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**Independent review of the
additional HMO licensing
scheme**

**Royal Borough of
Greenwich**

Final report

October 2022



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Project details

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Executive summary

You currently have a borough-wide additional HMO licensing scheme, which ends in October 2022. You asked M·E·L Research to carry out an independent review of that scheme in order to assess the difference it's made and to provide evidence to support a decision about renewing the scheme longer term.

We've summarised the above into three guiding themes:

- strategic fit
- effective running of the licensing scheme, including any improvements for now
- impact it's made.

To answer these, we have reviewed Borough policies and plan, analysed extensive data on the licensing scheme, carried out an online survey of licence holders, interviewed internal RBG colleagues and interviewed some external stakeholders. This executive summary pulls together evidence from across these methods but set out by each of the three overarching themes.

Strategic fit

The additional HMO licensing scheme was consistent with corporate strategies at the time of implementation and continues to be in 2021. This includes the Borough's Corporate Plan and high-level priorities 2016-18, such as a focus on healthy and safe living environments, and the Borough's 2017-20 vision for children in Greenwich. There was also alignment at the time of our review in 2021 with corporate strategies, such as A Safer Greenwich to ensure "safe and legally compliant housing in the Borough" and Delivering Homes Through Economic Growth. When introduced, the scheme aligned with the Borough's Homelessness Review and Homelessness Strategy 2014-2019, particularly efforts to increase the number and quality of accommodation made available to prevent homelessness and for young people, as well as developing partnerships with private landlords and a high intensity enforcement programme.

Members of the EH team variously described the strategic fit of the scheme. Several said it was about private tenants being "safe and secure", including with good property conditions, fire precautions and not overcrowded. Some of the external stakeholders also pointed to this need for protection for vulnerable tenants, with examples like the "marginalised" Nepalese Gurkha community, concentrated in Plumstead.

For local residents, the focus was more around ASB, waste and infestations associated with HMOs. Good landlords want a level playing field, we were told, without unscrupulous landlords cutting

corners or breaking the law. For a wider RBG colleague, licensing was about avoiding “slum landlords”. This was echoed by another EH colleague, saying that the borough’s intervention in private business should be a last resort, when the system fails.

While the points above suggest a fit with wider borough strategies, we also heard about tension between implementation of homelessness policies and Environmental Health. The Homelessness Reduction Act encourages councils to avoid evictions and keep people in properties as long as possible.

Running of scheme

We saw evidence about the running of the scheme from every data collection method. One RBG colleague summarised the running of the scheme, saying it was good at the beginning, dipped in the middle and is now getting better.

At the end of September 2021, there were 844 additional HMOs licensed. The level of activity revealed by the statistical data shows a variety. For example, the highest number of licences issued were in Q3 of 2018 and Q1 of 2019, each with more than 100 issued. The number of properties inspected also varies by quarter, with just four quarters with more than 50 inspections done. The average time taken to process claims is high, an average of 314 days from the time of application to the time issued, over ten months. In contrast, over two-thirds of properties had a desktop assessment and an inspection on or near their planned day, as shown by the data provided. 860 risk assessments were carried out from October 2017 to April 2021 and 352 properties inspected, the data shows.

From internal RBG colleague interviews, it seems the biggest challenge to the effective running of the scheme has been around resources. The additional licensing team has never been fully resourced with staff throughout its operation, we were told. Inexperienced graduates have been employed into technical EH roles, though have often left after a year with you. The team manager has changed several times, introducing inconsistency. Altogether, this has led to delays in processing applications and therefore a backlog. Some of this was down to supporting documents missing, though your change of IT system from M3 to Tascomi and the setup of your online reporting form have also aggravated delays to the smooth and speedy processing of licence applications. A national audit by the NRLA has also highlighted the slow processing of additional applications in Greenwich and limited number of inspections compared to some other authorities.

The survey of licence holders revealed some pretty negative views from this sample:

- 71% of respondents dissatisfied with the scheme overall
- 61% dissatisfied with applying for a licence
- 68% dissatisfied with payment of fees
- 56% dissatisfied with communication during the application process

- 51% dissatisfied on work needed during the application process
- 46% dissatisfied with the HMO inspection process, although high levels of neutral views (41%)
- 46% dissatisfied with communication after receiving the licence.

The overall strategy for the licensing scheme has also affected its running. With an early focus on identifying properties that need a licence, the intention was then to carry out compliance visits later into the scheme. However, because of changes to personnel and to the team being under-resourced, this has led to a backlog of properties to inspect. The scheme has therefore only reached Year 4 before a proper programme of compliance inspections has started, yet the backlog is absolutely immense, we were told.

Several colleagues spoke more positively about the direction of the additional licensing scheme. There was now a plan in place, we were told, and more control, with clear actions to address the backlog of applications.

Extensive partnership work has taken place between EH colleagues and other departments, and this across the scheme's operation, not just recently. In contrast, the London Fire Brigade felt that they were receiving too many additional HMO licence applications, more than they needed and were able to manage. A positive, however, was a recent meeting (at the time of interview) between you and the Brigade, agreeing to prioritise applications.

Impact of the scheme

Quantifying the impact of the additional HMO licensing scheme isn't straightforward. The scheme was introduced to improve property conditions and management standards, improve tenancy practices and make a positive impact on the local area.

On a positive front, a few interviewees said that having a scheme in place is helping the borough deal with HMOs, focusing attention on them. In particular, these people spoke about knowing where HMOs are and identifying owners. Likewise, some interviewees also felt that having the additional licensing scheme is helping you to be proactive, providing a framework to work around, so quicker and more resourced to use your powers.

Looking specifically at property conditions, there isn't a comprehensive stock condition survey of private rented properties to authoritatively answer this. We therefore have to rely on the data provided as part of this review. There is conflicting evidence about the number of additional HMOs inspected, up to 379 properties. Of these, occupancy and fire risk was the highest score, although the number of storeys was the most common risk. 5% of properties inspected had a total risk score of 100

or more, some significantly higher risk properties. We did hear of some landlords renovating properties, thereby improving property conditions.

Several colleagues spoke about an increased number of complaints about HMOs, showing that residents are more aware of the scheme and their ability to raise the alarm. Data provided that relate to complaints shows a mixed picture. For example, there were 106 noise complaints relating to additional HMOs between October 2017 and June 2021, though just 7 ASB complaints from June 2020 to April 2021, representing 1% of additional licensed HMOs, and just one complaint for illegal eviction among all of the licensed additional HMOs. There may be other datasets that account for higher incidents of both among additional HMOs, though we have seen them. Turning to action on these complaints, data shows there were 31 Stage 1 complaints against additional HMOs between October 2018 and May 2021, with just 9 going through to a Stage 2 complaint. The last set of data received that touches on the impact of the scheme relates to civil penalties, with 165 issued from July 2018 to April 2021, though only 45 (or 27%) marked as paid, totalling £269,000 in fees.

There was also a sense from several RBG colleagues that wider problems persist with HMOs and in the areas they are concentrated, including in Plumstead and Peninsula wards. This makes it hard to disentangle the impact of the additional licensing scheme. In particular, there is a lack of affordable property available, with higher numbers in priority need for housing than social homes built, coupled with a concentration of vulnerable tenants living in HMOs, sometimes being exploited by unscrupulous landlords.

Licence holders also shared their views about the impact of the additional licensing scheme. The majority of survey respondents stated that the additional licensing scheme had made no change to HMO property conditions (59%), made no change to management standards among HMOs (68%) and made no impact on the local area (59%).

A fundamental issue is the number of additional HMOs licensed. BRE modelling suggests that just 16% of the almost 4,200 smaller (additional) HMOs are licensed, in contrast to 77% of mandatory HMOs. One support agency backed this up. Identifying unlicensed HMOs can be viewed both positively and negatively. Where such properties have been discovered and then licensed, it brings them within a firmer remit, hopefully with recognised property and management standards. This therefore has the potential to address dangerous buildings, fire risks and ASB, including criminal activity like drug dealing. But the overwhelming majority of additional HMOs are not licensed, so outside the close catchment of the licensing scheme.

Pulling all of this together, the additional licensing scheme does fit your wider strategies, the running of the scheme has been choppy, though seems to be in calmer waters today but the impact has been limited, including because the scheme has reached just a small proportion of the estimated HMOs that should be licensed.

Introduction

You currently have a borough-wide additional HMO licensing scheme, which ends in October 2022. You asked M·E·L Research to carry out an independent review of that scheme in order to assess the difference it's made and to provide evidence to support a decision about renewing the scheme longer term.

Criteria to judge scheme

To judge the success or otherwise of the additional licensing scheme, we will assess evidence against the following criteria:

- the requirements in the [Housing Act 2004](#), in particular:
 - review the operation of a designation
 - effective implementation of the licensing regime
 - applications for licences and other issues are determined within a reasonable time
 - a significant proportion of the relevant HMOs being managed sufficiently ineffectively leading to particular problems for HMOs occupants or members of the public
 - consistent with the authority's overall housing strategy
 - a co-ordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour affecting the private rented sector.
- the aims of the scheme when it was originally set up to:
 - improve conditions
 - improve management standards
 - improve tenancy practices
 - ensure HMOs have a positive impact on the area.

We've summarised the above into three guiding themes:

- **strategic fit**
- **effective running** of the licensing scheme, including any improvements for now
- **impact** it's made.

Much of the evidence in this report relates back to these three overarching themes.

Our approach

To address these themes, we've carried out the following:

- A review of **existing documents**, particularly focusing on the strategic fit when the scheme launched and the fit today.
- An extensive analysis of **statistical data** about the scheme, mostly focused on the running of the scheme.
- An **online survey of licence holders**, to gain their views on the scheme and its impact.

- **Interviews with 14 internal RBG colleagues**, both those within the Environmental Health team and some more widely.
- **Interviews with five external stakeholders** representing three organisations.

Constraints

This project hasn't included physical property inspections, nor is there wider comparative data on the state of property conditions across Greenwich. Equally, we've taken a sample approach in contacting stakeholders, particularly external ones, and the online responses from licence holders are also a sample. Since lots of the evidence points in the same direction, it's fair to assume that we have captured the overriding views of people involved in the scheme, albeit second hand for HMO tenants and wider residents. Altogether, the evidence base is strongest on the strategic fit and running of the scheme, lighter on the impact it's had.

Document review

HMOs are defined in the Housing Act 2004 and include houses and flats occupied by three or more people forming more than one household. Certain buildings converted into self-contained flats can also be HMOs.

Section 56 of the Housing Act 2004 gives powers to local housing authorities to designate areas, or the whole of the area within their district, as subject to additional HMO licensing. The grounds for additional licencing are that:

“A significant proportion of the Houses in Multiple Occupation, 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 Houses in Multiple Occupation or for members of the public.”

You implemented a borough-wide additional HMO licensing scheme on the 1 October 2017, which the designation running for five years until 30 September 2022. The additional licensing scheme extended the existing mandatory HMO licensing scheme, which only applies to larger HMOs.

The rationale for adopting an additional licencing scheme was set out in your 2017 Designation Report.¹ This report compiled evidence of significant and persistent problems with the management and standard of HMOs in Greenwich. In particular, correlations were identified between the prevalence of HMOs and incidence of ASB, other nuisance issues and environmental problems.

Additional HMO Licensing was introduced in 2017 with the following ambitions:

- To keep occupants of HMOs safe and healthy by improving standards, securing effective management and enforcing basic tenancy arrangements within HMOs.
- To improve the living conditions for tenants through ensuring appropriate levels of amenities are provided and minimum room sizes are adhered to.
- To reduce the deleterious neighbourhood, safety, health and welfare impact of illegal or avoidance rental models in the Royal Borough.
- To improve the communities’ perception of living with HMOs through reductions in the incidences of anti-social behaviour in HMOs, such as vandalism, graffiti, noise, threatening behaviour, refuse dumping and criminal damage.
- To improve the external condition within the curtilage of the HMO to minimise adverse impacts on an area’s general character and amenity
- To ensure landlords exercise appropriate management and supervision of their HMOs to help reduce any adverse impact on the neighbourhood, eg from ASB, refuse dumping etc.

¹ Designation Report April 2017 - Proposed Additional Licensing Scheme of Houses in Multiple Occupation for the Royal Borough of Greenwich.

- To encourage investment in HMOs and increase the availability of affordable and decent accommodation for those in housing need.
- To build on and expand existing partnerships with landlords, agents, tenants, colleges and the Universities, community forums and partner agencies/services, maintaining effective two-way communication, promoting joint working and best practice and through these, facilitating improvements to the HMO market.
- To encourage and support owners, managers and managing agents of HMOs to work proactively with RBG in achieving clearly defined standards and management of HMOs.
- To facilitate stable and integrated communities through policy and proactive targeting of intervention.

The additional licensing scheme does not control the numbers of HMOs but puts in place suitable controls over those that already exist or may be created during the period covered by the scheme.

Alignment with the Borough’s strategic objectives

When introduced in 2017, the additional licencing scheme was aligned with the Borough’s Corporate Plan and high-level priorities 2016-18, namely:

- ensuring a healthy and safe living environment
- supporting and protecting children and families in need
- social care and health
- housing
- continuing to achieve excellence and good governance in the management of public finances.

More specifically, the Cabinet priorities for 2016-18 stated the following ambition:

“To deliver a continued multiagency approach to improving standards in the privately rented housing sector, with the implementation of extended licensing schemes for landlords.”²

In 2021 additional selective licensing remains in alignment with the Borough’s high level objectives. There are clear links to the priority issues identified in the Borough’s Corporate Plan 2018-22, specifically:

- **A Safer Greenwich** – this strategic objective seeks to ensure “safe and legally compliant housing in the Borough”. This objective also commits the Borough to take a “tough approach to anti-social behaviour by working with partners and involving our local communities at every opportunity.”
- **Delivering Homes Through Economic Growth** – this strategic objective seeks to “work with landlords and tenants to ensure the safety of residents and tenants.” This plan acknowledges the ongoing housing crisis across London and the fact that within Greenwich inadequate levels of

² Cabinet report titles ‘Cabinet Priorities 2016 – 2018, dated the 19 October 2016, brought by the Chief Executive and the Director for Central Services for the Leader of Council.

house building has led to a dearth of supply, placing pressure on both social housing and the private rented sector.

Explicit mention is made in the 2018-22 Corporate Plan to the roll out of additional HMO licencing, given that the scheme's implementation coincided with the publication of the Borough's new Corporate Plan:

“A further priority will be to work with landlords in the Borough to ensure that residents who are living in Private Rented accommodation are living in safe environments, but also that landlords ensure their tenants behave in a responsible manner. This will be achieved, in part, through the continuing roll out of our HMO licencing scheme.”

Alignment with published Borough policies / plans

Below we present alignment of the scheme when implemented and in 2021, set out by theme.

Homelessness

When introduced, the additional licencing scheme aligned with the Borough's Homelessness Review and Homelessness Strategy 2014-2019. In this strategy one of the Borough's homelessness objectives is to “increase the supply of good quality private rented sector accommodation available to people at risk of homelessness”. Four of the key targets for achieving this objective are:

- Increase numbers and quality of accommodation made available to prevent homelessness and to discharge the homelessness duty.
- Increase the supply of good quality shared and HMO accommodation available to young people.
- Develop partnerships with private landlords and ensure a good supply of affordable accommodation available to homeless people.
- Complete a high intensity enforcement programme to bring HMO properties up to standard and implement additional licensing arrangements.

Although this strategy is dated 2014-2019, an updated version is yet to be published. Therefore, to our knowledge, the Borough's additional licensing scheme remains consistent with its approach to homelessness.

Children and young people

The Borough's Children and Young People Plan 2017-2020 contains this vision:

“We believe that all children in Greenwich, regardless of their background or circumstances, should have a happy and fulfilled childhood where they enjoy school and family life, learn, belong, grow and achieve so that they enter adulthood ready, willing and able to reach their highest potential.”

As well as a commitment to ensuring child safety, Priority 1 within this strategy states: “We will challenge the obstacles for children from deprived backgrounds whose circumstances can prevent them from having strong foundations.”

Housing conditions are central to the experiences of children. Tackling poor and overcrowded housing is clearly in alignment with efforts to deliver positive physical and mental wellbeing outcomes for children. Adverse housing conditions and housing instability can affect the quality of family life, can be detrimental on education attainment and can heighten risks of adverse childhood experiences. On this basis, the current additional licencing scheme is consistent with the Borough’s vision for children in Greenwich.

Environmental improvement

In 2017 the Borough identified that poorly managed HMOs have wider damaging repercussions on the local neighbourhoods, such as ASB, noise nuisance, overgrown gardens, pest infestations, poor waste management and illegal dumping, infringements of planning controls, tenant intimidation, lack of immigration checks and more. As already noted, one of the ambitions when introducing the additional licencing scheme was to minimise adverse impact on an area’s general character and amenity.

Published in 2016, the Greener Greenwich Strategy predates the introduction of the additional licencing scheme. This strategy is the Borough’s response to climate change and air pollution. This includes energy supply, buildings and homes, transport, waste, natural environment and new development.

This strategy recognises that the domestic housing sector delivers a high proportion of the Borough’s emissions (43%) and, therefore, homes are key places for action on climate change. However, there is no specific reference to HMOs or licencing in this context, despite their prevalence within the housing stock. One reference is made to the Royal Greenwich Landlord Scheme in 2014, whereby the Borough worked with private landlords to improve the quality of private rented housing stock through provision of grants for repairs and improvements, including energy efficiency works.

In summary, the additional HMO licensing scheme was consistent with corporate strategies at the time of implementation and continues to be in 2021.

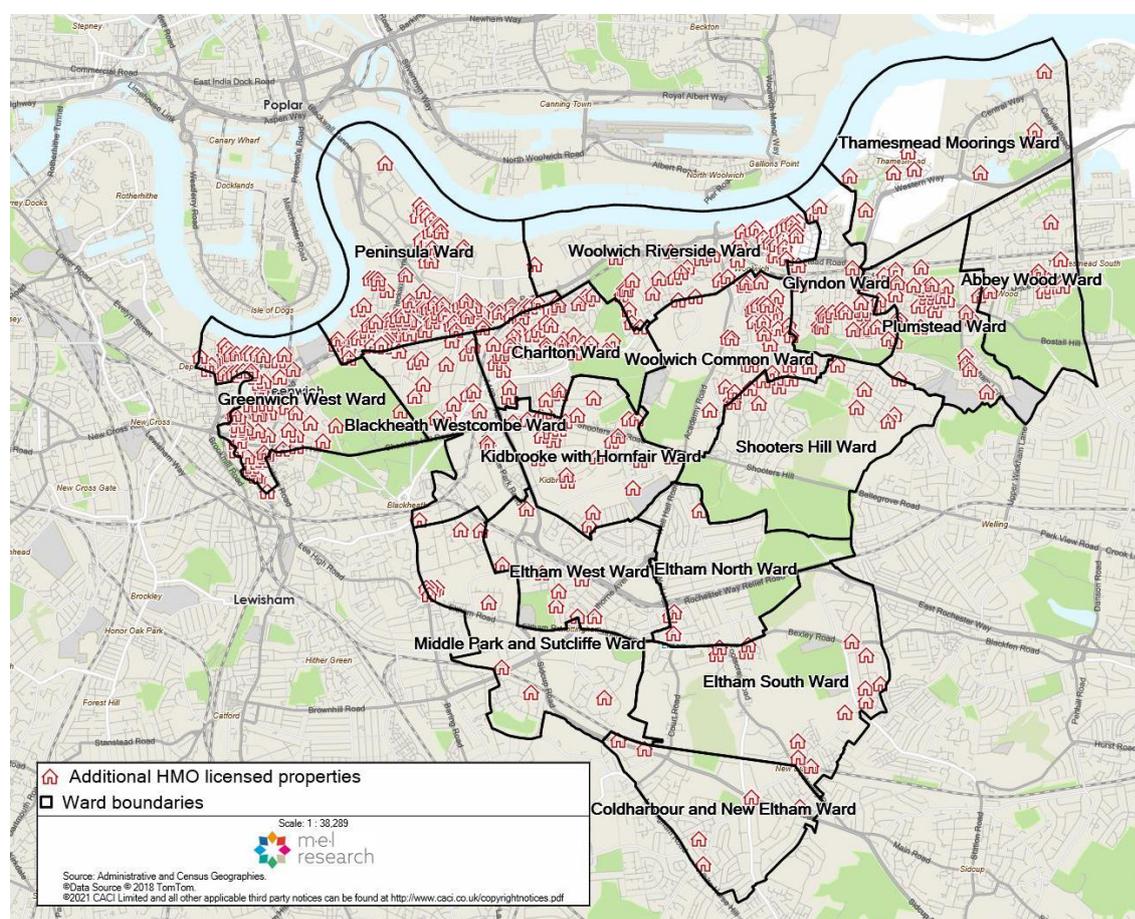
Data review

This section outlines the wide range of data analysed as part of this review, up to the end of September 2021. As data is taken from different sources, the base size varies slightly.

Overview

At the end of September 2021, there were 844 additional HMOs licensed (plus an extra four renewals), as shown below. These tend to be in the north of the borough.

Location of additional licensed HMOs



Source: Additional HMO - Properties and Conditions – revised

Of these properties, over a third (35%) are terraced houses, next are purpose-built residential flats (27%).

Licensed HMOs by property type

Type of property	Count	%
Terraced house	299	35%
Flat - purpose built residential block	231	27%
Detached house	90	11%
Flat - converted residential block	69	8%
Flat - commercial/mixed use block	31	4%
Other	124	15%
Total	844	100%

Source: Number of licenses held by licence holders

It's also useful to see the number of storeys of these properties. This was a greater issue with the previous definition of HMO, though now changed in 2018. It shows that there are more 2-storey licensed HMOs than any other size, accounting for 41% of them. Just small proportions of additionally licensed HMOs are of 5 or more storeys, 17 licences or 2% of the total.

Type of licensed properties and number of storeys

Property type	Number of storeys				
	1	2	3	4	5+
House - Terrace	9	167	100	23	0
Flat - purpose built residential block	164	44	9	2	12
House - detached	5	60	21	4	0
Flat - converted residential block	38	19	4	4	4
Flat - commercial / mixed use block	19	6	5	1	0
Other	57	53	10	3	1
Total	292	349	149	37	17

Source: Number of licenses held by licence holders

The overwhelming majority (85%) of licence holders hold just a single additional HMO licence, whereas just 3% of licence holders hold five or more additional HMO licences, with one person holding 40 licences.

Number of licences held by licence holders

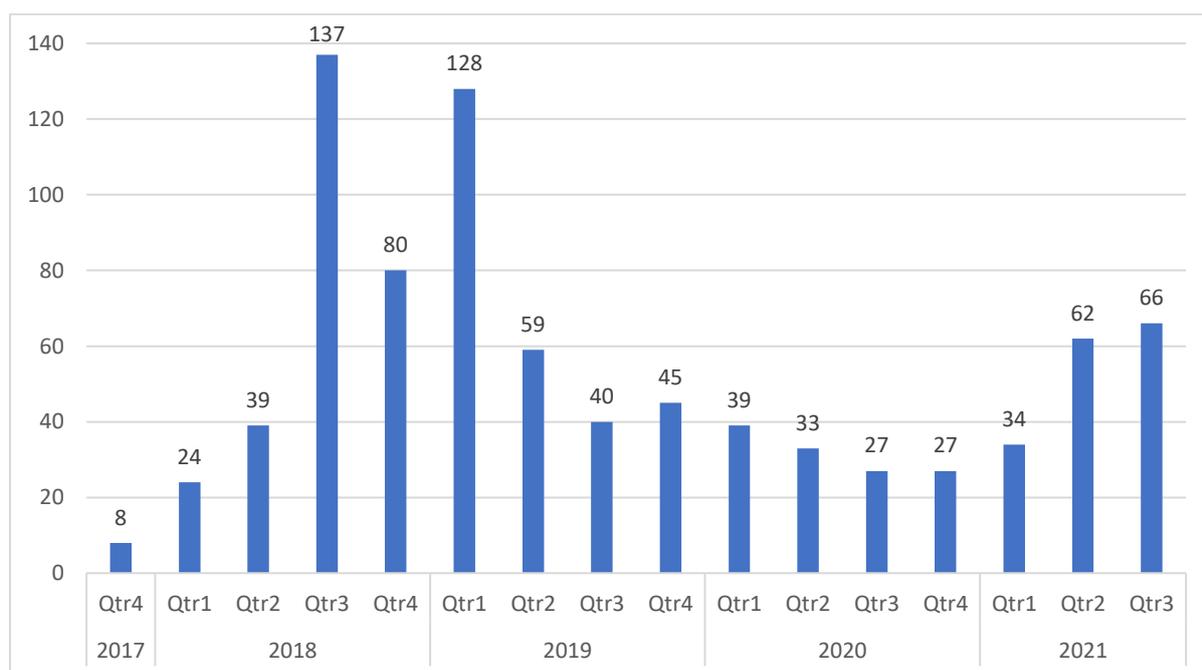
Number of licences	Count of licence holders	% of total licence holders
1	466	85%
2	46	8%
3	9	2%
4	10	2%
5+	15	3%
Total	546	100%

Source: Number of licenses held by licence holders

Running of the scheme

Much of the data points to the running of the additional licensing scheme. First, is the number of licences issued. This shows peaks in the third quarter of 2018 and first quarter of 2019 (by start dates), reaching over 100 licences issued. There was also a drop in 2020, during the height of the Covid pandemic, picking up from the second quarter of 2021.

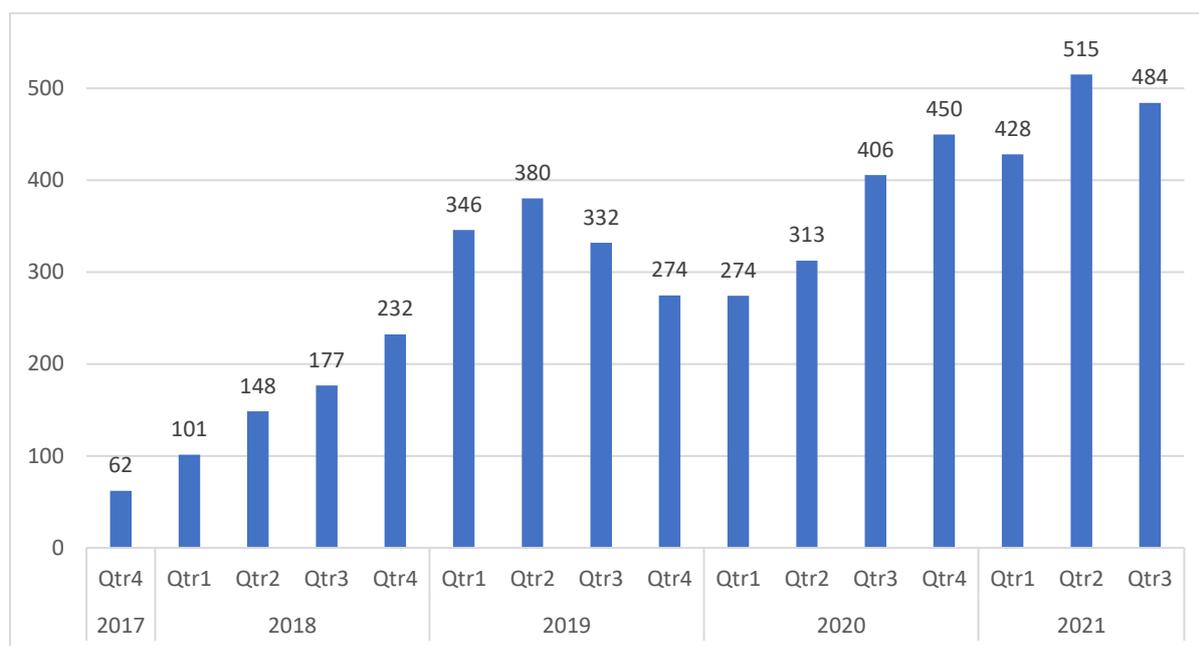
HMOs licensed by start date



Source: Number of licenses held by licence holders

Next is the time taken from receipt of application to the date the licence started. As shown below, this shows an average of 314 days across the whole period – over 10 months on average – with long periods in early 2019 and since the second half of 2020 onwards.

Average time (days) from additional HMO application to licence start date by start date



Source: Number of licenses held by licence holders

The first step for the EH technical team with applications is to carry out a desktop assessment. There is data on 479 properties. Of these, two-thirds (66%) were assessed on their planned day or within a week of that date, whereas almost a quarter (23%) were assessed more than 200 days after their planned date. On the flip side, 11% were assessed more than ahead of plan.

Time from planned to actual date of desktop assessment

Days	Count of properties	% of total assessments
Assessed more than 200 days ahead of plan	14	2.9%
Assessed up to 200 days ahead of plan	41	8.6%
Assessed on planned day or up to 6 days after planned date	315	65.8%
Assessed between 7 and 200 days after planned date	65	13.6%
Assessed more than 200 days after planned date	44	9.2%
Total	479	100%

Source: Time from planned to actual date of Desktop Risk Assessments

Risk assessments are also carried out on properties during the application process. The table below shows there were 860 carried out over the review period and the average time taken from planned to actual time. With most work being desk-based during the Covid pandemic, 2020 had the highest number of risk assessments carried out, at 377. Across the total assessments, the average time from planned to the actual date was 84 days. However, there is a wide variation in this across the review period, from -20 in the second quarter of 2021 – this means assessments carried out before their planned date – to a high of 444 days in the first quarter of 2020.

Number of risk assessments by quarter completed and average time from planned to actual date

	Count of inspections	Average days
2017	1	5
Qtr4	1	5
2018	195	3
Qtr1	6	0
Qtr2	44	0
Qtr3	28	2
Qtr4	117	4
2019	237	15
Qtr1	110	33
Qtr2	51	0
Qtr3	35	0
Qtr4	41	0
2020	377	178
Qtr1	123	444
Qtr2	174	53
Qtr3	34	27
Qtr4	46	48
2021	50	27
Qtr1	28	63
Qtr2	22	-20
Total	860	84

Source: HMO Properties and Conditions - Removal of names

Moving on from desktop assessments, a key part of the licensing regime is property inspections. Altogether, the data shows 352 properties were inspected from October 2017 to May 2021, most just once but just over one in ten (11%) were inspected two or three times, some more problematic properties.

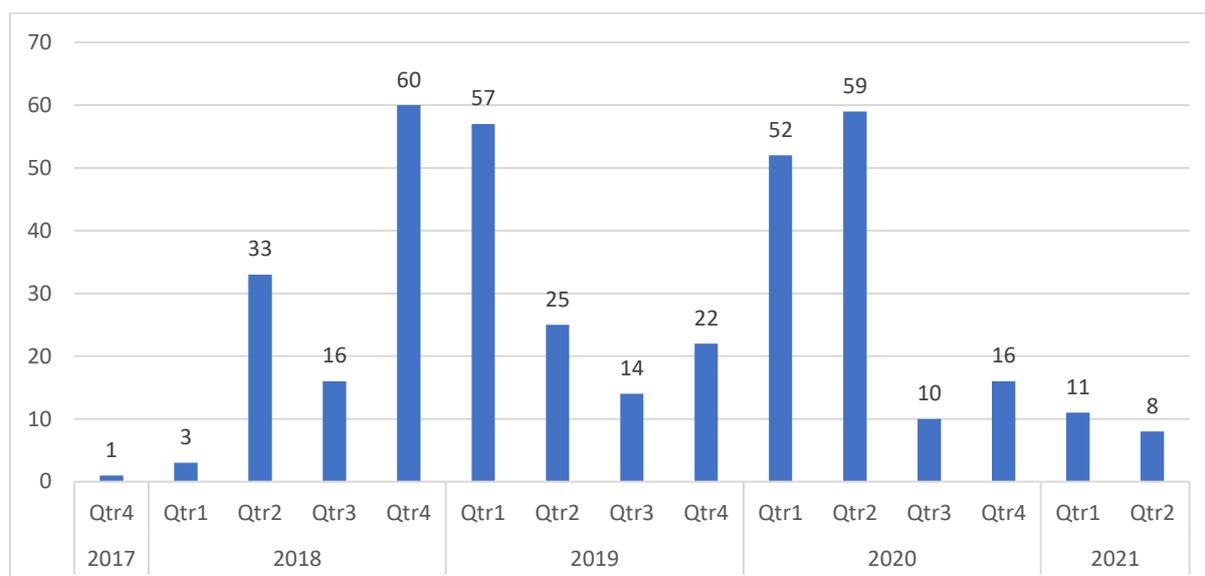
Number of inspections per property

Number of inspections	Count of properties	% of total
1	312	88.6%
2	37	10.5%
3	3	0.9%
Total	352	100%

Source: Inspection and Scores - Additional Licence

Looking at when these property inspections were carried out, the number has varied across the time of the licensing scheme, as shown below. In four quarters, there were more than 50 inspections done, yet in some quarters it was much lower.

Number of properties inspected



Source: Inspection and Scores - Additional Licence

The table below presents this data but looking at the time from the planned to actual date of inspection. This shows over two-thirds (69%) of inspections took place on the planned day or within a week after. 7% were inspected more than 200 days after the planned date and 5% more than 200 days ahead. These proportions are similar to the desktop assessments.

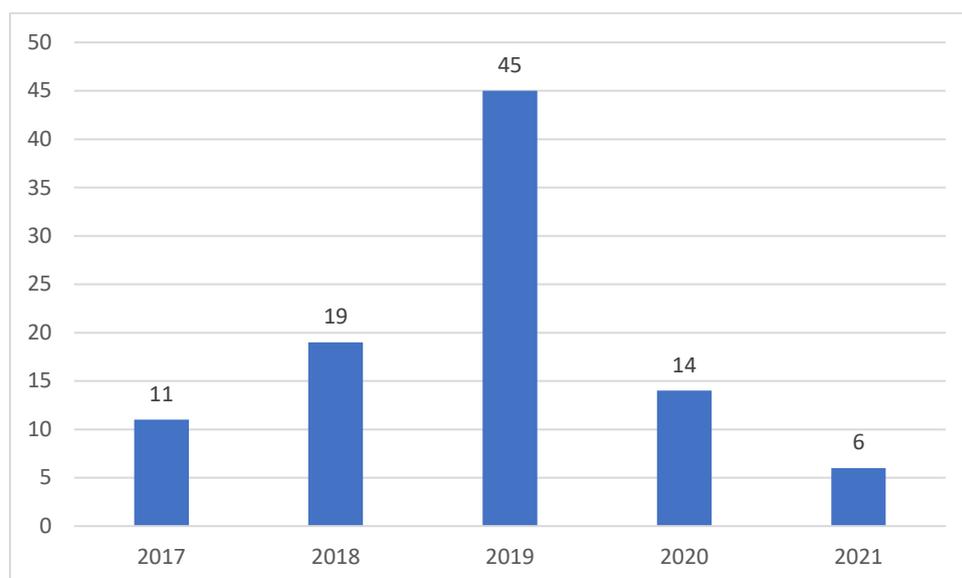
Time from planned to actual date of inspection

Days	Count of properties	% of total
Not yet inspected	8	2.0%
Inspected more than 200 days ahead of plan	19	4.7%
Inspected up to 200 days ahead of plan	36	8.9%
Inspected on planned day or up to 7 days after planned date	280	69.1%
Inspected between 7 and 200 days after planned date	33	8.1%
Inspected more than 200 days after planned date	29	7.2%
Total	405	100%

Source: Inspection and Scores - Additional Licence

There is also data that shows the number of non-licensable properties. This isn't the same as HMOs that should be licensed. This shows that a total of 95 such properties up to the end of March 2021, with the highest number in 2019: 45.

Number of non-licensable properties by year



Source: MEL ALR - Determined non lice to 310321

Impact of the scheme

This sections looks to address the impact the additional licensing scheme has had.

Of the 691 additional HMO licences at the end of April 2021, 683 had been granted and just 8 had a different status, eg variation or revocation. However, data based on BRE modelling gives an indication of the level of HMOs that should have an additional licence but don't. This suggests that just 16% of the almost 4,200 smaller (additional) HMOs are licensed. This contrasts with 77% of mandatory HMOs that are licensed.

A key element is the condition of properties, a key concern of any additional licensing scheme. Data suggests that between August 2020 and July 2021 you carried out 12 compliance visits to additional HMOs (compared to 34 for mandatory HMOs). Of these 12 properties, 5 were compliant, 4 had a minor non-compliance and 3 had a significant non-compliance identified.

Of all the properties inspected, we've analysed the risk area, as shown below. The most common risk area was number of storeys, accounting for 493 risk areas, or 11% of all risk areas assessed. This was closely followed by six other risk areas each counted 443 times: management, means of fire detection, number of occupants, occupancy and fire risk, proximity, and type of HMO. However, by risk score, the highest – most risky – score was for occupancy and fire risk, averaging 11.8, compared to an average of 5.0.

Number of risk areas inspected and average score per element

Risk area	Count of risk areas	Average score
Occupancy and fire risk	443	11.8
Type of HMO	443	7.6
Proximity	443	7.5
Fire doors protecting the means of escape / travel distance	384	6.6
Fire rating of escape	59	5.9
Means of fire detection	443	5.8
Self-containment	59	5.2
Management	443	4.6
Number of escape routes	9	4.1
Number of storeys	493	3.4
Inner rooms	384	1.0
Number of occupants	443	0.6
Heating provision	384	0.4
Total	4430	5.0

Source: Inspection and Scores - Additional Licence

Looking at the spread of properties by total risk score, a third (33%) of properties inspected had a total risk score of 40-59, closely followed by 30% of properties inspected with a total risk score of 20-39. However, 5% of properties inspected had a total risk score of 100 or more, some significantly higher risk properties.

Number of properties by average total risk score

Average total risk score	Count of properties	% of total
0-19	6	1.6%
20-39	114	30.1%
40-59	126	33.2%
60-79	84	22.2%
80-99	30	7.9%
100+	19	5.0%
Total	379	100%

Source: Inspection and Scores - Additional Licence

Surprisingly, we received HHRS data on just 21 properties. The number of risk areas ranged from just one for up to 11 risk areas for one property. However, this is a small sample. Again, fire risks come out top.

Number of inspected properties by HHRS risk

Risk	Count of properties	% of total
Fire	13	23.6%
Falling on stairs etc	9	16.4%
Damp and mould	8	14.5%
Excess cold	5	9.1%
Structural collapse and failing elements	4	7.3%
Falling on level surfaces	3	5.5%
Falling between levels	3	5.5%
Electrical hazards	2	3.6%
Entry by intruders	2	3.6%
Food safety	1	1.8%
Domestic hygiene, pest and refuse	1	1.8%
Position & operability of amenities etc.	1	1.8%
Collision and entrapment	1	1.8%
Collision hazards from low headroom	1	1.8%
Excess heat	1	1.8%
Total	55	100.0%

Source: HHRS

It can also be useful to look at this data geographically, to highlight any concentrations of problems or actions. This first table shows the number of desktop assessments by ward, with Peninsula having the most (133).

Desktop assessments by ward

Row Labels	Count of assessments
Peninsula	133
Greenwich West	57
Woolwich Riverside	43
Charlton	33
Woolwich Common	29
Plumstead	16
Glyndon	14
Blackheath Westcombe	13
Abbey Wood	11
Shooters Hill	9
Kidbrooke with Hornfair	9
Eltham South	6
Thamesmead Moorings	5
Eltham West	4
Middle Park and Sutcliffe	3
Coldharbour and New Eltham	3
Eltham North	2
Total	390

Source: Desktop Assessments

This next table shows the number of housing disrepair complaints by ward for additional HMOs. Of the 39 such complaints, both Peninsula and Plumstead are top, each with 10 complaints.

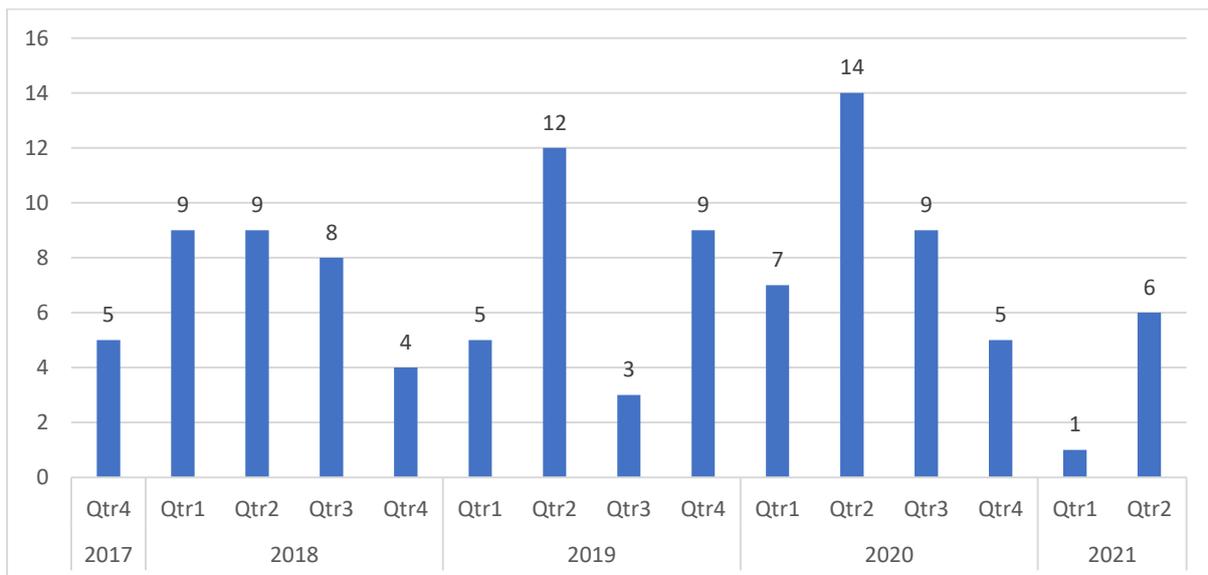
Housing disrepair complaints by ward

Ward	Count of complaints
Peninsula	10
Plumstead	10
Charlton	3
Kidbrooke with Hornfair	3
Blackheath Westcombe	2
Shooters Hill	2
Thamesmead Moorings	2
Woolwich Riverside	2
Glyndon	1
Greenwich West	1
Woolwich Common	1
Unknown	2
Total	39

Source: HMO - Additional Housing Disrepair

We have also analysed wider data on complaints. For example, there were 31 Stage 1 complaints against additional HMOs between October 2018 and May 2021. Beyond that, just 9 additional HMOs went through to a Stage 2 complaint. Looking at noise complaints against additional HMOs shows higher number, 106, between October 2017 and June 2021. Most of these were individual complaints, though some properties received multiple complaints, up to 11 for one property over this period.

Number of noise complaints against additional HMOs (Oct 2017–June 2021)

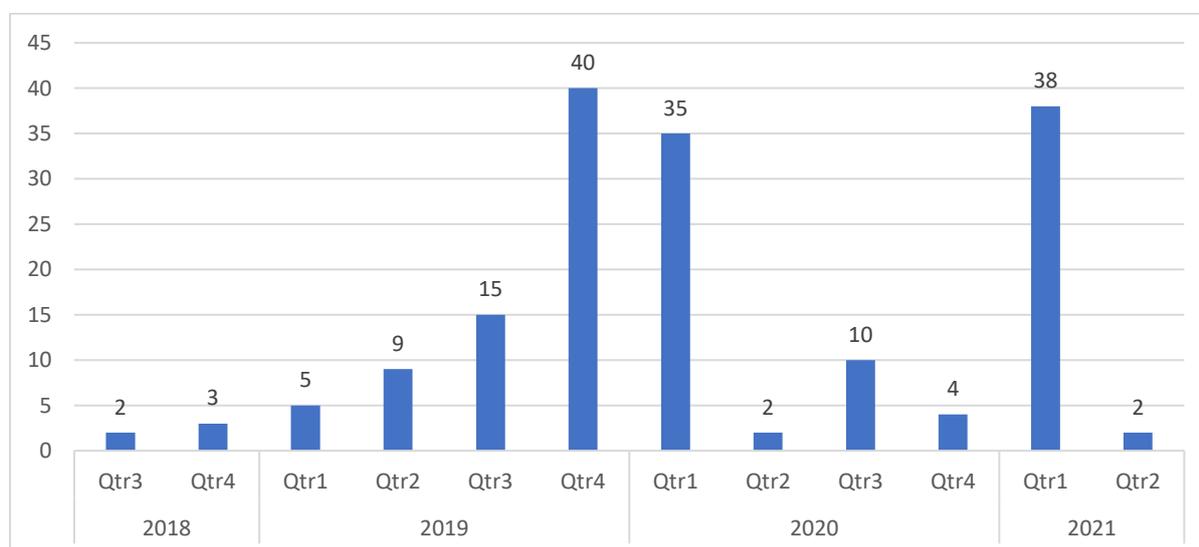


Source: Additional Licence - Noise Data

For two other issues, the data suggests very few complaints. A year's worth of ASB complaints against additional HMOs suggests there were just 7 complaints received from June 2020 to April 2021. This represents a very small proportion of licensed HMOs, about 1%. Another low figure is the data suggesting you have received just one complaint for illegal eviction among all of the licensed additional HMOs. There may be other datasets that account for higher incidents of both among additional HMOs, though we have seen them.

The last set of data received that touches on the impact of the scheme relates to civil penalties. 165 civil penalties were issued from July 2018 to April 2021. There was a much higher number in the last quarter of 2019 and first of 2020 and also high in the first quarter of 2021. Out of these, 122 (or 74%) are marked as completed but just 45 (or 27%) marked as paid, totalling £269,000 in fees.

Number of civil penalties issued



Source: Civil Penalty Notices

Level of civil penalty notice issued

Level of fee	Count of fees	% of total count	Total value of fees	% of total value
£0	3	1.8%	£0	0.0%
£500	1	0.6%	£500	0.0%
£1,000	9	5.5%	£9,000	0.7%
£2,500	35	21.2%	£87,500	6.8%
£5,000	43	26.1%	£215,000	16.7%
£7,500	1	0.6%	£7,500	0.6%
£10,000	39	23.6%	£390,000	30.4%
£15,000	25	15.2%	£375,000	29.2%
£20,000	5	3.0%	£100,000	7.8%
£25,000	4	2.4%	£100,000	7.8%
Total	165	100%	£1,284,500	100%

Source: Civil Penalty Notices

Licence holder survey

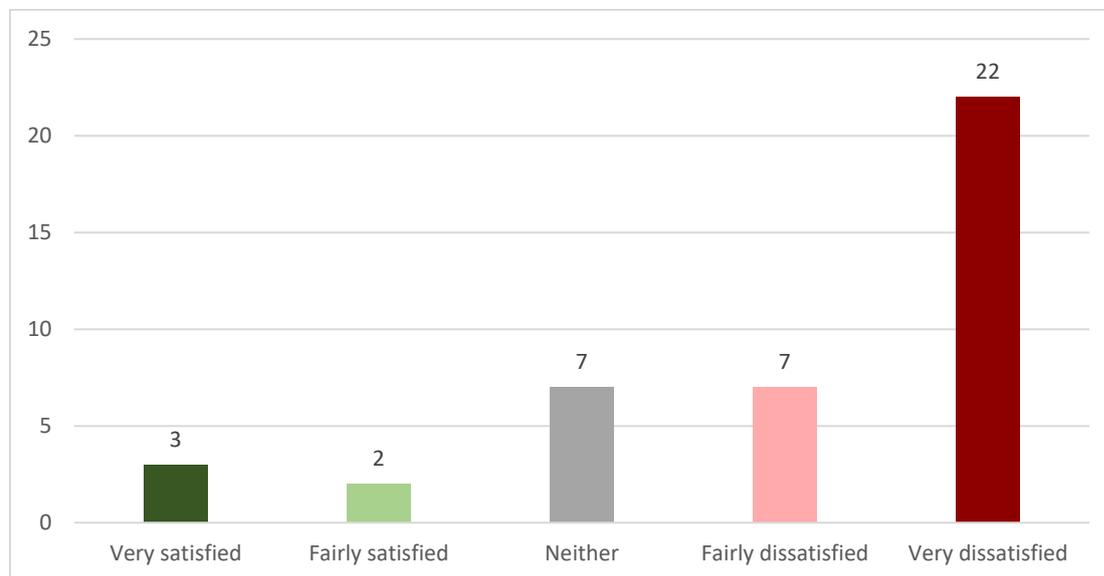
In order to hear from licence holders, we invited all current licence holders to take part in an online survey, sending the invite as a letter to their correspondence address. We sent out 480 letters. We received a response from 41 of these, representing a 9% response rate.

Looking briefly at the profile of these respondents, 58% of respondents describe their ethnicity as white: English/Welsh/Scottish/British, 19% as white: other, and Asian/Asian British. Almost all respondents stated they owned between one and four HMOs, although some respondents preferred not to answer that question. Just under 8% said they also had HMOs licenced under the mandatory scheme.

Running of the scheme

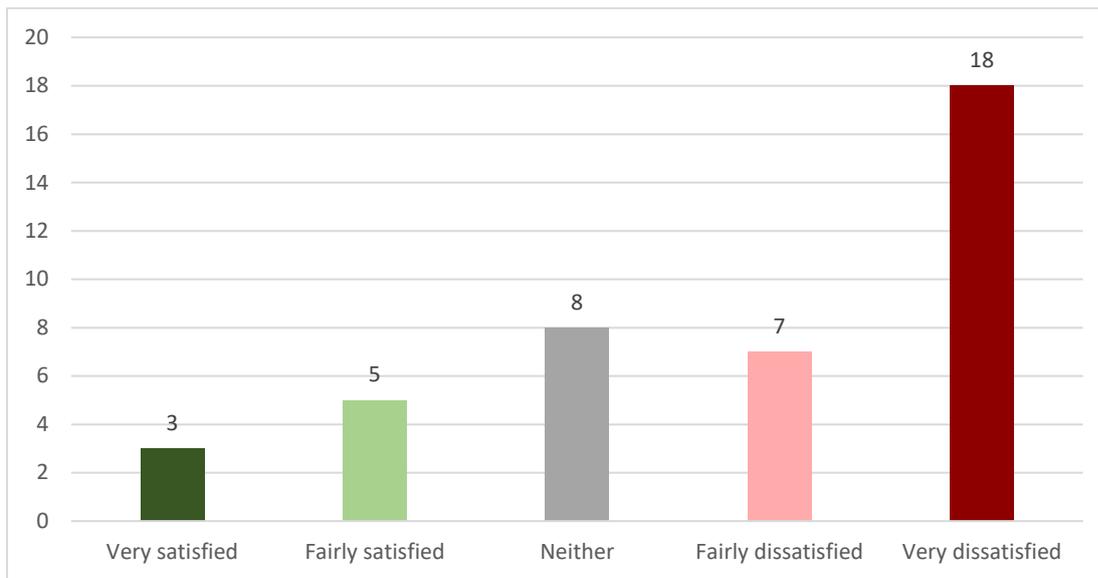
The survey asked a number of questions related to the running of the additional HMO licensing scheme. The first was their view about the scheme overall. This is pretty negative, with the overwhelming majority of respondents dissatisfied, accounting for 71% of responses, mostly very dissatisfied. A few respondents were satisfied, however, accounting for 12%; others were neutral.

Overall satisfaction with the additional licensing scheme (N=41)



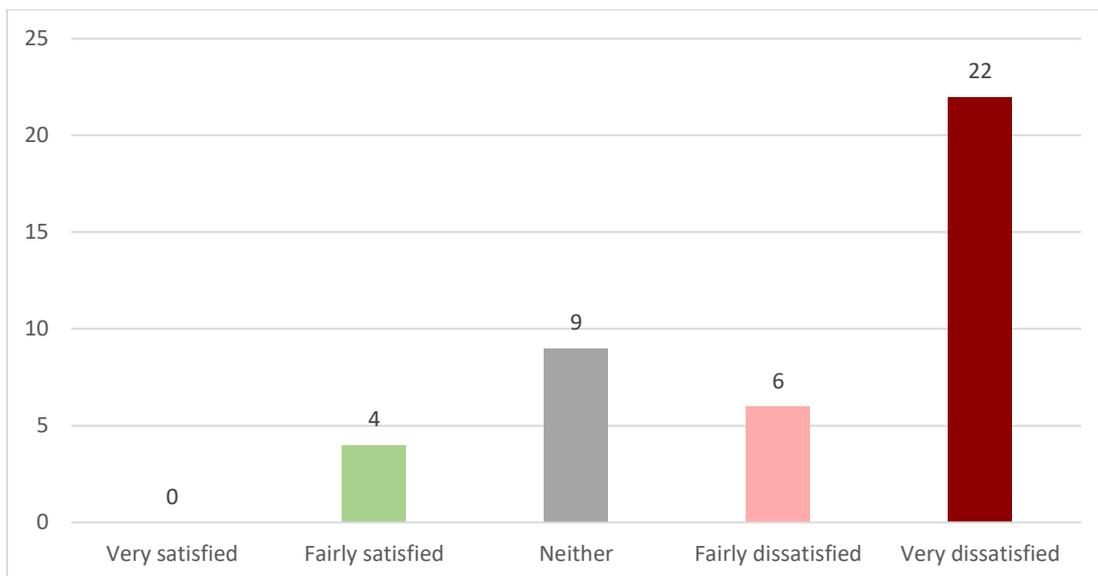
Looking at various aspects of the licensing scheme, again, views tend to be negative. First, looking at satisfaction with applying for a licence, 61% were dissatisfied, compared to 20% satisfied.

Satisfaction with applying for a licence (N=41)



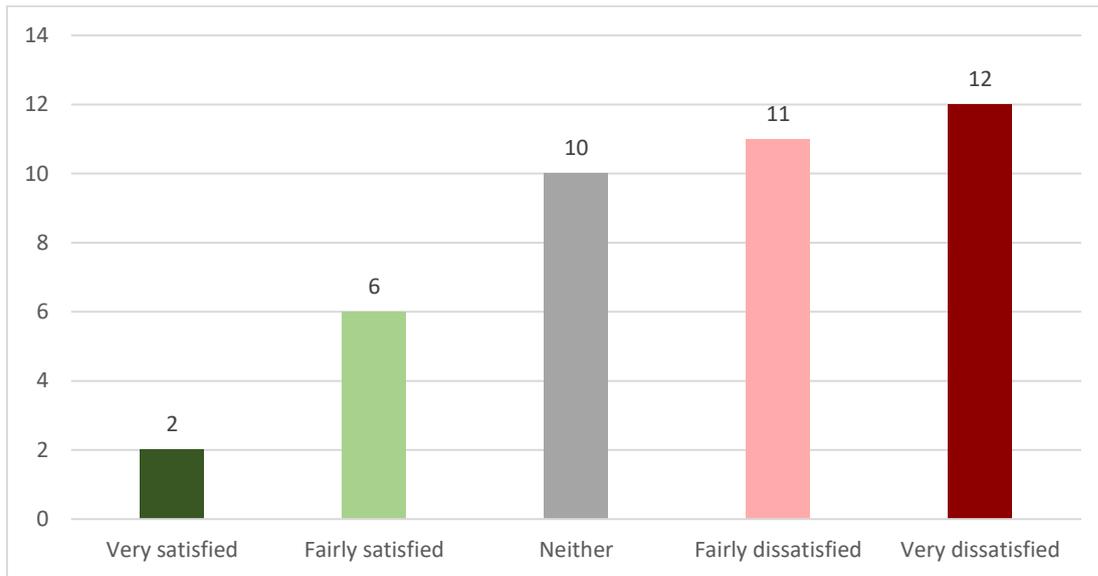
Looking at payment of fees, over two-thirds (68%) were dissatisfied, compared with 10% satisfied.

Satisfaction with payment of fees (N=41)



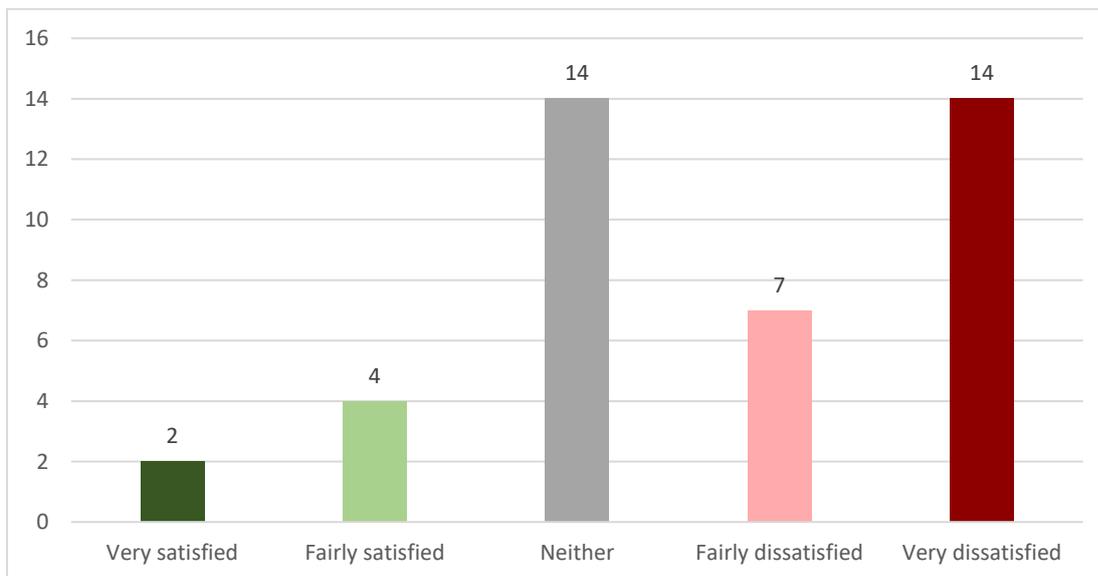
On communication during the application process, over half (56%) were dissatisfied, while 20% were satisfied.

Satisfaction with communication during the application (N=41)



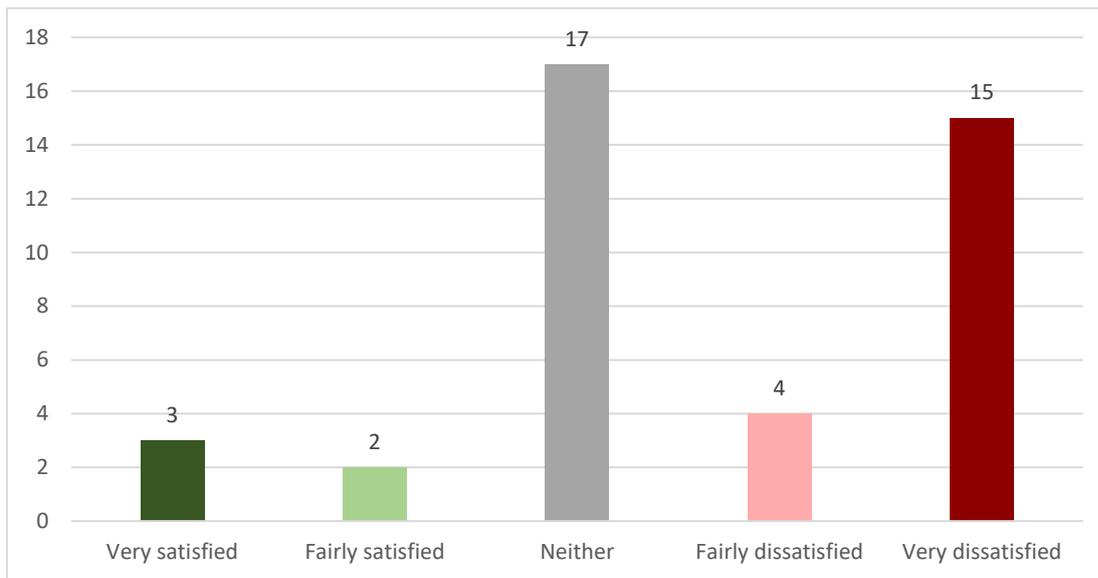
On work needed during the application process, about half (51%) were dissatisfied, compared to 15% satisfied. There were also a high proportion neutral, 34%.

Satisfaction with work needed during the application process (N=41)



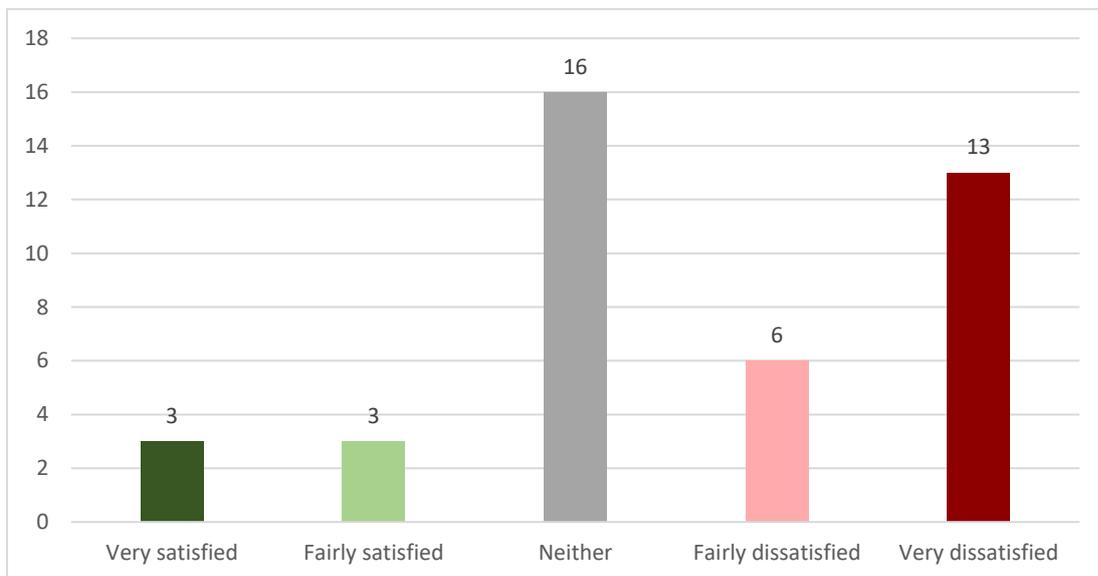
Looking at the inspection process, again a high proportion are neutral (41%), perhaps because it didn't apply to them. There is still more dissatisfaction (46%) than satisfaction (12%).

Satisfaction with HMO inspection process (N=41)



Lastly on these elements, 46% were dissatisfied with communication after receiving the licence, while 15% were satisfied.

Satisfaction with communication after receiving the licence (N=41)

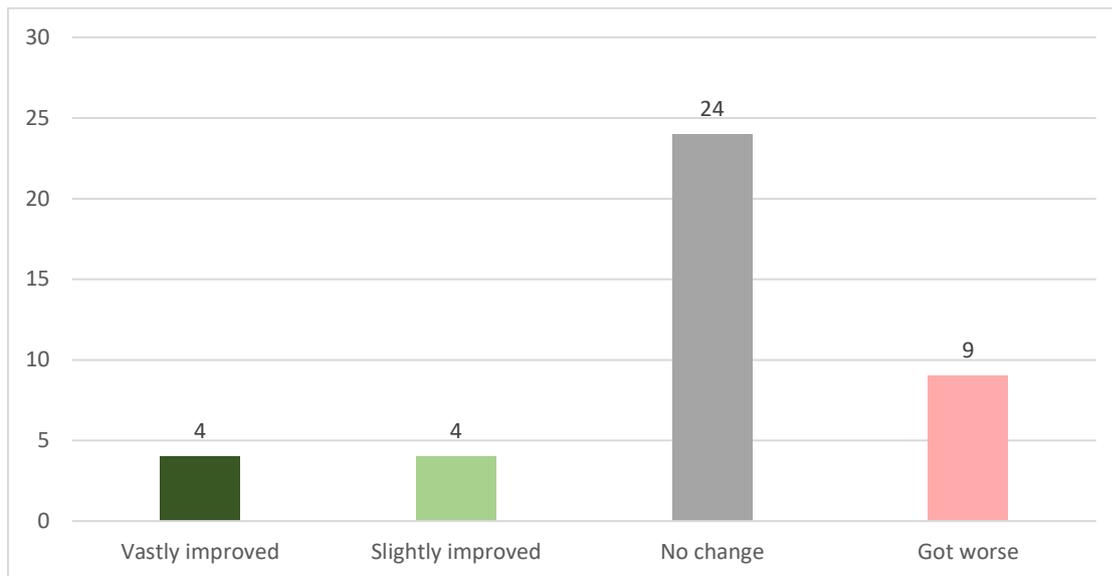


Impact of the scheme

We also asked three questions to get licence holders' views about the impact of the additional licensing scheme.

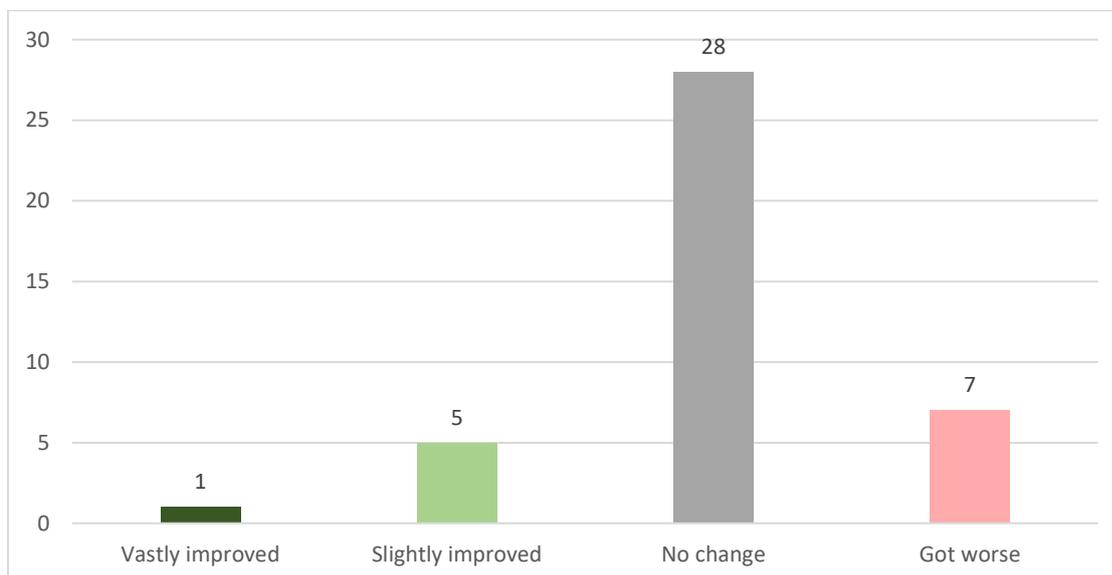
The first was about the impact on property conditions among HMOs. The majority of respondents (59%) stated that the additional licensing scheme had made no change to HMO property conditions. In total, slightly more believed conditions had got worse than improved (22%, compared to 20%).

Impact on property conditions among HMOs (N=41)



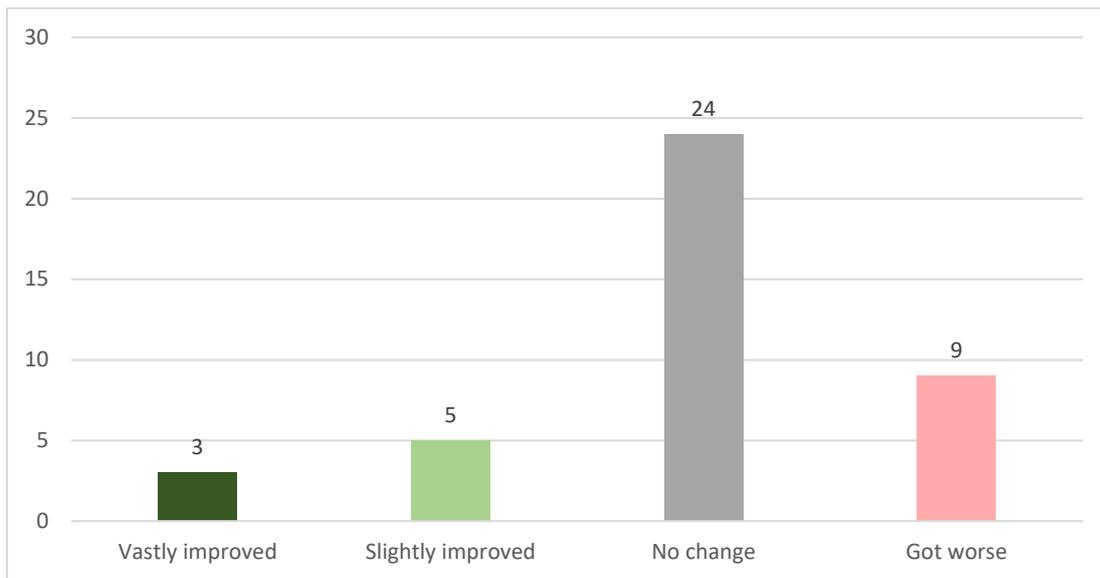
The picture is similar for the impact of the additional licensing scheme on management standards among HMOs. An even higher majority (68%) stated that there had been no change. Again, slightly more stating these had got worse had improved (17% and 15% respectively).

Impact on management standards among HMOs (N=41)



A very similar picture for the impact on the local area, with 59% stating no change, 22% believing things had got worse and 20% improved.

Impact on local area near the HMOs (N=40)



Although a relatively small sample of licence holders, their views are pretty bleak. There was much more dissatisfaction with the additional licencing scheme and how it's run, although smaller proportions were satisfied. Respondents were most unhappy about the payment of fees. Turning to licence holders' views about the impact of the scheme, the majority believed it had no impact on property conditions or management standards among HMOs or to the local area near to HMOs. Again, some respondents did believe the scheme had improved these matters, but higher proportions felt things had got worse.

Internal RBG interviews

We interviewed 12 internal RBG colleagues and two councillors as part of this review, covering a wide range of functions within the Borough.

Strategic fit

Members of the EH team variously described the strategic fit of the scheme. Several said it was about private tenants being “safe and secure”, including with good property conditions, fire precautions and not overcrowded. For local residents, the focus was more around ASB, waste and infestations associated with HMOs. Good landlords want a level playing field, we were told, without unscrupulous landlords cutting corners or breaking the law. For a wider RBG colleague, licensing was about avoiding “slum landlords”. This was echoed by another EH colleague, saying that the borough’s intervention in private business should be a last resort, when the system fails.

“Enhance the reputation of other compliant landlords” (EH team)

A “clear market failure” leads to the licensing scheme being a “safety net ... to provide minimum provision” (EH team)

While the points above suggest a fit with wider borough strategies, we also heard about tension between implementation of homelessness policies and Environmental Health. The Homelessness Reduction Act encourages councils to avoid evictions and keep people in properties as long as possible. However, EH has a duty around property conditions and will sometimes have to close down properties, thereby spurring homelessness. The homelessness approach is to work with landlords to improve conditions but to keep tenants in place, including by offering incentives, often financial, to landlords. This team doesn’t want to alienate landlords, even if some are crooks, one colleague told us. For this colleague, everything written about private landlords “reads as really negative”, “rogue” or “dodgy landlords”, “rooting out unscrupulous landlords”. This interviewee wanted a “more grey message”, even a celebration of the private rented sector, a type of housing many homeless households will have to accept in the current landscape.

View of homeless households: “council tenancies hooray, private tenancies boo” (wider RBG department)

Running of the scheme

We heard a lot about the running of the additional licensing scheme from colleagues within the EH team. One summarised the running of the scheme, saying it was good at the beginning, dipped in the

middle and is now getting better. A key factor in this, perhaps the biggest one, was resourcing of the team.

“Resource is lacking, to be fair” (EH team)

“Not sufficient number of people” (EH team)

It seems that the additional licensing team has never been fully resourced with staff throughout its operation. This has been frustrating for several people. There hasn't been enough EHOs, for example, to sign off all licence applications or to carry out property inspections. At one point, the team was down to just two colleagues. At times, agency staff and consultants have been employed but these have cost you more and not been permanent roles, so people have moved on, leading to a lack of stability. Because of corporate-level decisions, vacant posts have remained unfilled in order to save money.

Over the course of the scheme, staff “morale very, very low” (EH team)

“Frustrating for me” (EH team)

“Cracks starting to appear” (EH team)

To fill some of the technical EH roles, you have recruited inexperienced people, some straight from university. While these have been cheaper than experienced EHOs, it has demanded training on the job and sometimes lacking confidence to deal with cases. Yet we've heard of these recruits staying with you for 12 months while they gain the training, qualifying as an EHO and then leaving, mainly due to better salary and benefits, we were told. This has exacerbated the turnover and instability of the team. One colleague said you had missed out on a thousand visits because of this.

“One week at university and next week at Greenwich” (EH team)

“Like swimming in the deep sea” (EH team)

The change in staff with additional licensing has also been at the top, at a management level. Without a single manager for the scheme throughout its duration, this has also led to instability and inconsistency, we were told. Different managers made different decisions, eg one to allow applications without property plans, later leading to lots of chasing in order to gain those plans. The focus and procedures have varied from one manager to another, “really frustrating”, stressful and demoralising for some staff.

“A lot of managers coming and going” (EH team)

Constantly changing, “like a game of draughts” (EH team)

“Floundered” because of all the changes (EH team)

“Lack of consistency all the way along” (EH team)

Lacking resource for the additional licensing scheme has had consequences for the running of the scheme. It has led to delays in processing applications, with a backlog building. Other aspects have also influenced these delays, including the lack of supporting documents from applicants, whether electrical and gas safety certificates, DBS checks or – the “biggest sticking point”, one colleague said – property plans. Yet, without these documents, not even a full desktop assessment can be made. This leads to lots of time chasing applicants, work not fully costed in original budgets. We also heard of teething issues, with staff “getting to grips” with what was needed, including working through the fee structure. This has led to some applications dating back to 2018 and 2019, we were told. However, during this time, the situation can change; a property can be sold, management changes or a different agent. The alternative is to get “tacit consent”, one colleague said, but this wasn’t the team’s preference.

“If on other side would be frustrating” (EH team)

“Various standard of floor plan” (EH team)

A change to the IT system early into the additional licensing scheme has also added to these delays. A change from M3 to Tascomi wasn’t applauded by any of the EH team we spoke to. One said the entry level version had been bought rather than a premium one; Tascomi isn’t good at reporting; and not all documents were migrated over to the new system. Without proper resourcing to implement the new system, it led to data missing. Alongside this, a problem with the online reporting tool led to a holdup of applications.

Some colleagues spoke about the overall strategy for the licensing scheme and how this has affected its running. At first, the emphasis was on finding properties in need of licencing, “through the door, across the threshold”, one colleague said, front-load the application process. The original plan was then to carry out compliance inspections later into the scheme. However, an under-resourced team led to a backlog, with limited resources to carry out compliance visits.

This has led to the team having to focus on more desktop assessments than property inspections. On top of this, Covid has meant a year has been lost to carry out these inspections, with staff off because of catching Covid or through self-isolation, HMOs harder to access and the team’s resources shared with wider environmental health regulations during national lockdowns. On the flip side, one positive to come out of the pandemic has been to catch up on the backlog of applications.

“Disrupt all our job” (EH team)

The scheme has therefore only reached Year 4 before a proper programme of compliance inspections has started, yet the backlog is absolutely immense, we were told. The team did want to deliver one inspection per property over the course of the scheme; if not, it would seem a failing. Sometimes, visits spurred by complaints can also then double up as compliance inspection. However, being led by complaints can be “to the detriment” of applications and wider inspections, one colleague said. Desktop assessments also provide “an overview impression of the risk to individual HMOs” and help decide how soon to inspect. Other factors have also influenced how HMOs have been prioritised for inspection. These include the conduct and history of management, DBS checks that provide historical records of complaints against individuals and fire risks.

“Will endeavour to do as many [compliance inspections] as we can” (EH team)

A criticism of the earlier strategy was the targets set, such as for processing applications. These were variously described as “ambitious” or “impossible” to achieve. A few colleagues went further and were critical of the nature of the targets, including as an “income target”, including for achieving civil penalties and fines. For these colleagues, licensing should be a function to the public, about improving regulation of the private rented sector, not about making money.

“Processing of licence itself is much better than at the beginning” (EH team)

More recently, several colleagues spoke more positively about the direction of the additional licensing scheme. There was now a plan in place, we were told, and more control, with clear action to address the backlog of applications. These had come down from 180 outstanding to about 40 at the time of interview (June 2021), for example. Compliance visits were starting. There was a sense of all pushing in same direction, a colleague told us, with a manager now “really organised, communicative”.

“A bit more structured now” (EH team)

“Huge, huge improvement” (EH team)

“Some very positive and engaged employees that have been in the service” (EH team)

One concern we heard from several EH colleagues was the length of licence issued, especially at this point in the scheme. While licences can last for up to five years, the end date you’ve set is the end of the scheme itself. That’s fine back in 2017 and 2018. But in Year 4 of the scheme, there’s now little more than a year left. However, the licence fee is the same. Some landlords questions this, especially when compared to a mandatory HMO licence, which does last for five years. There is no pro-rata arrangement in place for additional licensing, seen as “unfair”.

We also heard from wider RBG colleagues about the scheme. This shows the extensive partnership working taking place between EH colleagues and other departments. This includes Planning, Building Control, Environmental Crime, Council Tax and Housing Inclusion, among others. There was a lot of praise for the joint work from the wider RBG colleagues we spoke to. One colleague said there used to be more silo working but less now. Information was shared in both directions, such as council tax records or waste complaints, highlighting possible HMOs, or information about possible interventions from the ASB team. Information also flowed from the EH team to others, we were told, a “two-way process” to help each other and provide fuller information. The Fire Brigade, MPs and councillors also make referrals to you, while you’ve carried out some joint property visits with the Waste service and with the police and immigration teams. Just one interviewee spoke about better communication earlier in the scheme than in recent times.

“Giving each other hints about properties” (wider RBG department)

“An exchange of information” (wider RBG department)

Impact of the scheme

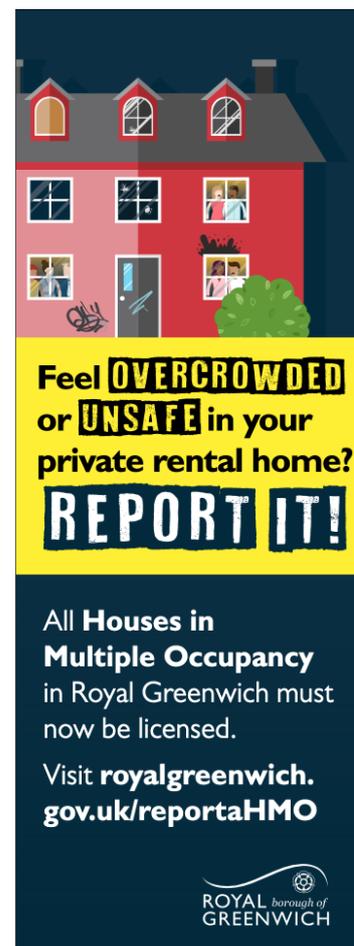
The impact the additional HMO licensing scheme is having is another key area within this review. However, there were more mixed views about this from the RBG colleagues we spoke to, including some saying it’s hard to judge the scheme’s impact.

“It’s difficult to say” (EH team)

On a positive front, a few interviewees said that having a scheme in place is helping the borough deal with HMOs, focusing attention on them. In particular, these people spoke about knowing where HMOs are, identifying owners, referring to the register of licensed properties. This awareness extended further, with publicity done early into the scheme to promote residents’ understanding of HMOs and that they must be licensed, for example with this flyer and online reporting form.

Witness statements from tenants “vital to us” to prove it’s an HMO (EH team)

Several colleagues spoke about an increased number of complaints about HMOs, which shows how residents are more aware. Of course,



this can also be seen negatively, highlighting the problems with HMOs, such as around waste, ASB. Residents simply don't want an HMO on their street, many colleagues told us. Positively, resident reports help to identify unlicensed HMOs, allowing you to take action. This can then result in a positive impact, especially if dealing with issues like ASB. However, several pointed to the concentration of HMOs in certain areas and how these local areas didn't seem to have improved. Perhaps, though, residents' expectations remain higher than what is possible through a licensing scheme, one interviewee said, something that still hasn't been cracked. Is it too far-fetched to believe a licensing scheme alone will tackle these more deep-rooted issues (see more below)?

“Vocal cohort of residents that wanted to see instant impact” (wider RBG)

Some interviewees also felt that having the additional licensing scheme is helping you to be proactive, providing a framework to work around, so quicker and more resourced to use your powers. What's the alternative, some asked. Self-regulation by the market isn't working. Also, having a scheme may even have deterred unscrupulous landlords from investing in Greenwich, thereby stopping the increase in the number of HMOs, a few said.

“Always been compliant individuals who come forward and it's the others who we have to find who don't come forward” (EH team)

Introducing additional HMO licensing: “almost closing the stable door after the horse has bolted” (wider RBG)

Identifying unlicensed HMOs can be viewed both positively and negatively. Where such properties have been discovered and then licensed, it brings them within a firmer remit, hopefully with recognised property and management standards. This therefore has the potential to address dangerous buildings, fire risks and ASB, including criminal activity like drug dealing. You've also put resources into finding unlicensed HMOs, including through sharing information with other RBG departments and reviewing historical records. This has been “to tease out likely of presence of HMOs within Greenwich”, leading to visits and compliance notices or actions. The negative view is that just a small proportion of HMOs that should be licensed under the additional scheme are licensed, with some 3,500 HMOs properties – or 84%, according to BRE data supplied during our review – not licensed through the additional scheme. This is a very large proportion, much higher than for mandatory licensing (23% unlicensed). Negatively, this also means a lack of income to support licensing, through the fees not collected. In contrast, one last positive here is that you have supported some tenants with rent repayment orders.

Quantifying the impact the scheme has had on property conditions is hard, especially because of the lack of inspections. As many licences have been issued without a compliance visit, it's hard for you to

judge whether or not HMOs are fully compliant with licensing conditions. Some interviewees, though, did feel that the quality of properties had improved. You “don’t realise how much difference you can make”, one of the EH team said, both on property standards or severe overcrowding. Arguably, licensed HMOs are more likely to be compliant, with landlords clear what standards they must uphold. However, some tenants tell you that actions on property conditions only start when the tenant contacts the Borough.

“Enforcement is lagging behind because of resources” (EH team)

“Any powers are only as good as the enforcement and resource you have to put to them” (EH team)

There was also a sense from several RBG colleagues that problems persist, making it hard to disentangle the impact of the additional licensing scheme. The private rented sector includes a variety of landlords, good and bad ones. Some landlords bypass HMO licensing by providing (or claiming they provide) support, one said, perhaps referring to exempt accommodation and being treated as a registered social landlord. Others spoke about landlords at the “edge of compliance”, just legal, such as with fire safety, room sizes or amenities. Some landlords still claim not to know about the licensing scheme, interviewees said. Elsewhere, some properties are being sub-let without the knowledge of landlords.

Range of landlords: “such a wide range of people” (EH team)

Good HMOs “continue to be well run and well organised” (EH team)

“Just the right side of being legal” (EH team)

Additional licensing is also a response to wider issues, related to the availability of property and to the vulnerability of tenants. As we mentioned earlier, there is a relatively large homelessness problem in Greenwich, as there is in lots of boroughs. There are more people on the housing waiting list than social housing being built. One interviewee spoke about some 3,000 in priority need for housing – including 1,300 families in temporary accommodation – along with twice as many without priority need, yet just 2,000 new social homes coming in from RBG and housing associations, so a gap. This means the private rented sector is the only viable option for many households. As well as this, historically low house prices in places like Thamesmead have encouraged landlords to buy family homes and turn them into HMOs, before the Article 4 direction came into force in September 2018. This also leads to a higher concentration of private HMOs and a lack of social housing.

The private rented sector is the “main sector which meets housing needs of citizens” (EH team)

“We need HMOs” even though it’s “a third class option” (wider RBG department)

“We need good HMOs” (wider RBG)

“HMOs aren’t going anywhere” (wider RBG)

Alongside this lack of social housing, HMOs house a high proportion of vulnerable tenants. This includes single mums, people just out of hospital or prison, those misusing substances or with mental health problems, young people on benefits who have to live in shared accommodation because of benefit limits. This includes households moved in from other boroughs, making it more challenging for local families to find housing. The Nepalese community also fits in here, particularly Gurkhas, who are “below the radar”, quiet, elderly, speaking little English, disempowered and with lack of knowledge of where to find services or what their rights are. We were told about one couple using the accommodation in the daytime but another at night-time, technically evicted for half the day. People from Eastern Europe, particularly Travellers, Romanians, are also living in Greenwich, some in “such really bad state” of accommodation, overcrowded, passports taken off them and children not being sent to school, all at risk of modern slavery, we were told.

Some “very, very vulnerable” (wider RBG)

“Vulnerable people whose only option is to rent privately” (EH team)

Many of these vulnerable tenants have little money, limited choices and little voice, often unable or afraid to challenge landlords, wary of repercussions including illegal evictions. One colleague felt that tenants have very few rights, which have been chipped away since deregulation of 1988. These tenants “get stuck in there”, as one interviewee said. All this can also lead to more challenging behaviour and a concentration of ASB. Several recognised that it is often the tenants’ behaviour rather than landlord actions that cause problems. One colleague simply said the additional licensing scheme isn’t going to stop parties, ASB or drug dealing. Here we see the interplay between vulnerable tenants and unscrupulous landlords letting unsafe or unsuitable properties.

“Some [tenants are] quite afraid” (EH team)

Law in favour of landlord: “the landlords hold all the power” (wider RBG department)

Suggested changes

Several RBG colleagues made suggestions to improve the situation. At a high level, several had thoughts about the need for an additional licensing scheme, particularly about extending one beyond October 2022. There was mostly a desire to keep the scheme. It’s part of the EH function, one said, “to educate, recommend and enforce”. Others spoke about the work still to be done, that it’s too soon

to end the scheme. If so, a “properly run service, properly resourced with enough officers” is needed, allowing for pre-inspections and making a bigger difference. If an additional licensing scheme does continue, two interviewees specifically felt it should be more concentrated geographically, to focus on particular areas. One colleague suggested focusing on Plumstead and parts of Abby Wood, Charlton and Woolwich.

A challenge but the “team is quite ready to repeat the success” (EH team)

A “challenge” to “dive in at the deep end with a borough wide [additional] scheme” (EH team)

A few interviewees voiced less supportive views. One said that additional licensing is part of the solution to bring properties into a decent condition, while another said there is “a need for some sort of scheme” but perhaps not additional licensing. In contrast, others questioned what would happen. You’d have the powers but not the extra income to enforce the powers. If not, the cost of this falls back on general council tax payers, not landlords, so unfair; good landlords question this view, however.

We heard other suggestions too:

- RBG management being fair to colleagues, delegating, trusting and empowering staff.
- Better feedback to other departments, especially when information is shared with the EH team.
- Running landlord and letting agent workshop, as you used to before Covid, for communication in both directions, a useful way to gain ongoing feedback.
- Tenant workshops too, eg on rights and responsibilities, legal issues.
- Is there an opportunity to signpost tenants to good landlords, therefore encouraging good behaviour?
- Any stories to promote the work of the scheme, eg actions taken against landlords or residents who have been positively impacted by the scheme.

External stakeholder interviews

We spoke to five external stakeholders representing three organisations. These covered landlord representatives, tenants' rights and community safety.

Strategic fit

“Very large, growing older, marginalised [Nepalese] population” in Greenwich: tenant support agency

The strategic fit of the scheme came through in one interview, though held with three people. They described problems they saw in the private rented sector in Greenwich. These included “marginalised” Nepalese people packed “into tiny properties” in poorly furnished and damp properties with small rooms, no communal areas and sharing amenities among too many residents, mostly concentrated in Plumstead. We heard of two to three widows sharing a bedroom, with up to eight or nine people sharing two or three bedrooms in a house, “quite widespread” we were told. This can even be rentals with shifts, one group sleeping by night but then told to get out, while another group sleep in the same accommodation by day, sometimes not even in possession of a key to the property. This shows the high levels of over-crowding, particularly among the Nepalese community.

Many of these Gurkhas or their family speak little English and they can be illiterate, finding out about properties through word of mouth. This makes them more vulnerable and lacking knowledge of their rights in the UK. Culturally, “Gurkhas are not complaining people”, while they also fear being evicted and being made homeless if they do speak up. For this support agency, focused work in the private rented sector is very much needed.

Running of the scheme

Two of the external stakeholder interviews mentioned the running of the licensing scheme. The London Fire Brigade representative was surprised at the high number of licence applications being sent to them, more than from all other boroughs they're responsible for put together. For example, they rarely see any HMO licensing applications from Lewisham and Southwark, two boroughs that have also run additional licensing. As The Fire Brigade are providing “good will advice”, they simply haven't got the time to respond to all of them, unlike statutory consultations with the likes of building control. This team has a backlog of some 150 HMO consultations, simply too many to tackle.

“We're all public servants and we're all under-resource”, London Fire Brigade

A positive from this was a recent meeting (at the time of interview) between the London Fire Brigade and the RBG Environmental Health team, agreeing to prioritise applications.

The NRLA have been carrying out a snapshot of licensing schemes, using Freedom of Information requests to gather and compare data across authorities. For your additional licensing scheme, this highlights the low numbers of properties inspected, no more than 30 in any year, although some desktop reviews carried out instead. In contrast, Ashfield had carried out over 500 inspections in the first two years of its selective licensing scheme. For the NRLA, this is making them question the enforcement part of the fee paid by applicants. Elsewhere, authorities inspect properties either before issuing licences or soon after, such as within six months of application.

“Bugbear landlords have is how long it takes for a licence”, NRLA

Another concern for the NRLA is the time taken to issue licences, an average of 287 in Greenwich, they claim. There is a wide range of timescales among the other authorities they had data for, though this was as quick as 62 days in Sefton or 8–12 weeks in Ashfield (although possibly for other PRS licensing schemes, not just additional licensing); in contrast, some other authorities are also taking many months to issue licences.

Impact of the scheme

“We don’t know” the impact: tenant support agency

One interviewee felt that landlords in general still believe that only good landlords come forward and sign up to licensing schemes, with criminal landlords who “stick two fingers out” and go under the radar, continuing to provide sub-standard properties.

One support agency believed there were high numbers of unlicensed HMOs, almost two thousand, they believed. Yet licensing all of these may well lead to extra homelessness, this agency stated, leading to increased duties for RBG. And this is at a time of a much higher housing waiting list today than previously, up from 14 thousand in 2010 to 20 thousand today, we were told. This can be a short-term negative impact on households who are evicted, even if longer-term it can improve property conditions.

We were told about one property where a family of four had sub-let the property to three other families. This included a couple with a very elderly wife and husband, living in one bedroom but with the roof leaking and water trickling down to the ground floor. After it was identified, everybody was evicted, leading to social services being involved, as well as housing rights and the environmental

health team. Elsewhere there were examples of tenants being asked to leave at night, even with possessions simply thrown out of the house.

A challenge within the Nepalese community is the lack of complaints about poor property conditions or management standards, often through fear of eviction and homelessness, or reluctant to inform against a Nepalese landlord, within the community. This demands extra information needed but also more open channels of communication in order to address some of these problems.

We did hear of some landlords renovating properties, thereby improving property conditions. This is a positive difference, one agency told us.

“We want to protect the good landlords because we need them”, tenant support agency

The London Fire Brigade described an example of a poor quality HMO being identified following a fire and reported to RBG, this one with somebody sleeping in the loft.

The NRLA questioned whether licensing fees had led to an increase in rent levels. If a tenant is in arrears, a landlord may struggle to pay the licence fee, we were told. Even though a licence fee is sometimes reported as a low weekly sum, landlords can't pay it weekly and pay in a lump sum, so an unfair comparison.

Licensing is “red rag to a bull” for landlords: landlord representative

Suggested changes

The support agency was looking for improved communication with the Environmental Health team, as had happened in the past. There needs to be a greater channel to pass information onto RBG, they wanted.

Reduce the number of applications and the sheer amount of information sent to the London Fire Brigade, they said, allowing them to focus their attention on high risk properties or applications. If it's not a statutory reason or a fire risk, they “don't see a need” to be sent applications. The Brigade's focus has to be on high-rise blocks, we were told, in light of the terrible Lakanal and Grenfell fires.

The NRLA are supportive of transparency with any sort of licensing scheme, giving the example of Nottingham. They also requested more flexible payment options for licensing fees.

The NRLA also suggested wider alternatives or improvements to licensing. These included:

- hiring more officers with the fees, whether admin or enforcement staff
- better engagement with landlords, such as holding a landlord forum or using a landlord liaison officer

- running a landlord accreditation scheme
- better work around waste management, including discounts for bulk waste.

Conclusion

Our review of your additional HMO licensing scheme has focused on its strategic fit, the running of the scheme and what impact it's had. The findings can help to tweak the scheme now and will feed into discussions about whether to renew an additional licensing scheme beyond October 2022, when the current scheme ends.

Strategic fit

We found alignment with corporate plans and strategies when the scheme was first introduced and still alignment today. The focus is clearly on creating healthy and safe living environments. There remains a clear need for focused work on HMOs in Greenwich, although the licensing scheme is just one part of this.

The only point of tension here is around homelessness. The Homelessness Reduction Act 2017 encourages councils to avoid evictions and keep people in properties as long as possible. However, the environmental health focus is about property conditions, in particular the safety of occupants and wider residents. This can lead EH to close down properties, thereby leading to homelessness. This is not isolated to Greenwich, though does point to how the private rented sector is portrayed, whether as “rogue”, “dodgy” or “unscrupulous landlords” or part of the solution for housing need in the borough.

Running of scheme

One RBG colleague summarised the running of the scheme, saying it was good at the beginning, dipped in the middle and is now getting better. The statistical data we've analysed reveals this varied level of activity. The average time to process applications is a key indicator of the delay and backlog. Across our review period, the average was 314 days from the time of application to the time issued, over ten months. While a lack of supporting documents from applicants and IT system changes account for some of this, at root is the under-resourced team seemingly throughout its operation. This has led to inconsistency, low staff morale and a stop-start focus of work on the scheme. The bleak view from licence holders backs this up.

Several colleagues spoke more positively about the direction of the additional licensing scheme. There was now a plan in place, we were told, and more control, with clear actions to address the backlog of applications. A focus on inspecting additional HMOs for the remaining time in the scheme is good news.

Impact of the scheme

Quantifying the impact of the additional HMO licensing scheme isn't straightforward. On a positive front, a few interviewees said that having a scheme in place is helping the borough deal with HMOs, focusing attention on them.

Ensuring additional HMOs are compliant with property conditions is key, though focusing on the 16% of HMOs that should be licensed. This means the overwhelming majority of additional HMOs remain unlicensed and outside the immediate remit of the scheme. This is a failing in the system and compares badly to the 77% of mandatory HMOs that are licensed.

Awareness of HMO licensing and the reporting of properties is more positive, even if it does produce complaints. Yet it also highlights wider challenges around HMOs and the neighbourhoods where they're concentrated. The lack of affordable property, including a need for more social housing, coupled with a concentration of vulnerable tenants living in HMOs creates a situation where voiceless tenants can be exploited by unscrupulous landlords.

The data suggests that there are particularly problematic properties, such as those receiving multiple complaints or needing several inspections. There are also problematic areas, seemingly in Peninsular and Plumstead wards, at least from the evidence we have reviewed.

Pulling all of this together, the additional licensing scheme does fit your wider strategies, the running of the scheme has been choppy, though seems to be in calmer waters today but the impact has been limited, including because the scheme has reached just a small proportion of the estimated HMOs that should be licensed.

Suggestions from interviewees

We also heard several suggestions for improvements from internal RBG colleagues and external stakeholders. Several internal colleagues believed the additional licensing scheme should continue beyond October 2022, though properly resourced and perhaps targeted geographically. This wasn't a universal belief, however. Other suggestions include returning to running landlord and letting agent workshops, starting up tenant workshops and better communication with other departments and external stakeholders.



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