alarms are installed in the property in accordance with condition 2.5 to comply with The Smoke & Carbon Monoxide alarm (England) Regulations 2015 and keep each alarm in proper working order. The licence holder must supply Sefton Council, on demand, a declaration as to the condition and positioning of such alarms.

## **2.5 The Licence holder must ensure that:**

- 2.5.1 A smoke alarm is installed on each story of the premises on which there is a room used wholly or partly as living accommodation (including a bathroom or lavatory); and
- 2.5.2 A carbon monoxide alarm is installed in any room which is used wholly or partly as living accommodation (including a bathroom or a lavatory) and contains a solid fuel burning combustion appliance.
- 2.5.3 The licence holder must ensure that all alarms are in proper working order at the commencement of any new tenancy or licence.

## **2.6 Terms of occupation**

The licence holder must supply to the occupiers of the house a written statement of the terms on which they occupy the property (a suitable tenancy agreement).

## **2.7 Tenant references**

The licence holder must demand references from persons who wish to occupy the house, prior to a tenancy being granted. The landlord should ensure that the occupier will be a suitable tenant. If there is a risk [eg due to previous ASB] that a tenant may cause a nuisance within the home or neighbourhood, that measures are put in place to mitigate those risks. The licence holder must retain all references obtained for the duration of the licence

## **3. Sefton Council Licensing Conditions**

### **3.1 Tenancy Management**

The licence holder will provide the tenant with an information pack containing the following documents:

- (a) A true copy of the licence to which these conditions apply;
- (b) A notice with the name, address, daytime and emergency contact number of the licence holder or managing agent; (*This information is*

*also to be provided to Sefton Council*) Any changes in contact details should be provided to occupiers and Sefton Council within 7 days of the changes.

- (c) True copy of current gas safety certificate
- (d) True copy of current energy performance certificate (*Certificate must be provided to Sefton Council within 28 days on demand.*)
- (e) Statement of the terms of occupation
- (f) Details of arrangements for the storage and disposal of waste;
- (g) Tenants responsibilities in the storage and presenting of refuse for disposal.
- (h) Details explaining how the tenant can make a complaint in relation to matters concerning their occupation and how the licence holder/manager will deal with such, including the timescales for completion of repair works.
- (i) Where a deposit has been taken in connection with the tenant's occupation of the property, information on the prescribed form required by s213(5) Housing Act 2004. (*This information must be provided to Sefton Council within 28 days on demand.*)
- (j) A user manual/written instruction for the correct operation and setting of the fixed form of heating.

### **3.2 Property Management**

- 3.2.1 The licence holder must ensure that any remedial works to rectify disrepair issues identified are undertaken within a reasonable period of time, and within the timescales notified to the occupiers under condition 3.1(h). The works must be carried out by competent and reputable persons.
- 3.2.2 The licence holder must ensure, insofar as reasonably possible, that emergency works necessary to protect the security of the property are undertaken within 24hrs of notification e.g. damage to windows/entrance points to the property.
- 3.2.3 Where Sefton Council has reasonable grounds for believing that the electrical installation may be in need of repair or upgrading, it may demand from the licence holder an Electrical Installation Condition Report carried out by a competent electrical engineer who is a member of one of the 6 current organisations authorised to self-certificate. Such reports should not be more than 5 years old.
- 3.2.4 Should the Electrical Installation Condition Report specify the installation to be unsatisfactory then the licence holder must ensure that the works necessary to bring it up to a satisfactory condition are completed as soon as possible but within a reasonable timescale depending upon the nature of the problem.
- 3.2.5 The licence holder must ensure that as well as the declaration and Mandatory condition of providing annual Gas Safe Certificate, landlords of a property also have further duties under the Gas Safety (Installation and use) Regulations 1998, whereby they are required to provide on-going maintenance of the gas installation Landlords/Licence holders should not assume that by carrying out annual gas safety checks will be sufficient to provide effective maintenance;

advice of a competent person should be sought. All such maintenance works to be carried out by a Gas Safe registered engineer.

- 3.2.6 As far as is reasonably practicable, the landlord/licence holder shall not allow the property to become overcrowded.
- 3.2.7 The licence holder must provide adequate facilities and amenities (such as toilets, baths, showers, washing and cooking facilities) as per the number of occupiers. All facilities and any equipment provided including cupboards, shelving or fittings etc. must be maintained in good repair and working order as far as is reasonably practicable.
- 3.2.8 The licence holder/manager shall take reasonable steps to ensure that the property is free from any pest infestation at the start of a tenancy and where necessary ensure that a treatment programme is carried out to eradicate the pest infestation. Record of such treatment programmes must be kept and provided to Sefton Council within 28 days on demand.

### **3.3 External areas, refuse & waste**

The licence holder must ensure that:

- (a) The exterior of the property is maintained in a reasonable decorative order and state of repair;
- (b) At the commencement of a new tenancy any gardens, yards and other external areas within the curtilage of the house must be in a reasonably clean and tidy condition and free from rodent infestation, and
- (c) Suitable and adequate provision is made for storage of refuse generated in the property and that occupants use receptacles provided by Sefton Council for storage prior to collection. (wheeled bins or refuse sacks)
- (d) The wheeled bins or plastic refuse sacks (if wheeled bins are not provided) must not be presented for collection for a period of more than 12 hours prior to collection.
- (e) Any new occupant of the building is notified of the date of collection for the wheeled bins/refuse sacks.

### **3.4 Security**

The licence holder must ensure that:

- (a) The security provisions for the access to the dwelling (including but not limited to locks, latches, deadbolts and entry systems) must be maintained in good working order at all times.
- (b) Where window locks are fitted, the licence holder will ensure that keys are provided to the relevant occupant.
- (c) Where a burglar alarm is fitted to the house, the licence holder must provide the occupant with instructions on how to operate the alarm and how to report a fault with the system and must inform the Local Authority of the key holder contact details.
- (d) Where previous occupants have not surrendered keys, the licence holder will arrange for a lock change to be undertaken, prior to new occupants moving in.

- (e) Where alley gates are installed to the rear of the licensed property, the licence holder must at the time of letting, provide all new tenants with the appropriate alley-gate key and replace any such keys prior to any tenancy starting.

### **3.5 Training**

The Licence Holder and/or Manager shall undertake property management training courses where required to do so by Sefton Council.

### **3.6 Absence**

The licence holder is required to have in place suitable emergency and other management arrangements in the event of their absence. The name and contact details of the licence holder and/or manager must be supplied to each occupier and must also be on display in a prominent place

### **3.7 Compliance Inspections**

The licence holder must allow the Council to undertake compliance checks. Council Officers will give the licence holder at least 24 hrs notice of these checks and produce valid authorisation at the time of the visit.

### **3.8 Anti-Social Behaviour**

The licence holder must:

- (a) Take reasonable and practical steps to reduce or prevent anti-social behaviour by persons occupying or visiting the house and the use of the premises for illegal purposes.
- (b) The licence holder must ensure that any tenancy agreement granted after the issue of this licence includes the following clause within the tenant's obligations:

**“Nuisance and Anti-social Behaviour:** Not to cause, or allow household members, or visitors to engage in anti-social behaviour, which means any conduct causing or capable of causing a nuisance or annoyance to the landlord, other occupiers, neighbours or people engaging in lawful activity within the locality”

The property must be regularly monitored between tenancies to ensure that it does not cause a nuisance to neighbours or other local residents.

- (c) Effectively address all problems of anti-social behaviour resulting from the conduct on the part of a tenant, occupiers, or visitors to the premises by complying with the “ASB information for Landlords” pack or an equivalent process.
- (d) Provide on demand a written action plan to Sefton Council outlining procedures for dealing with anti-social behaviour. This must be reviewed periodically and submitted to the Council on demand.
- (e) Obtain tenant references prior to granting a tenancy as to previous tenancy conduct, including behaviour of the proposed occupier and household and be satisfied that the tenant is not likely to cause any anti-social behaviour.



- (f) Co-operate with Sefton Council, Merseyside Police and other agencies in resolving complaints of anti-social behaviour.
- (g) Undertake an investigation of any complaints of anti-social behaviour regarding their tenants. Written records of these will be required.
- (h) Provide the occupiers of the property with written confirmation detailing arrangements in place to report nuisance and anti-social behaviour.

### **3.9 HMOs**

Licence Holders for premises that are 'Houses in Multiple Occupation' (HMOs) as defined in sections 254 and 257 of the Housing Act 2004, must comply with the following regulations and standards;

- i. *'The Licensing & Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006'* – Statutory Instrument (SI) N° 373, as amended by Regulation 12 of SI N° 1903:2007.
- ii. *'The Management of Houses in Multiple Occupation (England) Regulations 2006'* – SI N° 372: 2006
- iii. *'The Licensing & Management of Houses in Multiple occupation (Additional Provisions) (England) Regulations 2007'* – SI N° 1903
- iv. *'The Smoke and Carbon Monoxide Alarm (England) Regulations 2015'*
- v. *'Gas Safety (Installation & Use) Regulations 1998'*
- vi. *'The Furniture & Furnishings (Fire)(Safety) Regulations 1988'*
- vii. *'Electrical Equipment (Safety) Regulations 1994'*

The above standards and requirements are summarised in this authority's ['Approved Standards for Houses in Multiple Occupation'](#)

### **3.10 Variations**

The licence holder must inform the Council, in writing, of any changes to the occupation, ownership or management or material changes to layout of the property, as listed below within 14 days of the change occurring:

- a) Changes in the number of persons to occupy the licensed premises
- b) Changes in the ownership of the property
- c) Licence holder change of address or contact telephone number
- d) Manager change of address or contact telephone number
- e) Change of manager
- f) Appointment of manager
- g) Changes to the layout, amenity provision or fire precautions.

## **Additional (HMO) Licensing Conditions**

### **1 Fit and Proper Person**

**1.1** The licence holder must at all times be a fit and proper person to be the licence holder. The licence holder must notify the Local Authority within 7 days of a finding by any court that the licence holder or any person involved in the management of the house has committed any of the matters identified at 1.1 (a) to (c) below. In deciding for the purposes of the Housing Act 2004 section (3) (a) or (c) whether a person is a fit and proper person to be a licence holder or the manager of the house, the local housing authority must have regard to any offences as follows;

- (a) Any offences involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 of the Sexual Offences Act 2003.
- (b) Any unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in, or in connection with the carrying on of any business.
- (c) Any contravention of any provision of the law relating to housing or of landlord and tenant law.
- (d) Any person involved in the management of the property has sufficient level of competence to be so involved.
- (e) Any person involved in the management of the house is a fit and proper person to be so involved.
- (f) Provision of adequate management structures and funding arrangements.

Our licensing conditions will be amended to reflect any legislative changes to definition.

### **2. Mandatory Conditions – Schedule 4 of the Housing Act 2004**

#### **2.1 Gas**

If gas is supplied to the property, the licence holder must provide to Sefton Council a Gas Safety Certificate issued within the previous 12 months at the time of application and thereafter annually or on demand.

#### **2.2 Electrical Appliances**

The licence holder must keep all electrical appliances supplied in a safe condition and must supply to Sefton Council on demand a declaration by him as to the safety of such appliances.

#### **2.3 Furniture**

The licence holder must ensure that furniture made available by him (or if he is not the landlord, by the landlord) in the property is in a safe condition. All upholstered furniture and covers and fillings of cushions and pillows should comply with current fire safety legislation. A declaration as to the safety of such furniture must be provided to Sefton Council on demand.

## **2.4 Smoke Alarms**

The licence holder must ensure that smoke alarms and carbon monoxide alarms are installed in the property in accordance with condition 2.5 to comply with The Smoke & Carbon Monoxide alarm (England) Regulations 2015 and keep each alarm in proper working order. The licence holder must supply Sefton Council, on demand, a declaration as to the condition and positioning of such alarms.

## **2.5 The Licence holder must ensure that:**

- 2.5.1 A smoke alarm is installed on each story of the premises on which there is a room used wholly or partly as living accommodation (including a bathroom or lavatory); and
- 2.5.2 A carbon monoxide alarm is installed in any room which is used wholly or partly as living accommodation (including a bathroom or a lavatory) and contains a solid fuel burning combustion appliance.
- 2.5.3 The licence holder must ensure that all alarms are in proper working order at the commencement of any new tenancy or licence.

## **2.6 Terms of occupation**

The licence holder must supply to the occupiers of the house a written statement of the terms on which they occupy the property (a suitable tenancy agreement).

# **3 Sefton Council Licensing Conditions**

## **3.1 Tenancy Management**

The licence holder will provide the tenant with an information pack containing the following documents:

- (a) A true copy of the licence to which these conditions apply.
- (b) A notice with the name, address, daytime and emergency contact number of the licence holder or managing agent (*this information is also to be provided to Sefton Council*). Any changes in contact details should be provided to occupiers and Sefton Council within 7 days of the changes.
- (c) True copy of current gas safety certificate.
- (d) True copy of the current Electrical Inspection Condition Report (EICR) that must not be more than 5 years old .

- (e) True copy of current energy performance certificate where applicable. *(Certificate must be provided to Sefton Council within 28 days on demand).*
- (f) Statement of the terms of occupation.
- (g) Details of arrangements for the storage and disposal of waste.
- (h) Tenants responsibilities in the storage and presenting of refuse for disposal.
- (i) Details explaining how the tenant can make a complaint in relation to matters concerning their occupation and how the licence holder/manager will deal with such, including the timescales for completion of repair works.
- (j) Where a deposit has been taken in connection with the tenant's occupation of the property, information on the prescribed form required by s213(5) Housing Act 2004. *(This information must be provided to Sefton Council within 28 days on demand).*
- (k) A user manual/written instruction for the correct operation and setting of the fixed form of heating.

## **3.2 Property Management**

- 3.2.1 The licence holder must ensure that any remedial works to rectify disrepair issues identified are undertaken within a reasonable period of time, and within the timescales notified to the occupiers under condition 3.1(i). The works must be carried out by competent and reputable persons.
- 3.2.2 The licence holder must ensure, insofar as reasonably possible, that emergency works necessary to protect the security of the property are undertaken within 24hrs of notification e.g. damage to windows/entrance points to the property.
- 3.2.3 The licence holder must provide on demand an Electrical Installation Condition Report (EICR) carried out by a competent electrical engineer who is a member of one of the 8 current organisations authorised to self-certificate. Such reports should not be more than 5 years old.
- 3.2.4 Should the Electrical Installation Condition Report specify the installation to be unsatisfactory then the licence holder must ensure that the works necessary to bring it up to a satisfactory condition are completed as soon as possible but within a reasonable timescale depending upon the nature of the problem.
- 3.2.5 The licence holder must ensure that as well as the declaration and Mandatory condition of providing annual Gas Safe Certificate, landlords of a property also have further duties under the Gas Safety (Installation and use) Regulations 1998, whereby they are required to provide on-going maintenance of the gas installation Landlords/Licence holders should not assume that by carrying out annual gas safety checks will be sufficient to provide effective maintenance; advice of a competent person should be sought. All such maintenance works to be carried out by a Gas Safe registered engineer.
- 3.2.6 As far as is reasonably practicable, the landlord/licence holder shall not allow the property to become overcrowded.
- 3.2.7 The licence holder must provide adequate facilities and amenities (such as toilets, baths, showers, washing and cooking facilities) as per the number of

occupiers. All facilities and any equipment provided including cupboards, shelving or fittings etc. must be maintained in good repair and working order as far as is reasonably practicable.

- 3.2.8 The licence holder/manager shall take reasonable steps to ensure that the property is free from any pest infestation at the start of a tenancy and where necessary ensure that a treatment programme is carried out to eradicate the pest infestation. Record of such treatment programmes must be kept and provided to Sefton Council within 28 days on demand.

### **3.3 External areas, refuse & waste**

The licence holder must ensure that:

- (a) The exterior of the property is maintained in a reasonable decorative order and state of repair;
- (b) At the commencement of a new tenancy any gardens, yards and other external areas within the curtilage of the house must be in a reasonably clean and tidy condition and free from rodent infestation, and
- (c) Suitable and adequate provision is made for storage of refuse generated in the property and that occupants use receptacles provided by Sefton Council for storage prior to collection (wheeled bins or refuse sacks).
- (d) The wheeled bins or plastic refuse sacks (if wheeled bins are not provided) must not be presented for collection for a period of more than 12 hours prior to collection.
- (e) Any new occupant of the building is notified of the date of collection for the wheeled bins/refuse sacks.

### **3.4 Security**

The licence holder must ensure that:

- (a) The security provisions for the access to the dwelling (including but not limited to locks, latches, deadbolts and entry systems) must be maintained in good working order at all times.
- (b) Where window locks are fitted, the licence holder will ensure that keys are provided to the relevant occupant.
- (c) Where a burglar alarm is fitted to the house, the licence holder must provide the occupant with instructions on how to operate the alarm and how to report a fault with the system and must inform the Local Authority of the key holder contact details.
- (d) Where previous occupants have not surrendered keys, the licence holder will arrange for a lock change to be undertaken, prior to new occupants moving in.
- (e) Where alley gates are installed to the rear of the licensed property, the licence holder must at the time of letting, provide all new tenants with the appropriate alley-gate key and replace any such keys prior to any tenancy starting.
- (f) All final exit doors must be provided with a secure lock. Any doors fitted with a lock, including final exit doors from the building or any that form

part of the means of escape in the event of a fire, must be capable of being opened from the inside without the use of a key.

### **3.5 Training**

The Licence Holder and/or Manager shall undertake property management training courses where required to do so by Sefton Council.

### **3.6 Absence**

The licence holder is required to have in place suitable emergency and other management arrangements in the event of their absence. The name and contact details of the licence holder and/or manager must be supplied to each occupier and must also be on display in a prominent place

### **3.7 Compliance Inspections**

The licence holder must allow the Council to undertake compliance checks. Sefton Council Officers will give the licence holder at least 24 hrs notice of these checks and produce valid authorisation at the time of the visit.

### **3.8 Anti-Social Behaviour**

The licence holder must:

- a. Take reasonable and practical steps to reduce or prevent anti-social behaviour by persons occupying or visiting the house and the use of the premises for illegal purposes.
- b. The licence holder must ensure that any tenancy agreement granted after the issue of this licence includes the following clause within the tenant's obligations:  
  

**“Nuisance and Anti-social Behaviour:** Not to cause, or allow household members, or visitors to engage in anti-social behaviour, which means any conduct causing or capable of causing a nuisance or annoyance to the landlord, other occupiers, neighbours or people engaging in lawful activity within the locality”

The property must be regularly monitored between tenancies to ensure that it does not cause a nuisance to neighbours or other local residents.
- c. Provide new occupants with a tenancy agreement that includes clauses that allow the licence holder to take steps to tackle anti-social behaviour.
- d. Effectively address all problems of anti-social behaviour resulting from the conduct on the part of a tenant, occupiers, or visitors to the premises by complying with the “ASB information for Landlords” pack or an equivalent process.
- e. Provide on demand a written action plan to Sefton Council outlining procedures for dealing with anti-social behaviour. This must be reviewed periodically and submitted to the Council on demand.

- f. Obtain tenant references prior to granting a tenancy as to previous tenancy conduct, including behaviour of the proposed occupier and household and be satisfied that the tenant is not likely to cause any anti-social behaviour. If there is a risk [eg due to previous ASB] that a tenant may cause a nuisance within the home or neighbourhood, that measures are put in place to mitigate those risks.
- g. All references obtained must be retained for the duration of the licence.
- h. Co-operate with Sefton Council, Merseyside Police and other agencies in resolving complaints of anti-social behaviour.
- i. Undertake an investigation of any complaints of anti-social behaviour regarding their tenants. Written records of these will be required.
- j. Provide the occupiers of the property with written confirmation detailing arrangements in place to report nuisance and anti-social behaviour.

### 3.9 HMOs

Licence Holders for premises that are 'Houses in Multiple Occupation' (HMOs) as defined in sections 254 and 257 of the Housing Act 2004, must comply with the following regulations and standards;

- i. *'The Licensing & Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006'* – Statutory Instrument (SI) N° 373, as amended by Regulation 12 of SI N° 1903:2007.
- ii. *'The Management of Houses in Multiple Occupation (England) Regulations 2006'* – SI N° 372: 2006
- iii. *'The Licensing & Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007'* – SI N° 1903
- iv. *'The Smoke and Carbon Monoxide Alarm (England) Regulations 2015'*
- v. *'Gas Safety (Installation & Use) Regulations 1998'*
- vi. *'The Furniture & Furnishings (Fire)(Safety) Regulations 1988'*
- vii. *'Electrical Equipment (Safety) Regulations 1994'*

The above standards and requirements are summarised in this authority's 'Approved Standards for Houses in Multiple Occupation' [\[click to access\]](#)

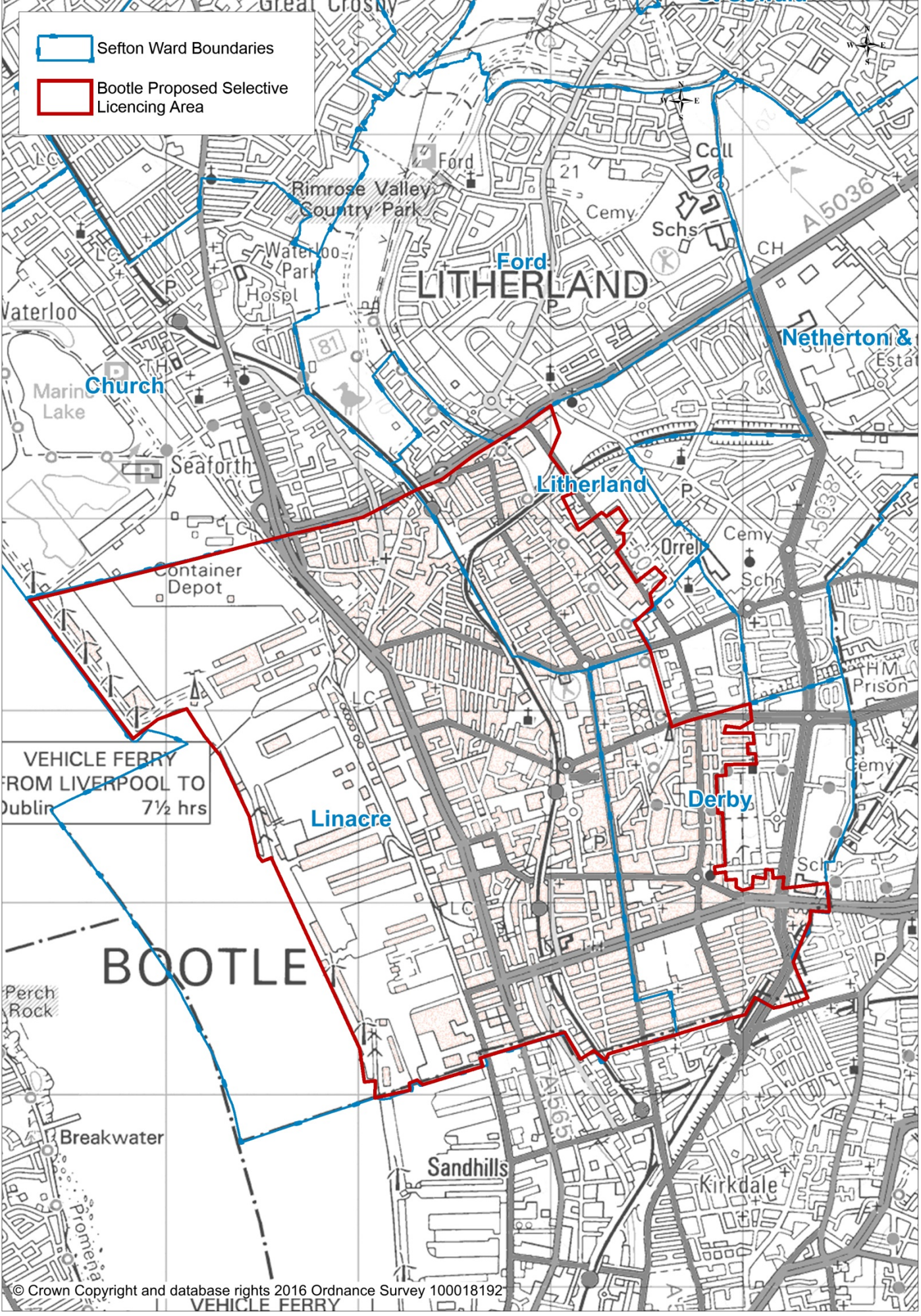
### 3.10 Variations

The licence holder must inform the Local Authority, in writing, of any changes to the occupation, ownership or management, or material changes to layout of the property, as listed below within 14 days of the change occurring:

- A) Changes in the number of persons to occupy the licensed premises
  - a) Changes in the ownership of the property
  - b) Licence holder change of address or contact telephone number

- c) Manager change of address or contact telephone number
- d) Change of manager
- e) Appointment of manager
- f) Changes to the layout, amenity provision or fire precautions.





Sefton Ward Boundaries  
 Bootle Proposed Selective Licencing Area

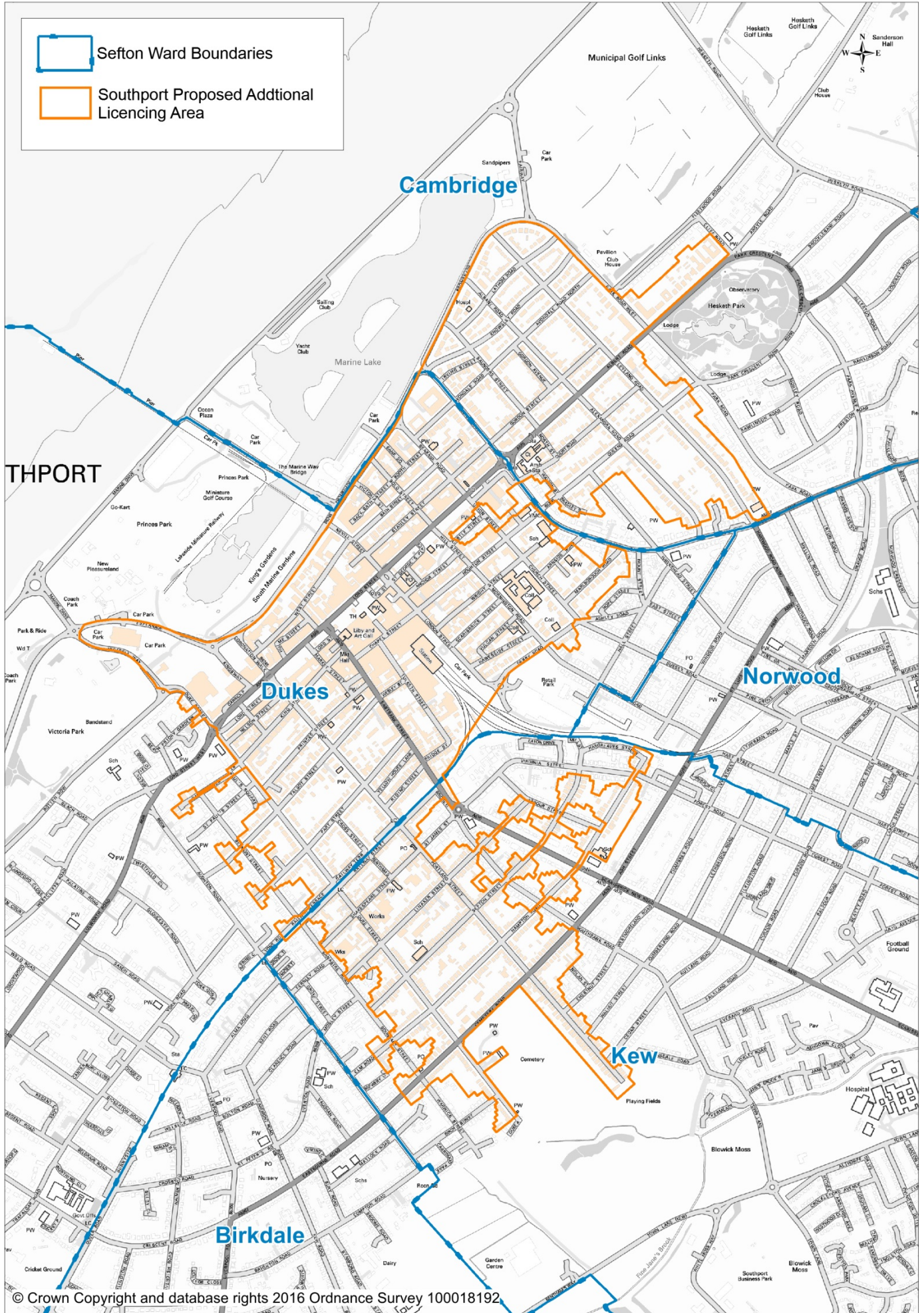
VEHICLE FERRY  
 FROM LIVERPOOL TO  
 Dublin  
 7 1/2 hrs





Sefton Ward Boundaries



Southport Proposed Additional Licencing Area



 Sefton Ward Boundaries  
 Waterloo Proposed Additional Licencing Area

