



Havering

LONDON BOROUGH



HMO Property Licensing Scheme

- Wendy Laybourn, Senior Public Protection Officer
- Date: January 2019



Population & the Private Rented Sector

- Havering has an estimated population of 250,000
- Since 2007 Havering's population growing faster than England Average with expected population rise between 2011-2020 at 8.3% (+19,500 people)
- In 2016 the Private rented sector accounted for 17,037 and continues to increase
- HMO's account for around 7% of Housing Stock
- This places a high demand on the private rented sector



Havering's Property Market

- Impressive price growth- Property prices in Havering rising 12.4 per cent annually.
- The average house price in Havering is now around £408,000 *(around £300,000 below the London-wide average) * Rightmove -Jan 2018
- Average rental prices throughout Havering are around £1,200pcm for a 2-bed property, and £1,800pcm for a 4-bed house
- Average rental price for a room in a HMO = £567pcm
- Still cheaper to rent than in Central London

Why Additional Licensing?

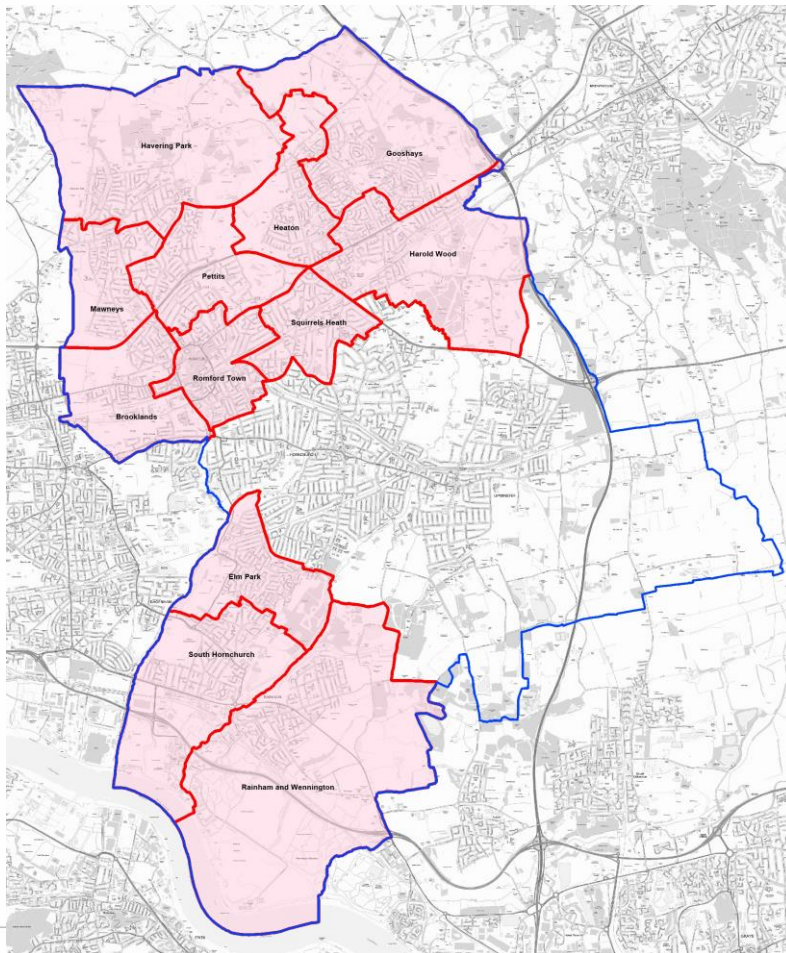
- Population on the rise, particularly in the PRS, has lead to increased demand for HMO's
- Complaints from residents
- Increased levels of antisocial behaviour
- Predicted around 800 HMO's borough wide
- Evidence that many are poorly managed or have inadequate fire safety provisions



Compliance Rates

- Additional MO licensing scheme came into force in Havering on 1 March 2018
- Legislative changes on 1st October 2018 means more HMO's fall within scope of the Mandatory HMO licensing
- Of the estimated 800 HMOs believed to exist in the borough, less than 250 are licensed
- This low compliance necessitates active enforcement

Additional licensing Designation



- 12 Wards Included:
- Brooklands
- Elm Park
- Gooshays
- Harold Wood
- Havering Park
- Heaton
- Mawneys
- Pettits
- Rainham & Wennington
- Romford Town
- South Hornchurch
- Squirrels Heath

How does licensing help?

- Reduces overcrowding in HMOs by setting a limit on the number of tenants permitted
- Accommodation is managed better as a result of specific licence conditions
- Landlords more accountable (named licence holders)
- Targeted enforcement action with financial penalties for non-compliance to drive out criminal landlords

HMO Licensing & Enforcement Statistics

- Scheme in operation from 1st March 2018
- Licence fee £900 per property for 5 yr. licence
- 193 applications received so far
- Approx. £167K licence fee income received to date
- Over 650 failure to licence warning letters issued
- 20 multi agency enforcement operations carried out (2 operations per month)
- 110 Financial penalty intention Notices issued to date with a value of over £300K



Case study

- intelligence received re. suspected HMO
- warning letters sent to owner, but ignored
- July 2018 -unannounced multi agency enforcement visit carried out
- A number of unrelated males found to be in occupation– 11 beds were present in this 2 bedroom flat
- Property was overcrowded, filthy and had inadequate fire safety provision



Photos(1)



Photos(2)



Photos (3)



Photos (4)



Outcomes

- The owner of the flat was issued with a total of £14,500 in financial penalties including:
- £10,000 for failing to licence the property and
- £4,500 for breaches of HMO Management Regulations (fire safety & failing to maintain common parts or living accommodation)
- £4900 has been paid so far with arrangements for remainder to be paid by instalments



What about the rest of the PRS?

- Additional licensing scheme may be extended to borough wide in future
- Licensing of all other privately rented homes may also be considered dependent on evidence available.
- The Council relies on incidents being reported so that our data is accurate.



Report an unlicensed or problem HMO

For further information -

- **Website:** www.havering.gov.uk/landlordlicence
- **Email:** landlordlicensing@havering.gov.uk
- **Post:** Private Sector Housing Team,
Public Protection, Town Hall, Main Road,
Romford RM1 3DB
- **Telephone** 01708 432777

