



**Telford & Wrekin**  
**C O U N C I L**

Addenbrooke House Ironmasters Way Telford TF3 4NT

## COMMUNITIES SCRUTINY COMMITTEE

|       |   |      |                |
|-------|---|------|----------------|
| Date  | <b>Tuesday, 30 November 2021</b>                            | Time | <b>6.00 pm</b> |
| Venue | <b>Addenbrooke House, Ironmasters Way, Telford, TF3 4NT</b> |      |                |

### Enquiries Regarding this Agenda

|                     |                          |              |
|---------------------|--------------------------|--------------|
| Democratic Services | Sam Yarnall              | 01952 382193 |
| Media Enquiries     | Corporate Communications | 01952 382406 |

|                           |  |
|---------------------------|--|
| <b><u>Committee</u></b>   | Councillors S Bentley, E J Carter, G H Cook, T L B Janke, R Mehta, |
| <b><u>Membership:</u></b> | B J Thompson and C R Turley (Chair), Co-optees                     |

## AGENDA

### 4. **HMO Update Report**

To receive a briefing from Katherine Kynaston (Director: Housing, Employment & Infrastructure).

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Telford & Wrekin  
Co-operative Council

Protect, care and invest  
to create a better borough

# Houses in Multiple Occupation

Communities Scrutiny Committee

Tuesday, 30 November 2021

# Growth of the Private Rented Sector (PRS)

## Nationally

- In 2001 the PRS accounted for 2.2 million households nationally
- By 2019 this had grown to 4.5 million

## Telford and Wrekin

- In 2001 the PRS accounted for 3,762 households in T&W
- In 2020 this was estimated to have grown to 11,380

# Reasons for Growth

- **Increase in house prices** - reducing affordability for first time buyers
- **Buoyant rental market** – Buy to Let - driving up house prices
- **Welfare reform** – leading to growth in shared housing & Houses in Multiple Occupation (HMO)
- Despite local delivery **social housing provision declined** – right to buy and disposals

## Houses in Multiple Occupation (HMOs)

A property is an HMO if both of the following apply:

- at least **3 tenants** live there, **forming more than 1 household**  
&
- **sharing toilet, bathroom or kitchen facilities with other tenants**

# HMO Licensing

An HMO only requires a licence if both of the following apply:

- **5 or more occupants** living in two or more households  
&
  - sharing **toilet, bathroom or kitchen facilities** with other tenants
- 
- Telford & Wrekin Council currently licence **244** HMOs

# Figures

- There were an estimated **497,000** HMOs in **England and Wales** at the end of March 2018
- Council Tax & Housing Benefit records show that there are **c.550** HMOs in **Telford and Wrekin**
- This includes HMOs that we **licence and those that do not require a licence** and this number could potentially be higher

# HMOs as part of the Local Housing Market

- **HMOs have a vital role to play in the local housing market**
- Providing **accommodation for single people under the age of 35** on housing benefit or universal credit following Welfare Reform changes
  - ***Shared Room rate*** - a single person under the age of **25** only receives Housing Benefit to the average rent level for a room in a shared house
  - **Shared Accommodation Rate** – increased this cap to singles up to age of **35**
- **Student** accommodation
- **Transitional** accommodation including for young, working professionals
- **Majority of HMOs are well managed and do not cause problems**

# Private Sector Housing Service

- **Support and advice to landlords and tenants** e.g. affordable warmth grants
- **Covid checks of all licensed HMOs with advise** on additional control measures
- **All licensable HMOs** are inspected prior to granting a licence
- **Licence conditions** are set for fire detection, waste management, room sizes and amenity standards
- **Complaints** are **investigated** by the reactive team
- **Proactive** team target properties belonging to known problematic portfolio landlords and in areas with high numbers

## Issues associated with poorly managed HMOs

Poorly managed HMO while not the norm can:-

- attract **ASB, overcrowding & crime**
- Have a **negative impact on the physical environment** and streetscape
- Create **pressure on parking provision**
- Put pressure on local **community facilities**
- Create **unbalanced communities**

# Regulation of HMOs

- **The Housing, Health and Safety Rating System (HHSRS) is used to assess all private rented properties** for 29 key hazards found within the home, associated with hospital admissions and fatalities.
- All **HMOs are further regulated by 'Management Regulations'**
  - Fire safety and means of escape
  - Design and structure of the HMO
  - Gas and electrical safety
  - Adequacy of supply and provision of services

# Enforcement Powers

- **Breaching management regulations; licence conditions or operating a licensable HMO without a licence is a criminal offence**, for which landlords can be prosecuted carrying an unlimited fine
- The Housing and Planning Act 2016 has given local authorities **additional enforcement powers in the form of civil penalties** (up to £30,000) which can be imposed as an alternative to prosecuting landlords
- **Banning Orders**

## Enforcement Action 2020/21

**In the last 12 months Enforcement action has included:**

- Support, advice to 500 landlords to support improved action
- **Formal legal action against 30 landlords operating HMOs:**
  - Improvement Notices
  - Prohibition Order
  - Prosecutions (which maybe for multiple offences)
  - Civil Penalty Notices (multiple offences)
- **Ongoing enforcement of Banning Order** affecting 5 HMOs

# HMOs & Planning

- **Under planning regulations HMOs can be permitted without planning permission**
  - occupied by up to 6 people provided they live as a single household
  - 'small houses in multiple occupation' for up to 3-6 people who are unrelated and share basic amenities
  - To allow a residential dwelling to become a small HMO (and vice versa)
- **Article 4** – allows Council's to withdraw permitted development rights BUT only to avoid **wholly adverse conditions based on robust evidence and in smallest geographical area** – the test has become harder

## Supporting Good HMO Management

- **Better Homes for All** – providing support at planning stage on layout, provision, fire safety and management practise
- **Wrekin landlord Association** – links with landlords of well run HMOs
- **Public Health Funding** – used to inspect all licensed HMOs & provide advice and support on measures to prevent the spread of Covid – 19
- **Safer, Stronger Communities Programme** – providing additional support for landlords of HMOs – attending community events
- Commissioned **stock condition survey** which will overlay data sources to identify hidden HMOs & targeted support

# Targeting Poor HMO management practises

- **Better Homes for All** – proactively targeting poorly managed HMOs, associated with criminality
- Residents, T&PC, Ward Members able to **report problem HMO**
- **Police/Fire services engaged** and observe and report
- **Safer Streets (Brookside & Sutton Hill)** – working with Police identified HMOs with management breaches which are being addressed
- **Safer, Stronger Communities Programme** – intelligence led approach targeting areas with high concentrations of problematic HMOs via proactive inspections
- **Work with Harper Adams University** around issues in Newport with student accommodation, parking, noise and ASB

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