

# Agenda

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## Housing and Homelessness Panel (Panel of the Scrutiny Committee)

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This meeting will be held on:

Date: **Thursday 3 September 2020**

Time: **6.00 pm**

Place: **Zoom - Remote meeting**

**For further information** please contact:

Tom Hudson, Scrutiny Officer, Committee Services Officer

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## **Committee Membership**

Councillors: Membership 6: Quorum 3: substitutes are not permitted.

Councillor Nadine Bely-Summers  
(Chair)

Councillor Shaista Aziz (Vice-Chair)

Councillor Michael Gotch

Councillor Sian Taylor

Councillor Elizabeth Wade

Councillor Dick Wolff

Tony Buchanan

Apologies and notification of substitutes received before the publication are shown under *Apologies for absence* in the agenda. Those sent after publication will be reported at the meeting. Substitutes for the Chair and Vice-chair do not take on these roles.

# Agenda

	<b>Pages</b>
<b>1 Apologies</b> Substitutes are not allowed.	
<b>2 Declarations of interest</b>	
<b>3 Housing Panel Work Plan</b> For the Panel to note and agree its work plan, which can be adjusted to reflect the wishes of the Panel.	9 - 12
<b>4 Notes of previous meeting</b> For the Panel to approve the record of the meeting held on 03 August 2020.	13 - 18
<b>5 Requested updates from previous meeting</b> At its meeting on 03 August 2020 the Panel requested an update on a number of items:  <ol style="list-style-type: none"><li>1) The activity of the Lived Experience Advisory Forum and any joint working with the Council since the Housing Panel's meeting in November 2020. Paul Wilding, Programme Manager Welfare and Benefits, will provide a verbal update and be present to answer any questions.</li><li>2) The progress on the Champion Way community-led housing project since the Housing Panel's meeting in November 2020. Dave Scholes, Housing Strategy and Needs Manager, will provide a verbal update and be present to answer any questions.</li><li>3) The Council's position regarding domestic rent arrears, particularly with a view to the end of the eviction ban. A note regarding the Council's approach to debt recovery due to Covid-19 is attached (the relevant section is to be found under: Rent Arrears (House/Garage/ Leaseholders/OCHL/RGS). An additional note providing more detail and context around the process and support provided by the Council for those in rent arrears is also attached. Tanya Bandekar, Service Manager –</li></ol>	19 - 24



Revenue and Benefits, and Phil McGaskill, Revenues Manager, will be present to answer any questions.

## **6 Selective Licensing**

25 - 108

On 09 September the Cabinet will consider a paper concerning proposals around the introduction of a Selective Licensing scheme. The Panel is recommended to consider the report and make any recommendations to Cabinet accordingly.

Ian Wright, Head of Regulatory Services and Community Safety, will be present at the meeting to answer any questions.

## **7 Additional HMO Licensing renewal**

109 -  
162

On 09 September the Cabinet will consider a paper concerning proposals around the renewal of the Council's HMO Licensing scheme. The Panel is recommended to consider the report and make any recommendations to Cabinet accordingly.

Ian Wright, Head of Regulatory Services and Community Safety, will be present at the meeting to answer any questions.

## **8 Reports for approval**

For the Panel to consider the draft report to Cabinet made in response to its discussion regarding the impact of Covid-19 on private sector tenants at its previous meeting, and to approve the report having made any necessary amendments.

NB The report for this item will follow as a supplement.

## **9 Date of next meeting**

Meetings are scheduled as follows:

- 08 October 2020
- 05 November 2020

The Panel is also asked to note that an additional meeting will be scheduled in early February 2021, the precise date TBC.

All meetings begin at 6.00pm.

## **Information for those attending**

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### **Councillors declaring interests**

#### **General duty**

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed "Declarations of Interest" or as soon as it becomes apparent to you.

#### **What is a disclosable pecuniary interest?**

Disclosable pecuniary interests relate to your\* employment; sponsorship (ie payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

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Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

#### **Members' Code of Conduct and public perception**

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member "must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself" and that "you must not place yourself in situations where your honesty and integrity may be questioned". The matter of interests must be viewed within the context of the Code as a whole and regard should continue to be paid to the perception of the public.

\*Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

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## Housing and Homelessness Panel Work Plan

### Housing and Homelessness Panel

#### 03 September - reports

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Review of the Additional HMO licensing scheme	Yes	The report provides findings from a review carried out for the HMO Licensing Scheme and seeks approval from members to conduct a statutory consultation to renew the scheme in January 2021	Cabinet Member for Planning and Housing Delivery	Gail Siddall, Team Leader , HMO Enforcement Team
6 Proposal to improve the Private Rented Sector through selective licensing.	Yes	The report provides findings from a review carried out into the housing conditions within the private rented sector and seeks approval from members to conduct a statutory consultation into the introduction of selective licensing of the private rented sector across the city	Cabinet Member for Planning and Housing Delivery	Gail Siddall, Team Leader , HMO Enforcement Team

#### 08 October 2020 - provisional reports

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Housing Performance 2020/21 Q2	Yes	An update on the Council's Housing Performance against its KPIs for Q2		Tom Rice, Principal Planner

## Housing and Homelessness Panel Work Plan

### 05 November 2020 - provisional reports

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Rough Sleeping Update	No	An update report on the Council's activities in relation to Rough Sleeping, particularly in light of Covid 19, to include consideration of Floyds Row, the impact of the 'everyone in' policy, and future plans around 'everyone in' (with specific reference to the availability of move-on accommodation and hidden homelessness).	Cabinet Member for Affordable Housing	Nerys Parry, Housing Strategy & Needs Manager
Housing and Carbon Reduction	Yes	A report to inform the Committee of the Council's current plans with regards to carbon reduction in housing, looking specifically at retrofitting plans and possible funding models for paying for improvements to energy efficiency, as well as new housing supply.	Cabinet Member for Affordable Housing	Rachel Nixon
CIL Charging Schedule Review	Yes	To seek approval to consult on a new Community Infrastructure Levy (CIL) Draft Charging Schedule	Cabinet Member for Planning and Housing Delivery	Lorraine Freeman, Development Funding Officer

### February meeting - date TBC

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Housing Performance 2020/21 Q3	Yes	An update on the Council's Housing Performance against its KPIs for Q3		Stephen Clarke, Head of Housing Services / Director Housing Companies

## Housing and Homelessness Panel Work Plan

Allocation of Homelessness Prevention Funds 2021/22	Yes	A report to approve the allocation of homelessness prevention funds for 2021/22.	Cabinet Member for Affordable Housing	Stephen Clarke, Head of Housing Services / Director Housing Companies
Update of Housing Assistance and Disabled Adaptation Policy 2021	Yes	Minor changes to allow clarification around discretionary grant and joint custody arrangements	Cabinet Member for Affordable Housing	Becky Walker, Home Improvement Agency Team Manager
Additional HMO licensing scheme renewal	Yes	To report on the findings of the consultation and to seek approval for the next steps in relation to additional HMO licensing in the city	Affordable Housing	Gail Siddall, Team Leader , HMO Enforcement Team

### 04 March 2021 – no provisional reports at present

11

### Items with dates to be determined

Agenda item	Cabinet item	Description	Cabinet portfolio	Lead officer
Tenant Satisfaction	Yes	An update report on the results of the tenant satisfaction survey, and actions being taken in light of the learnings	Cabinet Member for Affordable Housing	Bill Graves, Landlord Services Manager

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## **Minutes of a meeting of the Housing and Homelessness Panel (Panel of the Scrutiny Committee) on Monday 3 August 2020**

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### **Committee members present:**

Councillor Bely-Summers (elected Chair)                      Councillor Aziz (Vice-Chair)  
Councillor Gotch    Councillor Taylor  
Councillor Wade    Councillor Wolff  
Tony Buchanan, Housing Panel (tenant co-optee)

### **Officers present for all or part of the meeting:**

Tom Hudson, Scrutiny Officer  
Carolyn Ploszynski, Planning Policy and Place Manager  
Tom Rice, Principal Planner  
Wendy Hind, Tenant Involvement Team

### **Also present:**

Alex Hollingsworth, Cabinet Member for Planning and Housing Delivery  
Lucy Warin, Oxford Tenants Union  
Alex Zinkov, Oxford Tenants Union

## **1. Election of Chair for 2020/21**

Vice-Chair, Councillor Aziz, sought nominations for the role of Chair of the Housing and Homelessness Panel for the civic year 2020/21.

Councillor Bely-Summers was **ELECTED** Chair of the Housing and Homelessness Panel for the civic year 2020/21

Having been elected, Councillor Bely Summers took over as Chair.

## **2. Apologies**

None

## **3. Declarations of interest**

None

#### **4. Housing Panel Work Plan**

The Panel considered the proposed workplan for the forthcoming year.

The following requests were made and **AGREED**:

- To reschedule the date of the next meeting from 02 September to 03 September
- To seek an opportunity for the Panel to discuss the issue of hidden homelessness
- To schedule papers on Housing's contribution to carbon reduction as early as possible.
- To add the CIL Charging Schedule to the work plan.

#### **5. Notes of previous meeting**

The notes of the meeting held on 07 November 2019 were **AGREED** as an accurate record.

It was also **AGREED** that the following be provided:

- An update on the progress made on the Champion Way project (community led housing)
- An update on the work of the Lived Experience Advisory Forum
- A briefing on the action being taken in light of growing rent arrears by tenants in Council properties and the support being provided.

#### **6. Housing Delivery Plan**

Councillor Alex Hollingsworth, Cabinet Member for Planning and Housing Delivery, introduced the report. A Housing Delivery Plan was a government requirement for councils whose housing completions were below 95% of their housing requirement over the past three years. It was unclear whether the Council fell into this category because central government to date had been unable to clarify which historical measures the Council should be measured against. Regardless of whether it was mandated by central government or not, the Council had decided to develop one. Doing so had proven a particularly useful exercise in making clear the importance of ensuring the sites identified for development in the Local Plan are indeed completed; to meet its housing requirement (not including the unmet need met by neighbouring councils) Oxford would have to see 100% of its sites developed each year to 2036. The main housing sources arose from the Council, Oxford University, colleges within the University, and private developers, and the plan sought to identify and defuse any barriers to delivery before they could result in a shortfall in housing delivery.

The Panel raised a number of questions regarding the following:

- Actions being taken to support the delivery of the Julian Housing and Lucy Faithfull sites. The Julian Housing site was reported to be on track, having only recently received planning permission. The Lucy Faithfull site had been subject to a hold up due to the presence of a 15<sup>th</sup> century friary beneath it, requiring archaeological investigation, but it was otherwise moving forward.
- The reasons behind the significant disparity between the level of the Council's delivery under different measures. This was due to a quirk caused by Oxford being unable to meet its housing need. For the years without a government agreed target, if the Council were to be held up against its overall housing needs based on demographics as opposed to deliverability (a figure recognised by government in the current Local Plan as undeliverable) this would result in a very high target, meaning a significant shortfall. If the figures were based on Oxford's ability to deliver, this would mean a much lower target and a much higher proportion therefore achieved.
- The levels of response to the Council's outreach activity with site promoters. It was suggested in response that the timing was unfortunate; the first round of outreach had commenced in the middle of lockdown.
- The impact of possible future changes to the planning system. Particular concerns were expressed by Councillor Hollingsworth over ministerial proposals for automatic permission to be granted to certain properties. The impact would be to negate many of the Council's policies in its current Local Plan whilst not speeding up housing delivery. In other changes, the upcoming update to rules around permitted development rights were in the process of being put into a briefing paper which would be distributed to all councillors, but it was noted that the rights to extend upwards in most areas would have a potentially deeply detrimental impact on Oxford's efforts to retain views of its skyline, and conversion rights had in other places enabled conversions of offices into particularly low-quality housing.

The Panel also discussed the timelines of the report's programme of engagement and progress to date. The Panel was informed Covid impacts had necessitated a prioritisation within the programme of engagement, focusing primarily on individual meetings with developers. Whilst prioritisation measures were an appropriate and indeed correct course of action, it was suggested by Panel members that remote working had had time to become normalised and that it would be beneficial to all stakeholders were the Council to indicate the dates by which paused activity would be recommenced. It was **AGREED** to make the following recommendation to Cabinet:

**That the Council updates its programme of engagement and progress to date to include dates for recommencement of paused activities.**

## **7. Presentation: Impact of Covid on Private Rented Sector Tenants**

The Panel welcomed two representatives from the Oxford Tenants Union to speak on the impact they had seen of Covid-19 on private rented sector tenants.

Following an introduction to the work of the Oxford Tenants Union the Panel were informed of the changing challenges faced by tenants during the Covid-19 pandemic. Initially, concerns were raised over failures by landlords and agents to maintain social distancing, attending properties for viewings unannounced or entering without tenant permission. Latterly, problems had arisen in shared properties where tenants had been

held responsible for the full rent following the departure of a house-mate. The pressure of paying rent during the pandemic had caused many people to be 'sick with worry' throughout, and those who had few alternative options were facing sofa-surfing or rough sleeping. Maintaining people in their homes was suggested to be the best means of preventing a significant rise in homelessness. As one of the places nationally with the most acute ratio between rents and earnings, Oxford would be particularly vulnerable to such an increase.

Panel members sought clarification on the scale of the problems within Oxford and the proportion of people the Council would have a duty to house. Knowing these figures precisely was acknowledged to be a challenge, with multiple advice providers in the city, and the unwillingness of people to seek help until being at the point of near-crisis.

In discussion it was recognised that the Council held very little power over landlords. However, it was suggested that the experience of the Tenants Union was that communication over good practice, and raising awareness of tenants' needs could be important ways of improving tenant-landlord relations during the pandemic. Raising awareness of tenants' rights was also an important undertaking. The difficulty in communicating with at-risk tenants, and landlords was recognised as challenging. A challenge faced by the Tenants Union was in communicating information on tenants' rights to non-English speaking communities, many of whom had an elevated housing risk profile.

Panel members discussed whether there existed a need for a social lettings agency. The concept was given support by Panel invitees on the basis that if it followed similar schemes elsewhere in the county would increase the availability of social housing in a city with a high unmet need.

The mutual threat to landlords and tenants caused by the pandemic was noted by the Panel, though it was recognised that the earlier and more acute damage would be felt by tenants. Being able to support and intervene early was identified as crucial in preventing homelessness but there was a potential blockage in knowing who was at risk until very late stages.

In a context of growing job losses and increased benefit claimants, the Panel discussed the high levels of non-compliance by landlords following the legal ruling that 'no DSS' clauses in adverts were discriminatory.

It was **AGREED** to make the following recommendations:

- **That the Council uses its existing channels of communication to share information on tenants' rights and advice relevant to the pandemic, and that it will seek to use its existing links with local community groups to improve access to such information amongst non-English speaking groups.**
- **That the Council identifies tenants at risk of eviction and communicates with them proactively regarding the advice and support available to them.**
- **That the Council uses its convening and influencing power to hear, collect and share the experience of renters and landlords with a view to signposting to good practice and increasing awareness of the potential for lose-lose situations if such good practice is not followed by landlords.**
- **That the Council agrees to the Tenant Ambassador Review recommendation of increased communication between the Council's allocations team and its homelessness team.**

## 8. Date of next meeting

The Panel **NOTED** the amended date of the next meeting, 03 September 2020.

**The meeting started at 6:00pm and ended at 7.55 pm**

**Chair .....**  
**2020**

**Date: Thursday 3 September**

*When decisions take effect:*

*Cabinet: after the call-in and review period has expired*

*Planning Committees: after the call-in and review period has expired and the formal decision notice is issued*

*All other committees: immediately.*

*Details are in the Council's Constitution.*

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# Agenda Item 5

By virtue of paragraph(s) 4 of Part 1 of Schedule 12A of the Local Government Act 1972.

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By virtue of paragraph(s) 4 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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**To:** Cabinet  
**Date:** 9 September 2020  
**Report of:** Head of Regulatory Services and Community Safety  
**Title of Report:** Improving the private rented sector - proposal to implement selective licensing

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To inform Cabinet of the review of the housing conditions undertaken to inform a decision for the implementation of a selective licensing scheme
<b>Key decision:</b>	Yes
<b>Cabinet Member:</b>	Councillor Alex Hollingsworth, Cabinet member for Planning and Housing Delivery
<b>Corporate Priority:</b>	More Affordable Housing.
<b>Policy Framework:</b>	Housing and Homelessness Strategy
<b>Recommendations:</b> That Cabinet resolves to:	
<ol style="list-style-type: none"> <li>1. <b>Consider</b> the Review of Housing Conditions and other factors affecting the private rented sector and note its findings;</li> <li>2. <b>Resolve</b> that the Review indicates that a significant proportion of the private rented sector should be inspected to determine whether any category 1 and 2 hazards exist;</li> <li>3. <b>Instruct</b> Officers of the Council to proceed with a statutory 10 week public consultation; and</li> <li>4. <b>Request</b> a future report in setting out the results of the statutory consultation and to consider and determine if the proposed scheme should be made and submitted to the Secretary of State for Housing, Communities and Local Government for conformation</li> </ol>	

<b>Appendices</b>
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Appendix 1	Private Rented Sector – Housing Stock Condition & Stressors Report July 2020
Appendix 2	Example of Poor conditions
Appendix 3	Licence Conditions Proposal
Appendix 4	Fee proposal
Appendix 5	Risk Register
Appendix 6	Equality Impact Assessment

## **Introduction and background**

1. At the meeting on the 27<sup>th</sup> January 2020, the Council resolved to adopt a motion supporting the introduction of a city wide licensing scheme to ensure all Oxford landlords are fit and proper and that properties let to residents meet minimum standards and are a safe place to live.
2. The introduction of selective licensing to improve the private rented sector and protect private tenants across the city is a key action of the council's aim to "deliver more affordable housing", contained in the Council Strategy 2020-2024. The scheme would mean that all non- exempt privately rented properties would require a licence to operate within the defined area.
3. The current private rented stock is estimated to be in the order of 49% (30,508 properties) of the total number of residential properties (61,896 properties) in the city including 5240 Houses in Multiple Occupation (HMOs) see Appendix 1. Oxford has one of the largest private rented sectors in any housing authority in England.
4. The objective of Selective licensing is to improve living conditions within the private rented sector and, through ensuring an improvement in management practices of the poorer performing landlords, an improvement in the surrounding community. The scheme will also contribute to a reduction in anti – social behaviour related to the private rented sector. Selective licensing is not a standalone tool and will enable more partnership working to be undertaken to address issues in these areas.

## **Key Findings from the Review**

5. A review of the housing conditions within the private rented sector was undertaken by an external consultant (Metastreet) to provide evidence for the proposal to introduce a selective licensing scheme.
6. The review used Tenure Intelligence (Ti) which uses council held data and publicly available data to identify tenure and analyse property stressors, including property conditions and anti – social behaviour (ASB) complaints.
7. Mathematical algorithms are used to analyse trends in the data at the property level. This helps to predict the tenure of individual properties using factors such as occupant transience and housing benefit data. Metastreet worked with the council to create a residential property data warehouse which included linking millions of cells of council and externally held data to 61,896 unique property reference numbers (UPRN).

8. Predictions were then made for each property as to the tenure and property condition, these predictions were then tested on a sample of known tenures and outcomes which were supplied by the council. The results were analysed to produce a summary of housing stock tenure, predictions of Category 1 hazards (HHSRS) and other related stressors.
9. It is important to note that this approach can never be 100% accurate as all statistical models include some level of error. A more detailed description of the methodology and the specific factors selected to build bespoke predictive models for the review can be found in Appendix 1
10. The evidence suggests
  - a. The percentage of privately rented homes in Oxford is much higher than the national average, with all wards having more than 20% of dwellings being privately rented.
  - b. The growth of the private rented sector in the city has been significant in recent years, rising from 20.8% in 2001 to 49.3% in 2020
  - c. Affordability is a challenge not only in the owner occupied sector but also in the rental market, with median rents ranging between 51% and 83% higher than the English average depending on bedroom categories.
  - d. Over 6200 properties are predicted to have a serious home hazard, this equates to 20.4 % of private rented homes, meaning that 1 in 4 privately rented homes is likely to have a serious home hazard
  - e. Over 4000 investigations were carried out between 2015 and 2019 into Anti – social behaviour concerns including noise and waste management issues, linked to private sector properties.
  - f. 3360 complaints were received from those renting in the private sector between 2015 and 2019. This equates to just over 1 in 10 families living in privately rented homes who felt the conditions were poor and their landlord was not responding to their request. The complaints related to 2990 properties and following inspection this resulted in 2723 serious housing hazards (category 1 and 2) being identified. See Appendix 2
  - g. Holywell ward has the lowest number of predicted category 1 hazards in the city.

## **Legal Implications**

11. Selective licensing was introduced by the Housing Act 2004 (the Act) along with two other forms of property licensing schemes. All of the schemes have statutory exemptions for certain types of property or where property is owned by certain organisations e.g. registered social landlords.
  - a. Mandatory Licensing – this currently applies to HMOs occupied by 5 or more unrelated people in 2 or more households
  - b. Additional HMO licensing – this can be applied to HMOs as determined by the Council in an area determined by the Council

12. The legal framework for the designation of selective licensing is contained in Part 3 of the Act and also in The Selective Licensing of Houses (Additional Conditions) (England) Order 2015.
13. Local Authorities are required to obtain confirmation from the Secretary of State for Housing, Communities and Local Government for any selective licensing scheme which would cover 20% of their geographical area or would affect more than 20% of the privately rented homes in the local authority area.
14. The Council will need to apply to the Secretary of State for approval of the scheme as the proposed scheme will cover more than 20% of the geographical area of the city and would affect more than 20% of the privately rented homes. This approval will be required even if certain wards are excluded.
15. For a selective licensing scheme to be considered, the legislation requires that one or more of the six statutory grounds must be met. These six grounds are:
  - a. The area is of low housing demand (or is likely to become such an area)
  - b. The area suffers from or has significant and persistent problems caused by anti – social behaviour
  - c. The area is experiencing poor property conditions
  - d. The area is experiencing or has recently experienced an influx of migration
  - e. The area is suffering a high level of deprivation or
  - f. The area suffers from high crime levels

The grounds c - f can only be applied where the area has a high proportion of properties in the private rented sector, which is determined by the Council in accordance with guidance. The area is not defined under the legislation and the council could decide to exclude areas which do not meet the grounds for selective licensing i.e. wards which are not experiencing poor housing conditions.
16. There is evidence that the city has a high proportion of properties in the private rented sector and as the report in Appendix 1 highlights there are significant problems with poor property conditions within the sector. The Council therefore has the evidence that a selective licensing scheme can be considered to address the issues in the private rented sector.

### **Proposed conditions**

17. There are a number of conditions which must be applied to all licences when granted, these are known as mandatory conditions and are prescribed by schedule 4 of the Housing Act 2004.
18. The Council can also apply other standard discretionary conditions to the licence which are not property specific and it is proposed that these will also be applied to all licences. This ensures fairness and consistency in the obligations placed on all licence holders in regulating the private rented sector. This is common practice amongst local authorities operating such schemes where inspections are not carried out routinely before licences are issued.
19. The proposed conditions have been benchmarked with 31 other Local Authorities to identify if similar conditions are being used in selective licensing

schemes, and if they are in accordance with best practice and industry guidance. See Appendix 3.

20. Conditions attached to selective licences have been limited by a Court of Appeal ruling that limits conditions to operational matters in relation to the management of the property. This differs to conditions attached to HMO licences and in practice, means that the improvement or upgrading of the property and installation of new equipment or facilities cannot be required as a condition of the licence. The Council will therefore need to take action under Part 1 of the Housing Act, using the Housing, Health and Safety Rating system (HHSRS) to assess any hazards in the property.

### **Other considerations of proposed scheme**

21. The Council's strategic approach to housing can be seen in the corporate plan 2016-20 and the Council Strategy 2020-24. The corporate plan outlined the council's aim to improve Oxford's resident's access to affordable and high quality homes irrespective of tenure. A headline action of the strategy is to **implement selective licensing to improve standards in the private rented sector**. Selective licensing compliments other council priorities including ensuring that residents are living in safe and secure homes, reducing anti-social behaviour and helping to building a flourishing community. Selective licensing can also help towards building a strong local economy as seen with the additional licensing with added investment in the sector through landlords improving their rented homes.
22. Such a scheme would also bring benefits to landlords and the private rented sector in general: the reputation and image of landlords and the private rented sector (PRS) will improve as standards rise and poor performers leave the market.
23. The designation can only be made for a maximum of 5 years. This would be the preferred length to allow for the scheme to be implemented and be effectively monitored and reviewed. As with all licensing schemes the council has a duty to review the scheme from time to time.

### **Consultation**

24. The council must undertake a full public consultation for a minimum of 10 weeks. The consultation must, where possible, be with those persons likely to be affected by the proposal and includes neighbouring authorities which may be affected. The consultation should be informative, clear and to the point, so that the full details of the proposal can be readily understood.
25. The consultation will be undertaken by an external agency to include:
  - a. Details of the proposed area(s)
  - b. Details of why the council considers there is a need for selective licensing and the likely effect of the scheme
  - c. The process and proposed standard conditions
  - d. The fee structure
26. The council must fully consider the responses made to the consultation, the supporting evidence and any other relevant information prior to any decisions being made regarding the submission of the proposal to the Secretary of State.

## **Other options considered**

27. The council is required to consider, prior to making a designation for selective licensing, whether there are any other courses of action which may be available to address the problems identified. Whilst the council has in the past worked with landlords to address the issue of poor conditions in the private rented sector these have had limited success and have been dependent on grant funding from central government.
28. In the past 10 years the additional HMO licensing scheme has been successful in improving standards and management practices in the HMO sector of the city, however it is acknowledged that there is still non-compliance. Without the additional HMO licensing scheme, these improvements would not have been achieved. However there continues to be a large number of properties in the non HMO private rented sector as demonstrated by the recent Review that have category 1 and high scoring category 2 hazards, see Appendix 1. A more robust approach, allowing proactive inspections to the non HMO stock would see improvements in compliance as seen in the licensable HMO stock in recent years.
29. The council operates an Accreditation Scheme which currently has 141 accredited landlords and agents and although this scheme is open to all landlords, 86% of landlords who are accredited are HMO licence holders. Therefore this voluntary scheme, whilst worthwhile in a small number of cases cannot, in isolation, be used to raise standards across the non HMO private rented stock.
30. The council could decide not to pursue a selective licensing scheme, however the evidence presented in Appendix 1 suggests that there is a problem with the conditions within the private rented sector across the whole city and that there is a clear need for such a scheme to address the problems. If the scheme was not pursued such conditions would continue and would still need to be addressed on a reactive basis following complaints made to the council. Without selective licensing, 1 in 4 families are at risk of living in unsafe, poorly managed homes in the private rented sector.

## **Scope of Scheme**

31. Selective licensing can be applied to the whole of the city or to parts of it. A scheme covering all the wards in the city is the preferred option at this stage. This would provide a clear framework for all private landlords and tenants across the city. However borough-wide licensing schemes have been controversial in the past, resulting in the legislation being amended in 2015 and the introduction of the 20% rule. There is detailed scrutiny of every application by MHCLG and a number of applications for borough-wide licensing schemes have been rejected.
32. As the level of privately rented homes is above the national average across the city there would have to be a good reason to exclude a part of the city, such as a low number of complaints or an area where there does not appear to be a problem with housing conditions.
33. From the evidence provided, one ward, Holywell, does not share all the characteristics found in the PRS in the other wards. The ward has a high level of privately rented properties and therefore meets the 20% threshold, however



the total housing stock in the ward is small, there are low numbers of properties containing serious home hazards and correspondingly very few complaints about housing conditions.

34. The majority of the privately rented properties in the ward are university or college owned and managed and as such they are exempt from any licensing requirement under the Housing Act. One consideration could be to exclude Holywell ward from the proposed licensing scheme as it is unlikely that licensing interventions will lead to improvements. This would ensure that the designation is focussed as tightly as possible on the areas in the city with a high level of privately rented homes which are experiencing poor property conditions.
35. There is a concern that excluding areas from licensing may lead to private landlords moving their business to the area to avoid the licensing regime, however this is unlikely in the case of Holywell due to the nature of the stock.

### **Financial implications**

36. The predicted income from the scheme over the 5 years is £6.64m. This figure is based on current costs and using the knowledge and experience the council have gained in operating the HMO licensing schemes. The income and costs will be reviewed regularly to ensure that the scheme is operating on a cost neutral basis. The current predictions are based on a standard licence fee of £480 for 5 years if made within 6 months of the start of the scheme. See Appendix 4
37. The scheme must be self-funding, with any income used to operate and manage the scheme.
38. Costs to administer the scheme have been included in the licence cost: These costs include:
  - a. Salary costs to operate the scheme
  - b. Processing costs for the licence applications including quality control
  - c. Enforcement and compliance costs
  - d. Training of staff and landlord events
  - e. Inflation
39. The set up costs for the council to introduce the scheme, which are estimated to be in the order of £60K will be funded from reserves.
40. The income forecasts have been calculated using a licensable stock of 12,000 properties and assumed that 75 % of applications will be received within the first 6 months, this assumption is based on results from similar schemes and the council's experience with the additional HMO licensing scheme. If these predictions are found to be incorrect staffing and resource level will be amended accordingly.
41. If the government approve the application to introduce the scheme, there must be a period of 3 months prior to the introduction, which would allow time for the recruitment and training of staff to process the applications. The staffing of the scheme will be kept under review as the scheme progressed to ensure that the scheme is operating within budget and that applications are processed in a timely manner.

42. The figures include a number of discounted fees for those landlords who provide a completed application in the first 6 months of the scheme and for those who are accredited with a recognised body.
43. There is an opportunity to investigate whether a discounted application fee can be offered to landlords and charities who are working with the council to provide accommodation to those who would otherwise be homeless as incentive for landlords to offer properties for such use.

### **Level of risk**

44. The current COVID-19 pandemic has raised many issues, including a degree of uncertainty in the private rented sector, which may result in a reduced appetite for government regulation in the short term. The need for good quality housing has been highlighted by the COVID -19 outbreak, which has seen a correlation between poor housing and poor health, with many localised outbreaks occurring in areas often with substandard housing
45. There are always concerns raised in relation to rental increases whenever discretionary licensing schemes are introduced. However the recent Independent review of the Use and Effectiveness of Selective Licensing commissioned by MHCLG determined that there was no substantive evidence of rent rises being passed onto tenants due to the introduction of selective licensing schemes and that analysis of data from the Valuation Office Agency did not support the claim that licensing has had a demonstrable effect on rent levels. However alongside delivering the many benefits of a selective licensing scheme, the council will also need to closely monitor its impact on the market to ensure the design and implementation of the scheme does not result in rental inflation which could impact on affordability and homelessness.
46. The Risk Register is attached as Appendix 5.

### **Equalities impact**

47. The Equalities Impact Assessment is attached in Appendix 6.

### **Conclusion**

48. The review of the private sector stock has highlighted that there is a problem with housing conditions in the sector, and without a proactive approach, the occupiers of such accommodation, who are often families with young children, will not be protected from the poor housing conditions which are prevalent in the private rented sector in the city.

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**Background Papers:** An Independent Review of the Use and Effectiveness of

Selective Licensing

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/833217/Selective\\_Licensing\\_Review\\_2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/833217/Selective_Licensing_Review_2019.pdf)

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Oxford City Council

Private Rented Sector: Housing Stock Condition and Stressors Report

July 2020

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## Executive Summary

Metastreet were commissioned by the Oxford City Council to review housing stock in the borough and assess housing stressors related to key tenures, particularly the private rented sector.

The detailed housing stock information provided in this report will facilitate the development and delivery of Oxford City Council's housing strategy and enable a targeted approach to tackling poor housing.

The main aim of this review was to investigate and provide accurate estimates of:

- Current levels of private rental sector (PRS) properties and tenure change over time.
- Levels of serious hazards that might amount to a Category 1 hazard (HHSRS).
- Other housing related stressors, including antisocial behaviour (ASB), service demand, population and deprivation linked to the PRS.
- Assist the council to make policy decisions, including the possible introduction of property licensing schemes under Part 3 of the Housing Act 2004.

Metastreet has developed a stock-modelling approach based on metadata and machine learning to provide insights about the prevalence and distribution of a range of housing factors. This approach has been used by several councils to understand their housing stock and relationships with key social, environmental and economic stressors.

The housing models are developed using unique property reference numbers (UPRN), which provide detailed analysis at the property level.

Data records used to form the foundation of this report include:

Council tax	Electoral register	Other council interventions records	Tenancy deposit data
Housing benefit	Private housing complaints and interventions records	ASB complaints and interventions records	Energy Performance data

## **Key Findings**

- Oxford's private rented sector (PRS) has grown rapidly over the last two decades, from 20.8% (2001) to 49.3% (2020)
- Oxford is likely to have one of the largest PRS populations, measured by the proportion of housing stock, of any housing authority in England
- Affordability is one of the key challenges for private renters in Oxford. Median rents in Oxford range between 51.5% and 82.7% higher than the English average depending on bedroom categories
- Oxford's median house price in 2019 was £ 501,284, this is 78.4% higher than the national average
- 6,242 private rented properties in Oxford are likely to have a serious home hazard (Category 1, HHSRS)
- 2.5% of PRS properties have an F and G rating. Extrapolated to the entire PRS, 763 properties are likely to fail the MEES statutory requirement.
- Oxford also has a higher proportion of households in fuel poverty (11.8%) than the national average (10.4%)
- Oxford City Council received 3,360 complaints from private renters related to 2,990 rented properties over a 5-year period
- Oxford City Council has recorded 2,723 serious housing hazards (Category 1 and 2, HHSRS) during property inspections
- Oxford City Council has served 2,451 housing and public health notices over a 5-year period
- 7 out of 24 wards have aggregated IMD rankings below the national average and 2 wards (Blackbird Leys & Carfax) are in the bottom quartile nationally
- Between 2015-2019 a total of 4,058 ASB investigations were carried out by Oxford Council linked to PRS properties
- St. Clement's (445) and St. Mary's (425) has by the far the highest number of ASB investigations

## **Table of Contents**

Table of figures .....	6
Table of tables.....	8
Table of maps.....	9
Introduction & Project Objectives .....	10
1 Oxford City Council Overview .....	11
1.1 Population.....	11
1.2 Migration.....	13
1.3 Deprivation .....	14
1.4 Fuel Poverty .....	16
1.5 Child Poverty.....	18
1.6 Homelessness.....	18
1.7 Housing affordability.....	19
2 Results of housing stock and stressor modelling.....	22
2.1 Methodology.....	22
2.2 Results - Private Rented Sector.....	23
2.2.1 Population and distribution .....	23
2.2.2 Housing conditions.....	29
2.2.3 PRS enforcement interventions .....	36
2.2.4 Anti-social behaviour (ASB).....	39
2.2.5 PRS and financial vulnerability.....	42
3 Conclusions .....	44
Appendix 1 – Ward summaries.....	46



Appendix 2 - Tenure Intelligence (Ti) – stock modelling methodology .....49

## Table of figures

Figure 1. Population by age and sex (Source: ONS 2018).....	11
Figure 2. Estimated population growth 2001-2020 (Source: ONS 2013). .....	12
Figure 3. Population projections 2020-2043 (Source: ONS 2018). .....	12
Figure 4. Oxford internal net migration by age group (Source: ONS 2019).....	13
Figure 5. Percentage of live births born to non-UK-born mothers (Source: ONS 2017). .....	14
Figure 6. Average IMD (2019) decile by ward (Source: IMD 2019). .....	15
Figure 7. Proportion of households in fuel poverty (%) by core city (BEIS 2017).....	17
Figure 8. Fuel poverty (%) by comparable towns and cities (BEIS 2017).....	17
Figure 9. Proportion of children in poverty by ward (Source: End Child Poverty 2017) .....	18
Figure 10. Homelessness acceptances per 1,000 households (Source: MHCLG 2019) .....	19
Figure 11. Median monthly private rents (Source: VOA 2019).....	20
Figure 12. Mean price paid (2019) for a residential property (Source: Land Registry 2019). .....	20
Figure 13. Housing Affordability Ratio 2016 (Source: ONS 2016).....	21
Figure 14. Tenure profile 2001 & 2020 (Source: ONS & Ti 2020). .....	23
Figure 15. PRS as a percentage of total housing stock (Source: ONS & Ti 2020).....	24
Figure 16. Number of PRS dwellings by ward (Source: Ti 2020).....	25
Figure 17. Percentage of PRS dwellings by each ward (Source Ti 2020). .....	27
Figure 18. Housing Stock Age Profile and Council Tax band (Source: VOA 2019). .....	29
Figure 19. Property type as a percent of total (Source: EPC data 2020). .....	30
Figure 20. Predicted number of Category 1 hazards by ward (Source: Ti 2020). .....	31
Figure 21. Percentage of PRS properties predicted to have at least one Category 1 hazards by ward (Source: Ti 2020) .....	33
Figure 22. PRS complaints made by private tenants to the Council (Source Ti 2020).....	34

Figure 23. Distribution of Energy Performance Certificate ratings in PRS (Source: Ti 2020). ..... 35

Figure 24. Housing and public health notices served on PRS properties by ward (Source: Ti 2020). ... 36

Figure 25. Housing hazards (Category 1 & 2) identified by Oxford CC (Source: Ti 2020). ..... 38

Figure 26. Total ASB investigations linked to PRS properties by ward (Source Ti 2020). ..... 39

Figure 27. ASB investigations linked to PRS per 1000 properties by ward (Source: Ti 2020). ..... 40

Figure 28. Types of ASB linked to PRS properties (Source: Ti 2020). ..... 42

Figure 29. PRS housing benefit payments (households) by ward (Source: Ti 2020). ..... 43

Figure 30. Summary of Metastreet Tenure Intelligence methodology. .... 49

**Table of tables**

Table 1. Percentage and number of PRS properties by ward (Source Ti 2020)..... 28

Table 2. Ward summary overview (Source Ti 2020)..... 46

Table 3. Owner occupier predictive factors..... 51

Table 4. PRS predictive factors..... 52

Table 5. Category 1 (HHSRS) hazard predictive factors. .... 52

## Table of maps

Map 1. Distribution of Average IMD (2019) decile by ward (Source: IMD 2019, map by MS).....	16
Map 2. Number of PRS properties (Source: Ti 2020, map by MS).....	26
Map 3. PRS properties as percentage of housing stock (Source: Ti 2020, map by MS). ....	28
Map 4. Distribution of PRS properties with category 1 hazards (Source: Ti 2020, map by MS). ....	32
Map 5 PRS complaints made by private tenants to the Council (Source: Ti 2020, map by MS). ....	34
Map 6 Housing and public health notices served on PRS properties by ward (Source: Ti 2020, map by MS).....	37
Map 7. ASB investigations linked to PRS properties by ward (Source: Ti 2020, map by MS).....	41

## **Introduction & Project Objectives**

Metastreet were commissioned by the Oxford City Council to review its housing stock with a focus on the following key areas:

- Residential property tenure changes since 2001
- Housing profile
- Distribution of the PRS
- Condition of housing stock in the PRS
- Housing related stressors, including Anti-Social Behaviour (ASB), service demand and interventions, population change and deprivation

The report provides the council with the evidence base for developing housing policy and service interventions. The report also satisfies the council's responsibility to review its housing stock as set out under Part 1, Section 3 of the Housing Act 2004.

The first section of the report details the findings of the stock and tenure modelling, including an introduction to the methodology. A combination of Oxford City Council's data warehouse, machine learning and modelling techniques have been used to pinpoint tenure and predict property conditions within its PRS housing stock. An advanced property level data warehouse has been used to facilitate the analysis.

For the purposes of this review, it was decided that a ward-level summary is the most appropriate basis to assess housing conditions across Oxford, derived from property level data.

Three separate predictive tenure models (Ti) have been developed as part of this project which are unique to Oxford, they include:

- Private rented sector (PRS)
- Owner occupiers
- Serious PRS housing hazards (Category 1, HHSRS)

The appendices to the report contain a summary of the data and a more detailed report methodology. This report version excludes HMO analysis.

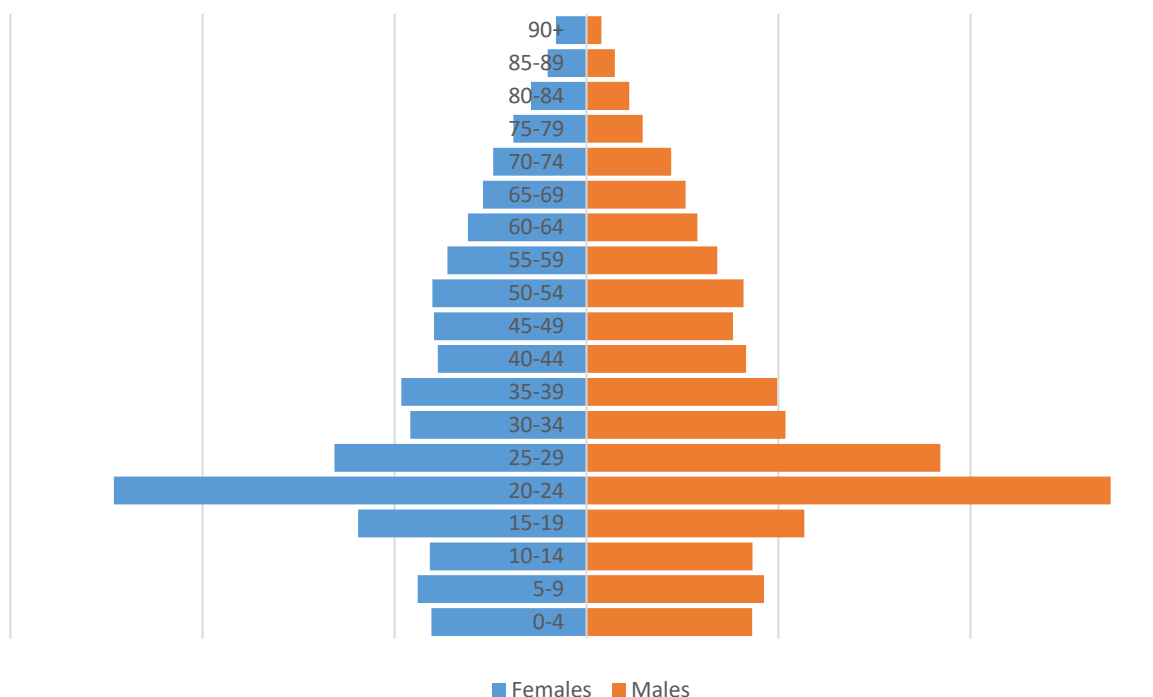
## 1 Oxford City Council Overview

Oxford is a city in Oxfordshire, England. The city is home to the University of Oxford, the oldest university in the English-speaking world, and has buildings in every style of English architecture from late Anglo-Saxon. Oxford is 24 miles north-west of Reading, 26 miles north-east of Swindon, 36 miles east of Cheltenham and 43 miles east of Gloucester and 51 miles west-north-west of London. The rivers Cherwell and Thames run through Oxford and meet south of the city centre. The city covers an area of 17.60 square miles.<sup>1</sup>

### 1.1 Population

The Office of National Statistics (ONS) population estimate for Oxford as at 2018 was 154,600<sup>2</sup>.

Oxford has a significant population peak in the 20-24 year group, driven in part by student populations. Oxford had 33,640 students enrol for full-time studies across two universities in 2018, this represents the largest proportion of adults in full-time studies of any city in England and Wales<sup>3</sup>. This group is apparent in the city's population pyramid (Figure 1)



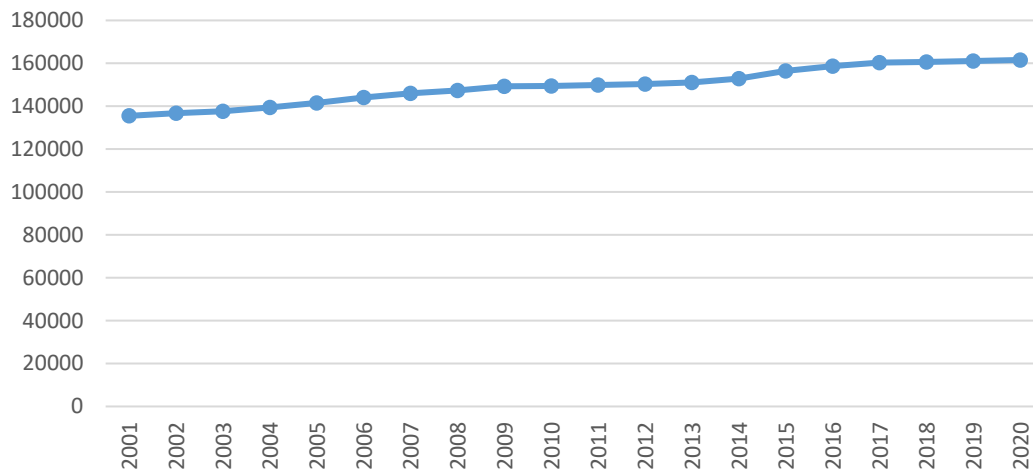
**Figure 1. Population by age and sex (Source: ONS 2018).**

<sup>1</sup> Oxford Wikipedia <https://en.wikipedia.org/wiki/Oxford>

<sup>2</sup> Population estimates 2018 ONS [https://www.oxford.gov.uk/downloads/file/1086/oxford\\_population\\_estimate\\_2001-2006](https://www.oxford.gov.uk/downloads/file/1086/oxford_population_estimate_2001-2006)

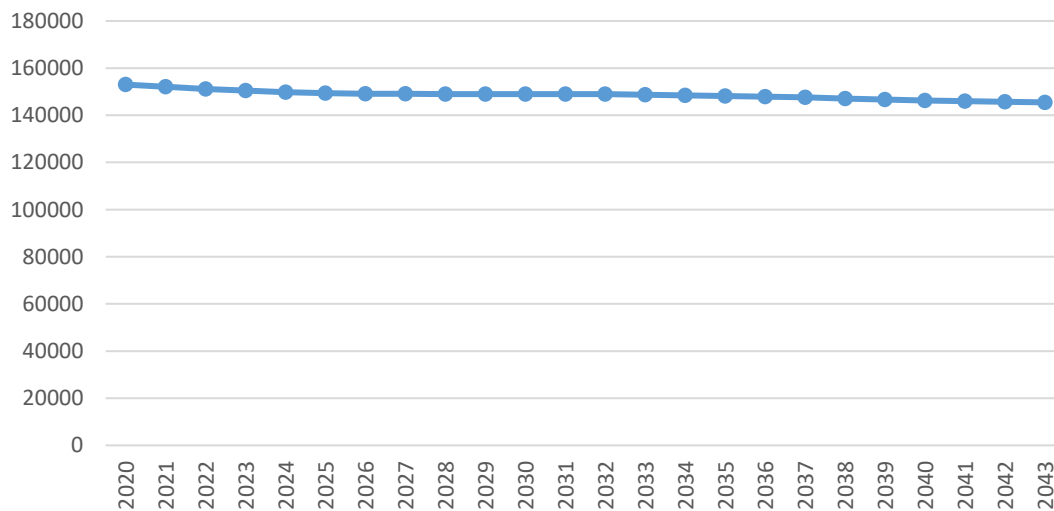
<sup>3</sup> Oxford facts [https://www.oxford.gov.uk/info/20131/population/459/oxfords\\_population](https://www.oxford.gov.uk/info/20131/population/459/oxfords_population)

Oxford's population has grown steadily since the 2001 (Figure 2) <sup>4</sup>.



**Figure 2. Estimated population growth 2001-2020 (Source: ONS 2013).**

Oxford population is predicted to decrease slightly over the next two decades (Figure 3)<sup>5</sup>.



**Figure 3. Population projections 2020-2043 (Source: ONS 2018).**

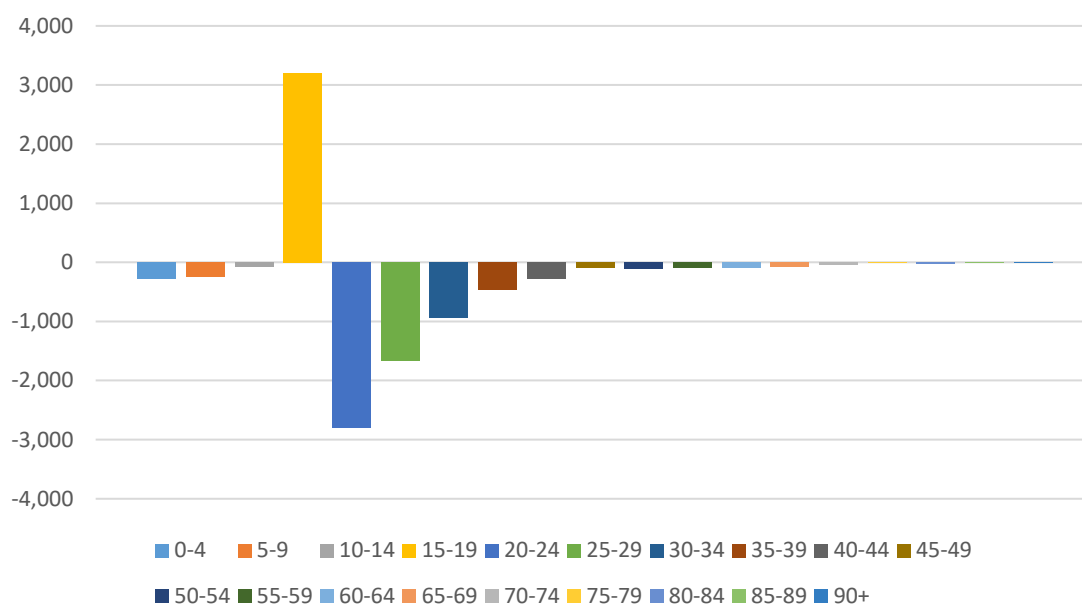
<sup>4</sup> Population estimates 2018 ONS [https://www.oxford.gov.uk/info/20131/population/459/oxfords\\_population](https://www.oxford.gov.uk/info/20131/population/459/oxfords_population)

<sup>5</sup> Population estimates 2018 ONS [https://www.oxford.gov.uk/downloads/file/1086/oxford\\_population\\_estimate\\_2001-2006](https://www.oxford.gov.uk/downloads/file/1086/oxford_population_estimate_2001-2006)



## 1.2 Migration

Oxford has a significant internal net migration from other local authorities in England and Wales in the 15-19 age group. Oxford's population is therefore younger than that of England and Wales as a whole, with 51.3% of its population under the age of 30.<sup>6</sup>



**Figure 4. Oxford internal net migration by age group (Source: ONS 2019).**

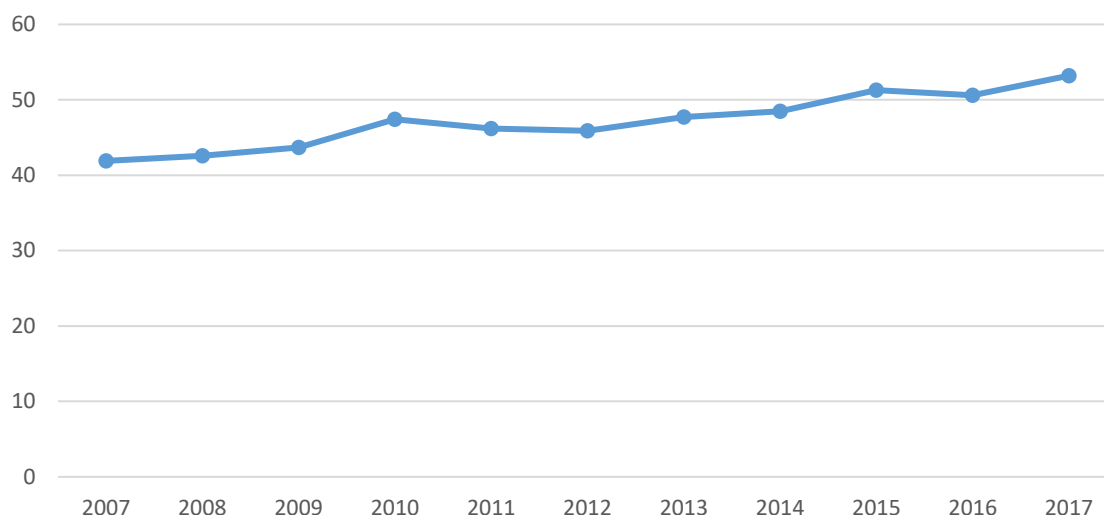
Oxford is also a destination for international migrants. The 2011 Census showed that 28% of Oxford's population was born outside the UK, compared to 19% in the 2001 Census. The most common countries of birth were Poland, the USA, China (including Hong Kong), Germany, India and Pakistan.<sup>7</sup>

In 2017, the English region with the highest percentage of live births to women born outside the UK was London (57.9%). In Oxford, 53.2% of women with live births were born outside the UK, this has increased from 41.9% in 2007.<sup>8</sup>

<sup>6</sup> ONS Internal Migration (2018)  
<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/migrationwiththeuk/datasets/internalmigrationmovesbylocalauthoritiesandregionsinenglandandwalesby5yearagegroupandsex>

<sup>7</sup> Internal migration  
[https://www.oxford.gov.uk/info/20131/population/464/international\\_migration#:~:text=Oxford%20has%20long%20been%20a,it%20for%20work%20or%20study.&text=Most%20people%20come%20to%20Oxford,the%20age%20of%2016%20years.](https://www.oxford.gov.uk/info/20131/population/464/international_migration#:~:text=Oxford%20has%20long%20been%20a,it%20for%20work%20or%20study.&text=Most%20people%20come%20to%20Oxford,the%20age%20of%2016%20years.)

<sup>8</sup> ONS Births by parent birth (2017)  
<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/bulletins/parentscountryofbirthenglandandwales/2017>



**Figure 5. Percentage of live births born to non-UK-born mothers - 2007 to 2017 (Source: ONS 2017).**

### 1.3 Deprivation

The Indices of Multiple Deprivation 2019 (IMD2019) provide a set of relative measures of deprivation for LSOAs (Lower-layer Super Output Areas) across England, based on seven domains of deprivation.<sup>9</sup>

Oxford has an average score ranking of 182 making it the 136th least deprived of the 317 local authorities in England. This compares to an average score ranking of 166 in 2015 when it was the 161st least deprived of the 326 local authorities included. Oxford has therefore become relatively less deprived. Oxford remains the most deprived of the five Oxfordshire districts.<sup>10</sup>

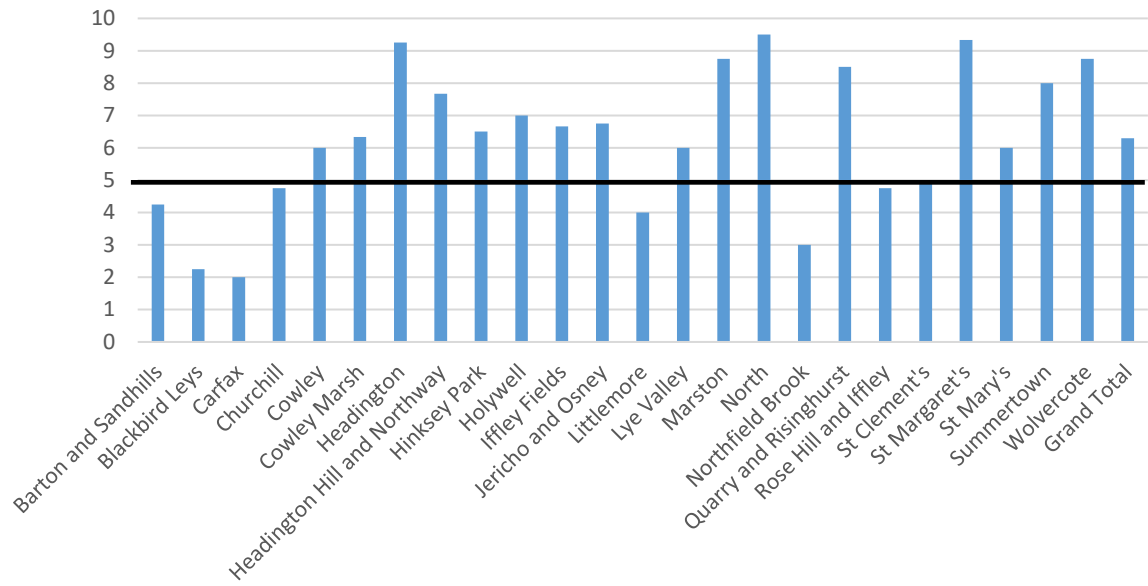
To analyse data at the ward level, LSOA have been matched to new wards using an Open Geoportal Portal lookup table<sup>11</sup>. Average IMD2019 decile aggregated reveals a ward level deprivation picture (Figure 6). 1.0 on the graph represents the most deprived 10% areas and 5.0 represents 50% most deprived.

Oxford has a minority of high deprivation wards. 7 out of 24 wards have aggregated IMD rankings below the national average. 2 wards (Blackbird Leys & Carfax) are in the bottom quartile nationally.

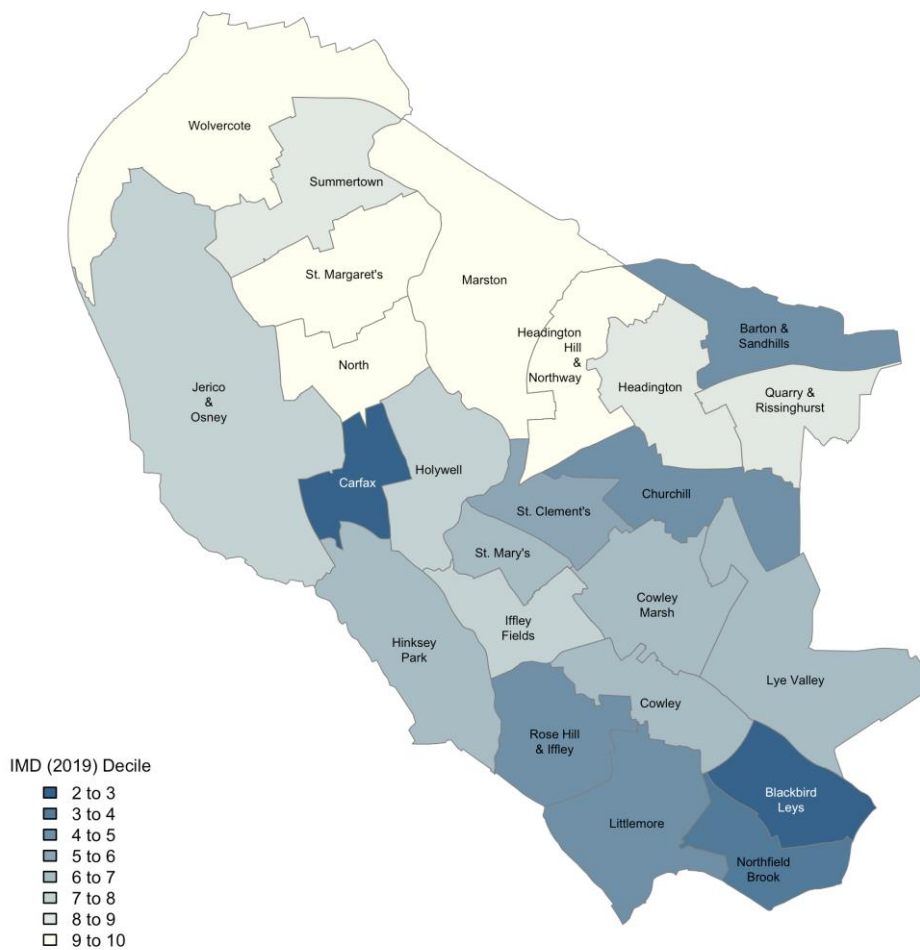
<sup>9</sup> ONS2019 <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>,

<sup>10</sup> IMD 2019 Oxford City results [https://www.oxford.gov.uk/downloads/file/6758/indices\\_of\\_deprivation\\_2019\\_oxford\\_report](https://www.oxford.gov.uk/downloads/file/6758/indices_of_deprivation_2019_oxford_report)

<sup>11</sup> ONS2019 [http://geoportal.statistics.gov.uk/datasets/8c05b84af48f4d25a2be35f1d984b883\\_0/data](http://geoportal.statistics.gov.uk/datasets/8c05b84af48f4d25a2be35f1d984b883_0/data)



**Figure 6. Average IMD (2019) decile by ward (Source: IMD 2019).** Horizontal line shows the national median average (5.0)



**Map 1. Distribution of Average IMD (2019) decile by ward (Source: IMD 2019, map by MS).**

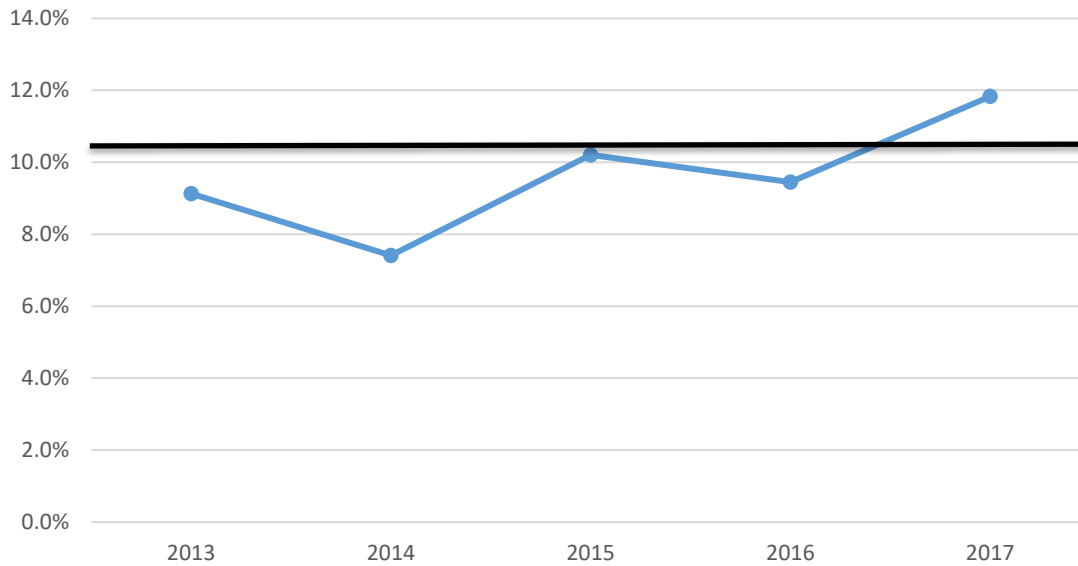
#### 1.4 Fuel Poverty

Fuel poverty is defined by the Warm Homes and Energy Conservation Act. A household is considered to be fuel poor if they have required fuel costs that are above average (the national median level); and, were they to spend that amount, they would be left with a residual income below the official poverty line.<sup>12</sup>

Oxford has a higher proportion of households in fuel poverty (11.8%) than the national average (10.4%).<sup>13</sup>

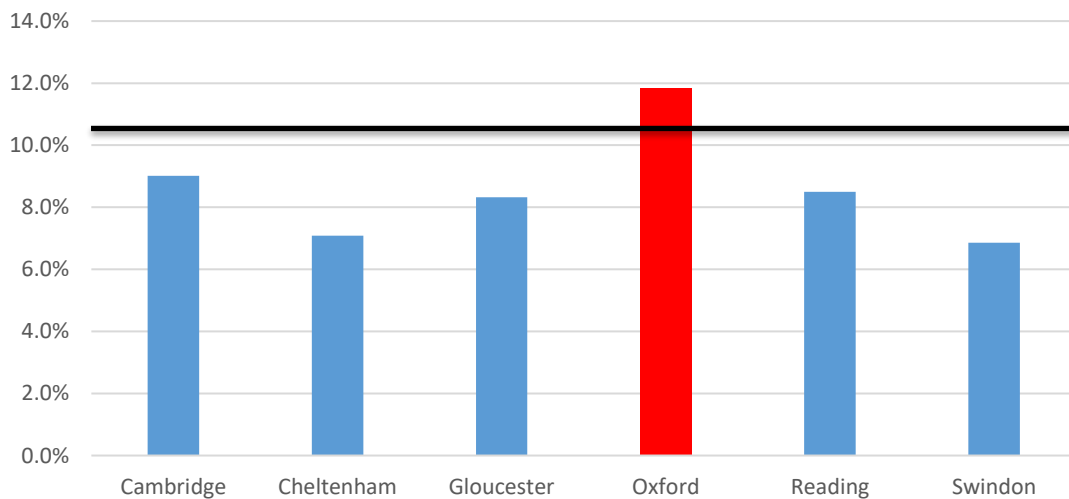
<sup>12</sup> Department for Business, Energy & Industrial Strategy 2016 <https://Oxford.gov.uk/council/key-statistics-and-data/data/deprivation/>

<sup>13</sup> ONS fuel poverty estimates <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/researchoutputsmallareastimationoffuelpovertyinengland2013to2017/2019-07-08>



**Figure 7. Proportion of households in fuel poverty (%) by core city (BEIS 2017). Horizontal line shows England average (10.4% 2017).**

Oxford has a higher proportion of households in fuel poverty (11.8%) compared to comparable towns and cities and the national average (10.4%)<sup>14</sup>.



**Figure 8. Fuel poverty (%) by comparable towns and cities (BEIS 2017). Horizontal line shows England average (10.4% 2017).**

<sup>14</sup> ONS fuel poverty estimates  
<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/researchoutputsmallareaestimationoffuelpovertyinengland2013to2017/2019-07-08>

## 1.5 Child Poverty

PRS rents have been identified as a key driver of poverty. With greater numbers of children living in the PRS, understanding child poverty levels help us to understand the wider impacts of the PRS<sup>15</sup>.

The graph (Figure 9) gives estimates of children in low-income families. It shows the proportion of children living in families in receipt of out-of-work (means-tested) benefits or in receipt of tax credits after housing costs have been accounted for. Oxford has an estimated child poverty rate of 23.7%.<sup>16</sup>

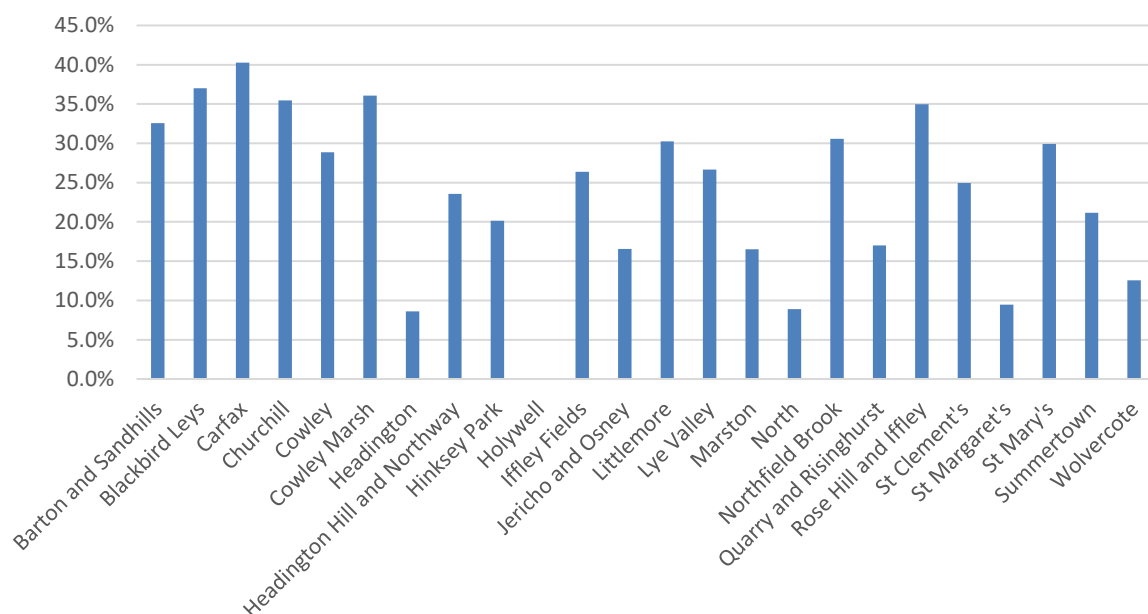


Figure 9. Proportion of children in poverty by ward (Source: End Child Poverty 2017)

## 1.6 Homelessness

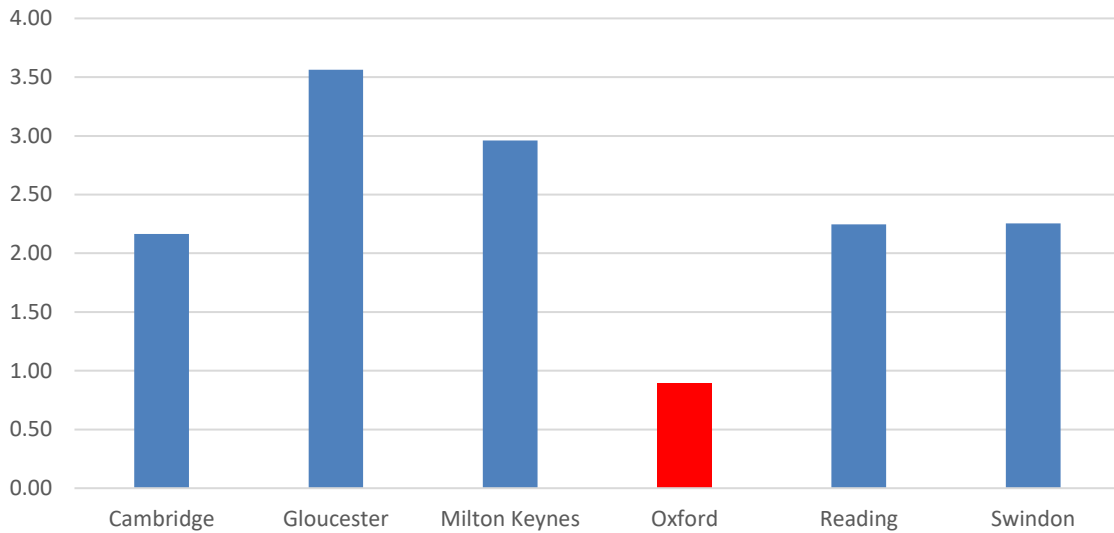
Statutory homelessness acceptance includes those who the local authority has determined are legally entitled to assistance. To be accepted as statutorily homeless by the local authority you must be found legally and unintentionally homeless, be eligible for assistance and in priority need.

Homelessness returns to government in the 2019 (October to December) year shows Oxford has relatively low homelessness acceptance rates over the period when compared to comparable towns and cities (Figure 10)<sup>17</sup>.

<sup>15</sup> JRT, Housing costs and poverty: private rents compared to local earnings 2018

<sup>16</sup> Children in poverty <https://Oxford.gov.uk/council/key-statistics-and-data/data/deprivation/>

<sup>17</sup> MHCLG 2019 <https://www.gov.uk/government/statistical-data-sets/live-tables-on-homelessness>



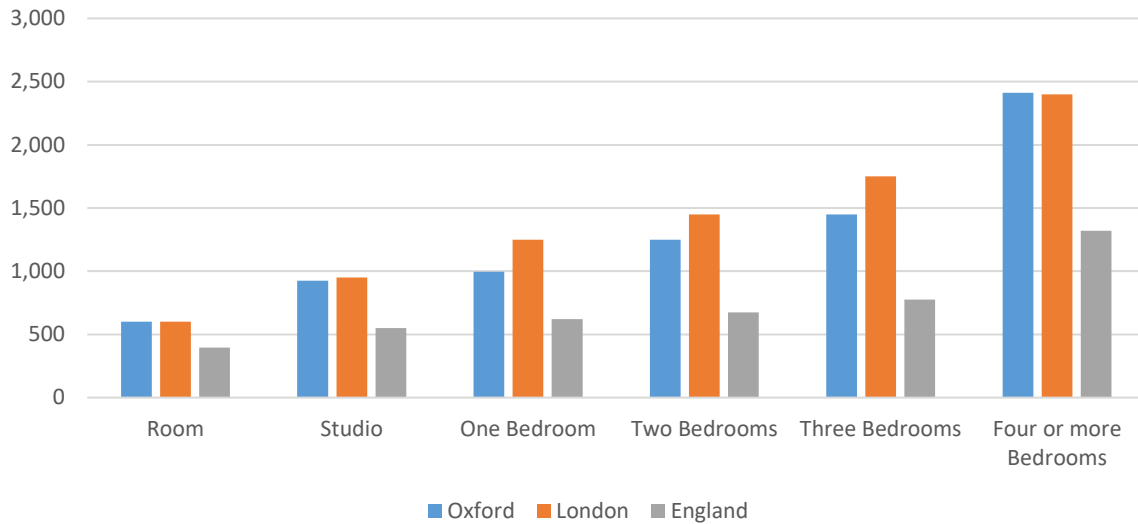
**Figure 10. Homelessness acceptances per 1,000 households by comparable towns and cities (Source: MHCLG 2019)**

### 1.7 Housing affordability

Median monthly private rents recorded between 1 October 2018 to 30 September 2019 for all bedroom categories are significantly above the England average (Figure 11). Median rents in Oxford range between 51.5% and 82.7% higher than the English average depending on bedroom categories. The median monthly rents for rooms and studio flats are equal to the London average. Rents for four or more bedroom are higher than the London average.<sup>18</sup>

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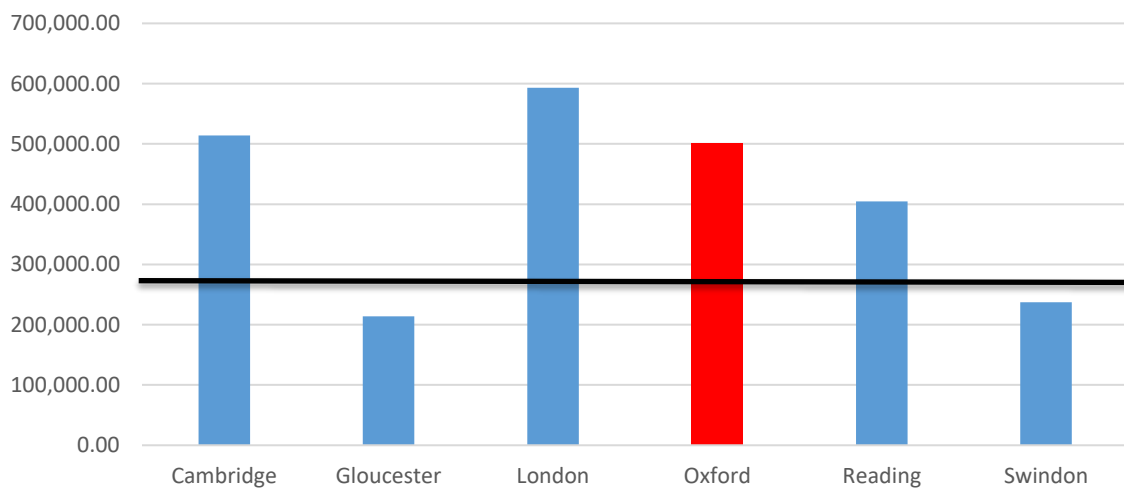
<sup>18</sup> Median monthly private rents  
<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/privaterentalmarketsummarystatisticsinengland/october2018toseptember2019>



**Figure 11. Median monthly private rents recorded between October 2018 to September 2019 for all bedroom categories (Source: VOA 2019).**

Oxford’s median house price in 2019 was £ 501,284. The English average house price for the same period was £ 281,012. Therefore, house prices in Oxford are 78.4% higher than the national average.

<sup>19</sup>.

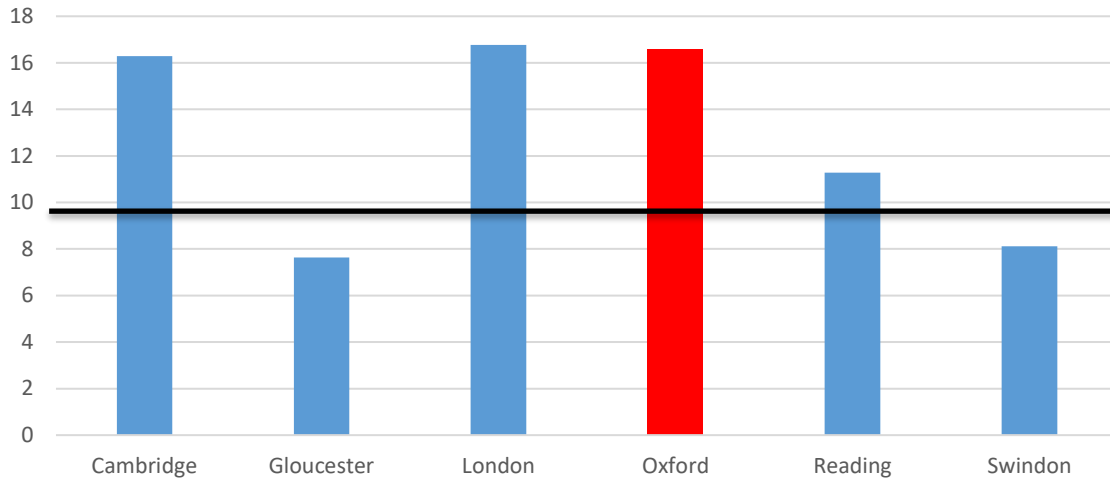


**Figure 12. Mean price paid (2019) for a residential property (Source: Land Registry 2019). Horizontal line shows English average (£281,000)**

<sup>19</sup> Mean house prices 2019 <https://www.centreforcities.org/data-tool/#graph=table&city=show-all&indicator=housing-affordability-ratio\single\2016&tableOrder=tableOrder\1,1>



Housing affordability estimates are calculated by dividing house prices by annual earnings to create a ratio<sup>20</sup>. Oxford's Housing Affordability ratio (16.57%) is significantly above the national average (9.82%) (Figure 13).



**Figure 13. Housing Affordability Ratio 2016 (Source: ONS 2016). Horizontal line shows national average - 9.82)**

<sup>20</sup>ONS 2016  
<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/housingaffordabilityinenglandandwales/1997to2016>

## **2 Results of housing stock and stressor modelling**

### **2.1 Methodology**

Tenure Intelligence (Ti) uses council held data and publicly available data to identify tenure and analyse property stressors, including property conditions and ASB.

Data trends at the property level are analysed using mathematical algorithms to help predict the tenure of individual properties using factors such as occupant transience and housing benefit data. Metastreet have worked with the council to create a residential property data warehouse. This has included linking millions of cells of council and externally held data to 61,896 unique property reference numbers (UPRN).

Machine learning is used to make predictions for each tenure and property condition based on a sample of known tenures and outcomes. Results are analysed to produce a summary of housing stock makeup, predictions of Category 1 hazards (HHSRS) and other stressors. To achieve the maximum accuracy, unique models are built for each council, incorporating individual borough data and using known outcomes to train predictive models.

Once the data warehouse was created, statistical modelling was used to determine tenure using the methodology outlined below. All council held longitudinal data is for five consecutive years, from 2015 –2019.

Different combinations of risk factors were systematically analysed for their predictive power in terms of key outcomes. Risk factors that duplicated other risk factors but were weaker in their predictive effect were systematically eliminated. Risk factors that were not statistically significant were also excluded through the same processes of elimination.

For each UPRN a risk score was calculated using logistic regression. The selected risk factors have a better or worse than evens chance of being predictive.

A number of predictive models have been developed as part of this project which are unique to Oxford Council. Known stressors linked to individual properties have been modelled to calculate population level incidences and rates.

It is important to note that this approach can never be 100% accurate as all statistical models include some level of error. A more detailed description of the methodology and the specific factors selected to build bespoke predictive models for this Oxford project can be found in Appendix 2.

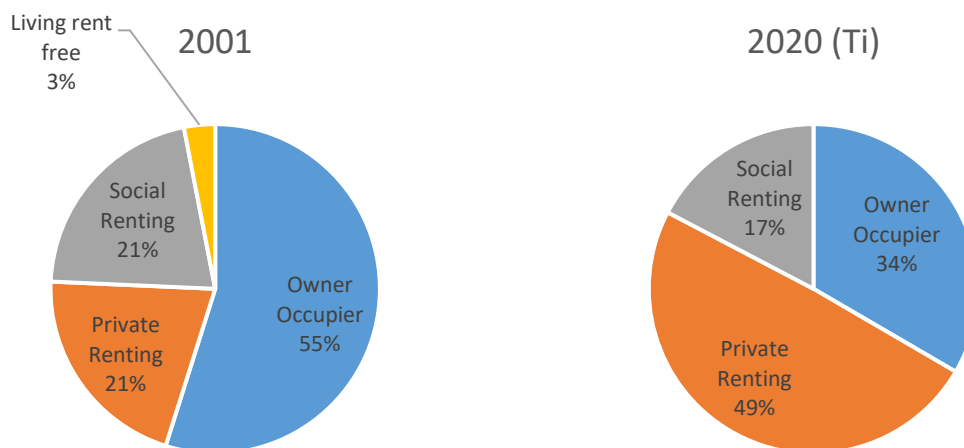
## 2.2 Results - Private Rented Sector

### 2.2.1 Population and distribution

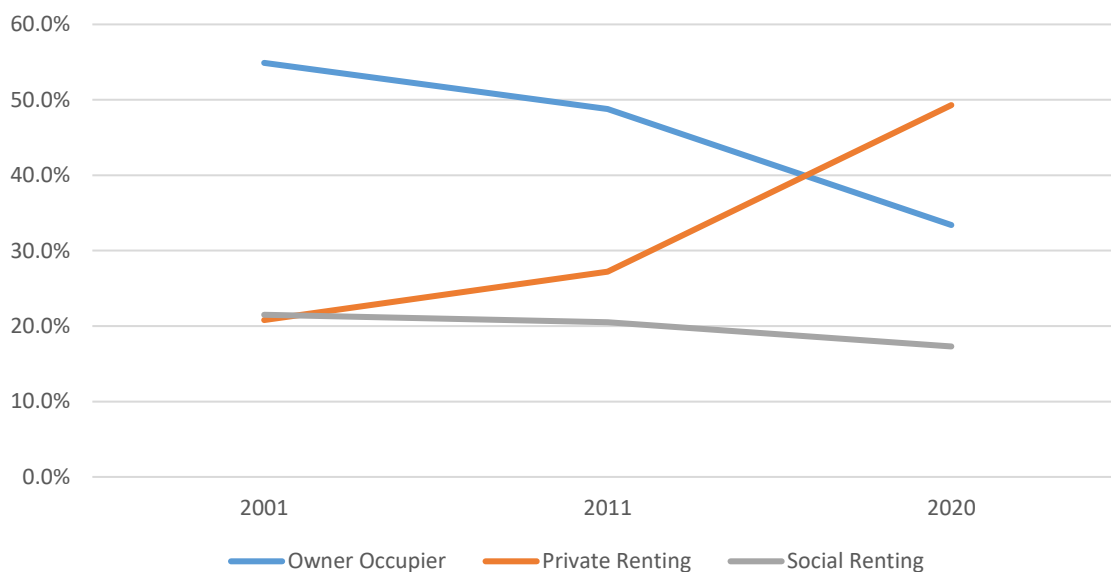
The private rented sector (PRS) in Oxford has grown significantly since 2001.

The study identified a total of 61,896 residential properties in Oxford (excluding rooms and shell properties). 49.3% (30,508) of which are PRS, 33.4% (20,672) are owner occupied and 17.3% (10,716) socially rented (Figure 13). The PRS in Oxford is distributed across all 24 wards (Figure 17 & Map 4). Oxford has one of the largest PRS populations, measured by proportion of total housing stock, of any housing authority in England.

Based on tenure modelling, Oxford City Council's PRS is now calculated to be 49.3% (30,508) of housing stock (Figure 14). This compares to 20.8% of households in 2001 and 27.2% in 2011 (ONS). This represents a 137% increase over the last 19 years. The growth of the PRS has come mostly from a reduction in owner occupation, from 54.9% (2001) to 33.4% (2020) (Figure 15).



**Figure 14. Tenure profile 2001 & 2020 (Source: ONS & Ti 2020).**



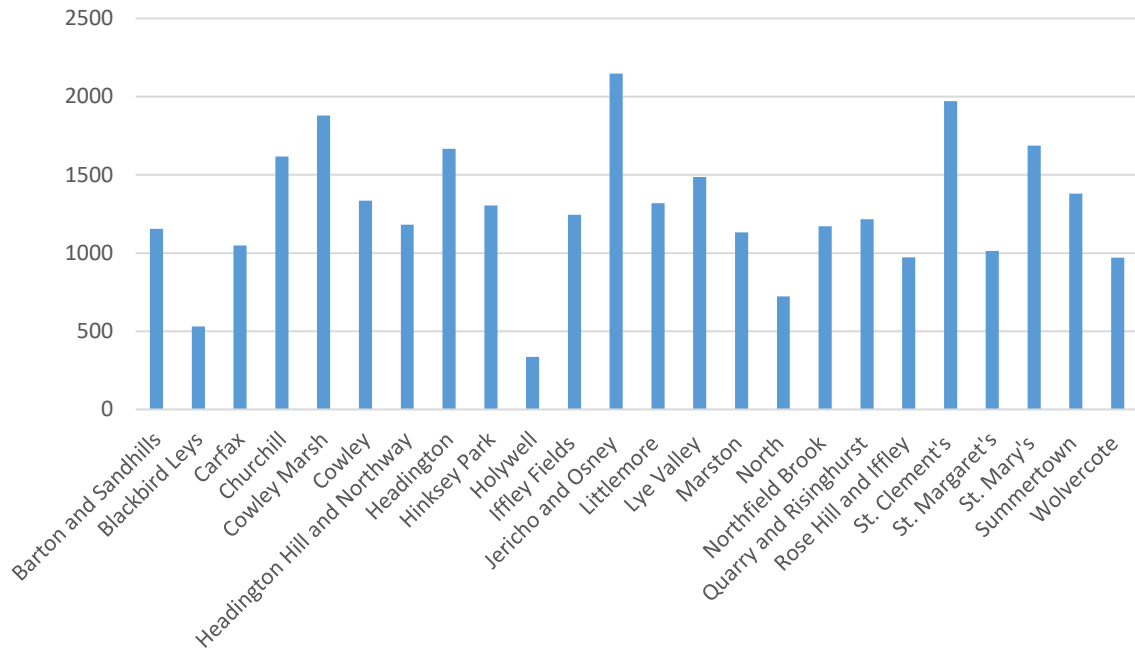
**Figure 15. PRS as a percentage of total housing stock, 2001, 2011 & 2020 (Source: ONS & Ti 2020).**

This increase is part of a nationwide and regional trend. The PRS in the UK has grown from 9.4% of housing stock in 2000<sup>21</sup>. It is now the second largest housing tenure in England, with a growing number of households renting from a population of around 1.5 million private landlords<sup>22</sup>.

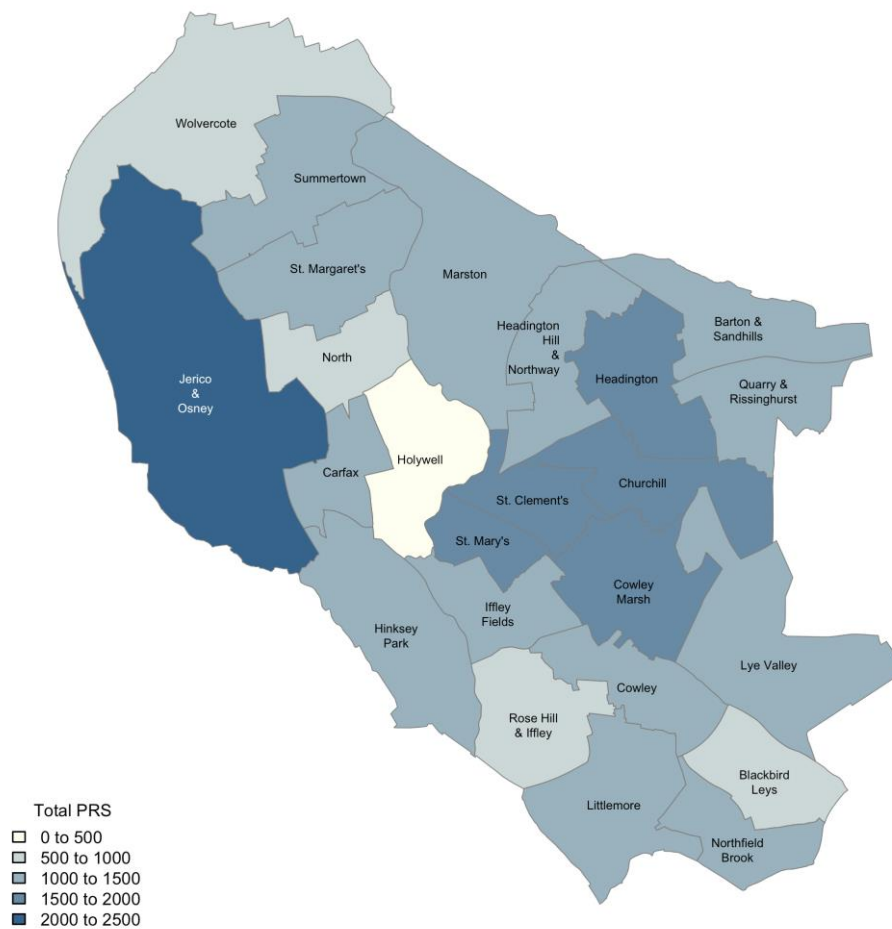
The PRS in Oxford is distributed across all 24 wards (Figure 16). The number of PRS per ward ranges from 2,147 (Jericho and Osney Ward) to 336 (Holywell Ward).

<sup>21</sup> The profile of UK private landlords Scanlon K & Woodhead C CML research. LSE London. December 2017 [www.cml.org.uk](http://www.cml.org.uk)

<sup>22</sup> Landlord Licensing. Interim report-overview of the incidence and cost of HMO & discretionary schemes in England. February 2015. [www.landlords.org.uk](http://www.landlords.org.uk)

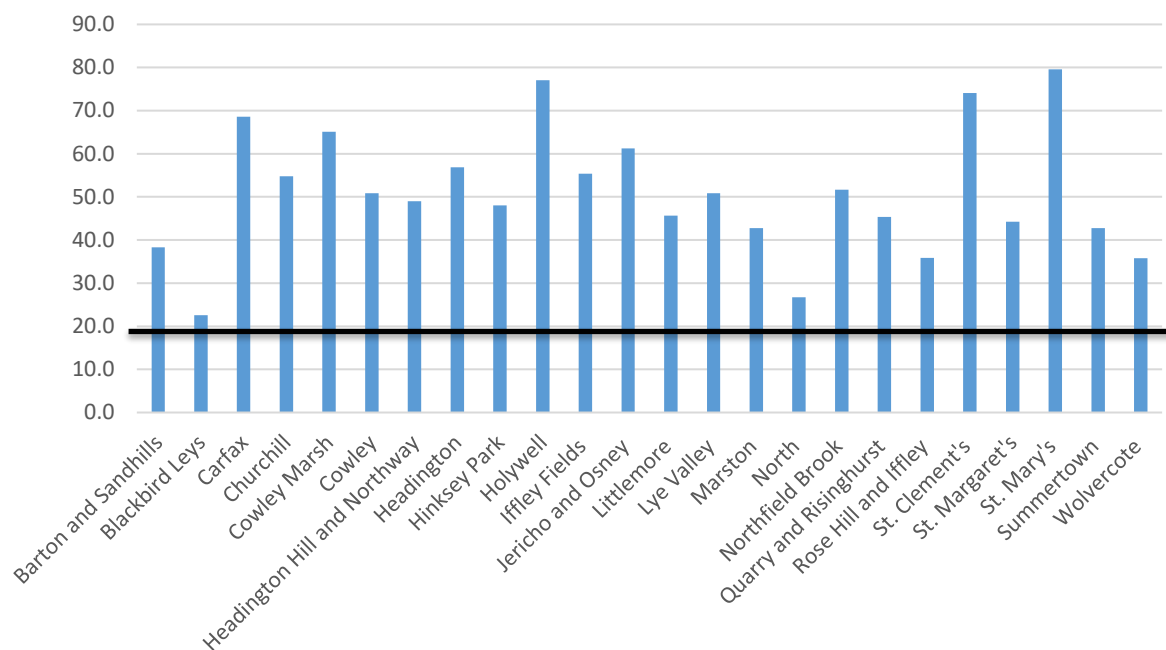


**Figure 16. Number of PRS dwellings by ward (Source: Ti 2020).**



**Map 2. Number of PRS properties (Source: Ti 2020, map by MS).**

The percentage of PRS properties in each ward ranges between 79.6% (St. Mary's) and 22.6% (Blackbird Leys) (Figure 16). Therefore, 24 out of 24 Oxford City Council wards have a higher percentage of PRS than the national average (19% 2019).



**Figure 17. Percentage of PRS dwellings by each ward (Source Ti 2020). Black line represents national average in 2019 (19%).**

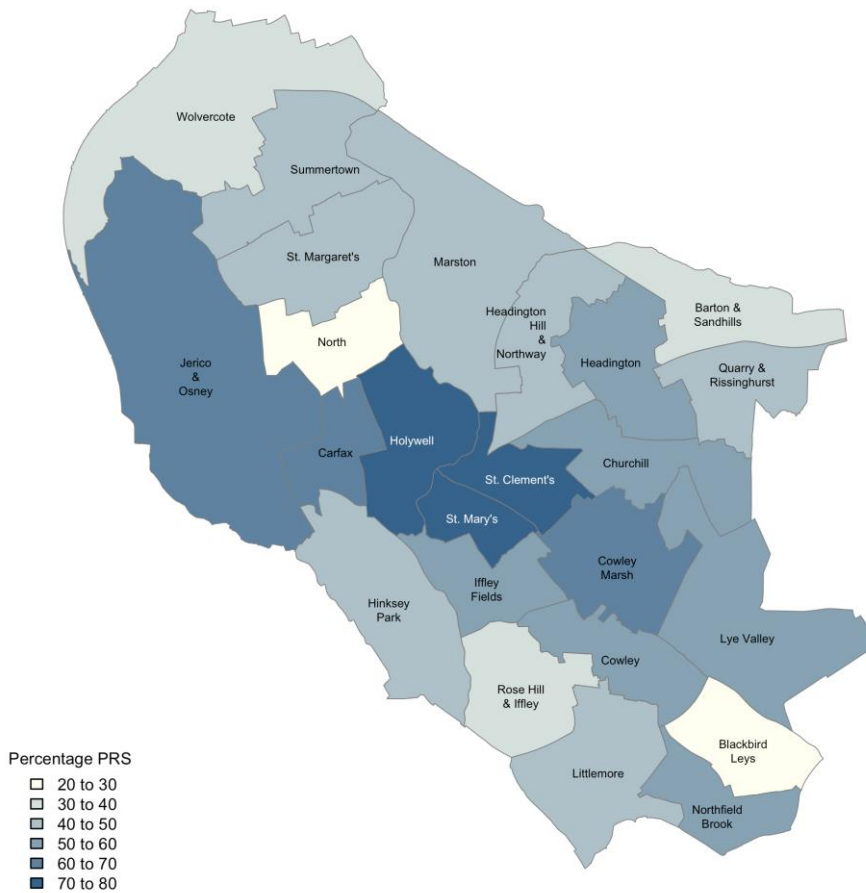
Table 1 shows the total PRS in each ward and the percentage PRS compared to the total housing stock.

Wards	Number PRS properties	% PRS (%)
Barton and Sandhills	1,155	38.3
Blackbird Leys	530	22.6
Carfax	1,049	68.6
Churchill	1,617	54.8
Cowley Marsh	1,880	65.1
Cowley	1,335	50.9
Headington Hill and Northway	1,181	49.0
Headington	1,667	56.9
Hinksey Park	1,305	48.0
Holywell	336	77.1
Iffley Fields	1,245	55.4
Jericho and Osney	2,147	61.2
Littlemore	1,319	45.7
Lye Valley	1,487	50.8
Marston	1,132	42.7
North	723	26.7
Northfield Brook	1,171	51.6
Quarry and Risinghurst	1,216	45.4

Rose Hill and Iffley	972	35.9
St. Clement's	1,972	74.1
St. Margaret's	1,014	44.2
St. Mary's	1,687	79.6
Summertown	1,380	42.7
Wolvercote	971	35.8

**Table 1. Percentage and number of PRS properties by ward (Source Ti 2020).**

PRS properties are widely distributed across the borough, with higher proportions of housing stock in the central wards (Map 3Error! Reference source not found.).



**Map 3. PRS properties as percentage of housing stock (Source: Ti 2020, map by MS).**



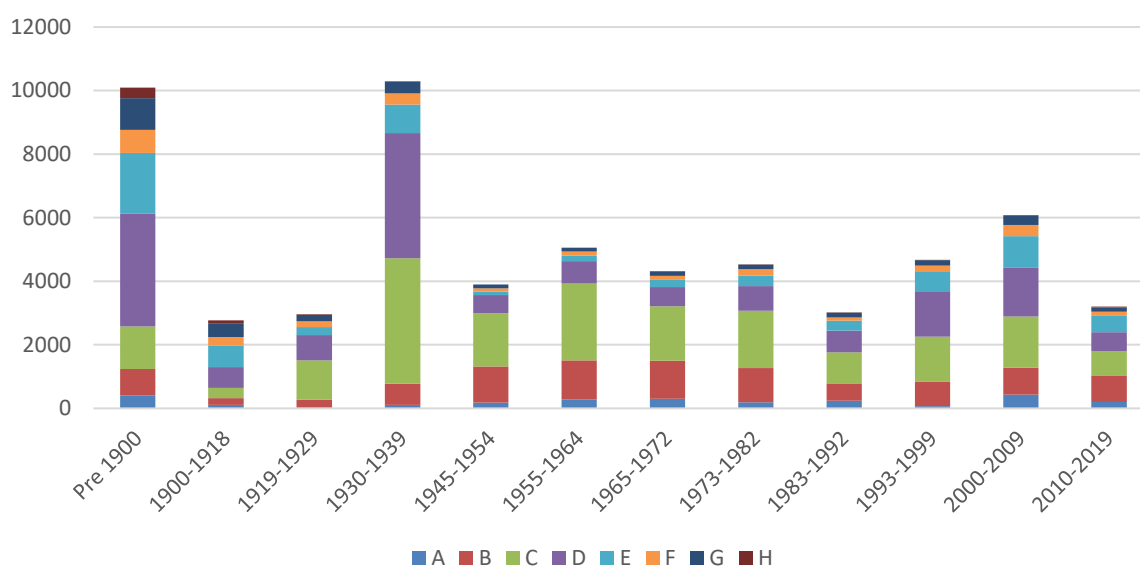
## 2.2.2 Housing conditions

Housing conditions are affected by the level of maintenance and quality of repair, the age of the property, thermal efficiency and type of construction. Category 1 hazards have a physiological or psychological impact on the occupant which may result in medical treatment.<sup>23</sup>

In 2019, 14% of private rented dwellings in England had at least one Category 1 hazard; this was a higher proportion than the average for the total housing stock (11%)<sup>24</sup>.

It is notable that there is a gradient of risk with age of the property, the risk being greatest in dwellings built before 1900, and lowest in the more energy efficient dwellings built after 1980<sup>25</sup>.

A council's property age profile can have an impact on housing conditions. Oxford has a significant proportion of its residential housing stock built pre 1900 (16.5%). In fact, a significant proportion of Oxford's housing stock was built before the Second World War (42.3%) (Figure 18).<sup>26</sup>



**Figure 18. Housing Stock Age Profile and Council Tax band (Source: VOA 2019).**

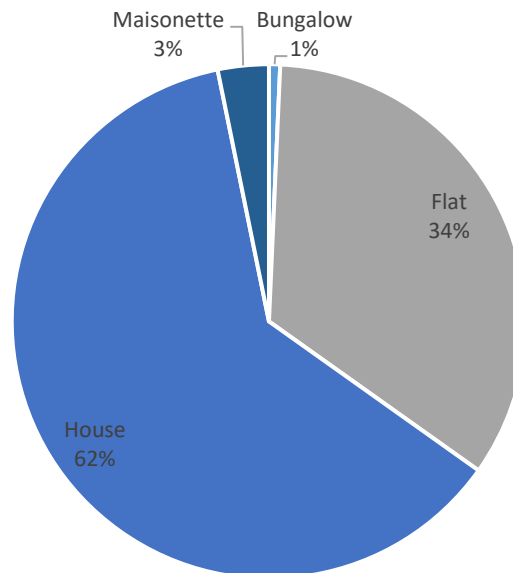
<sup>23</sup> Housing Health and Rating System, Operation Guidance, 2006, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/15810/142631.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf)

<sup>24</sup> MHCLG Private rented sector 2018-19 English Housing survey Headline Report, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/860076/2018-19\\_EHS\\_Headline\\_Report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/860076/2018-19_EHS_Headline_Report.pdf)

<sup>25</sup> Housing Health and Rating System, Operation Guidance, 2006, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/15810/142631.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf)

<sup>26</sup> Council tax band and property age profile <https://www.gov.uk/government/statistics/council-tax-stock-of-properties-2019>

A borough's property type profile offers an indication of housing density, construction type and other social economic indicators. Property types in Oxford are shown in Figure 19. The most common property type are Houses (62%), while bungalows are the least common property type (1%)



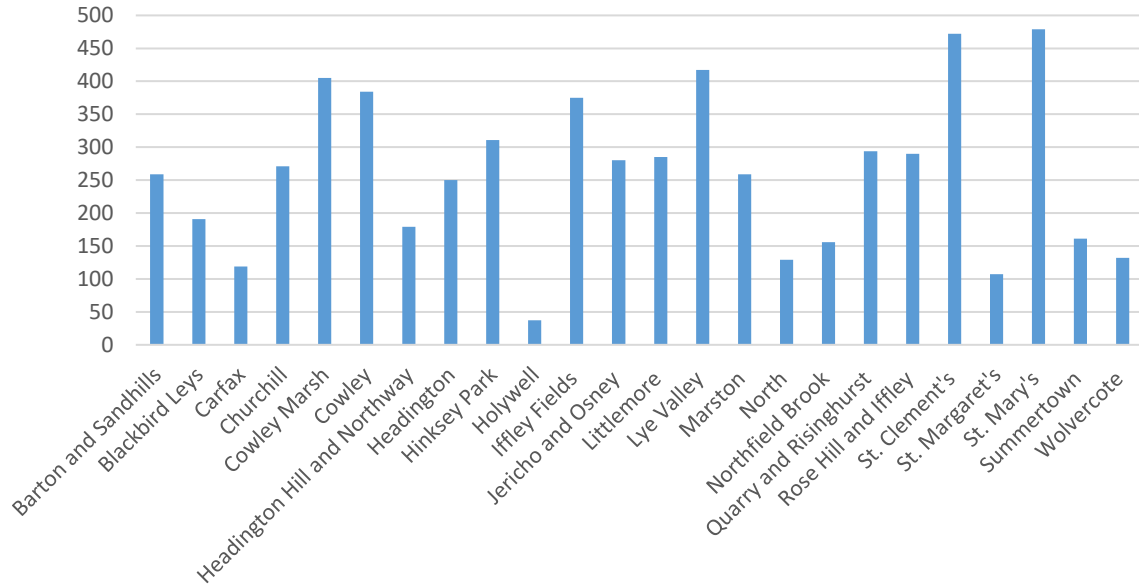
**Figure 19. Property type as a percent of total (Source: EPC data 2020).**

Using a sample of properties that are known to have at least 1 serious housing hazard (Category 1, HHSRS), it is possible to predict the number of PRS properties with at least 1 serious hazard across the borough (Figure 20).

There are **6,242** private rental properties in Oxford that are likely to have a serious home hazard (Category 1, HHSRS). This represents **20.4%** of the PRS stock, significantly higher than the national average (14%, 2019) <sup>27</sup>. PRS properties with serious hazards are distributed across the city.

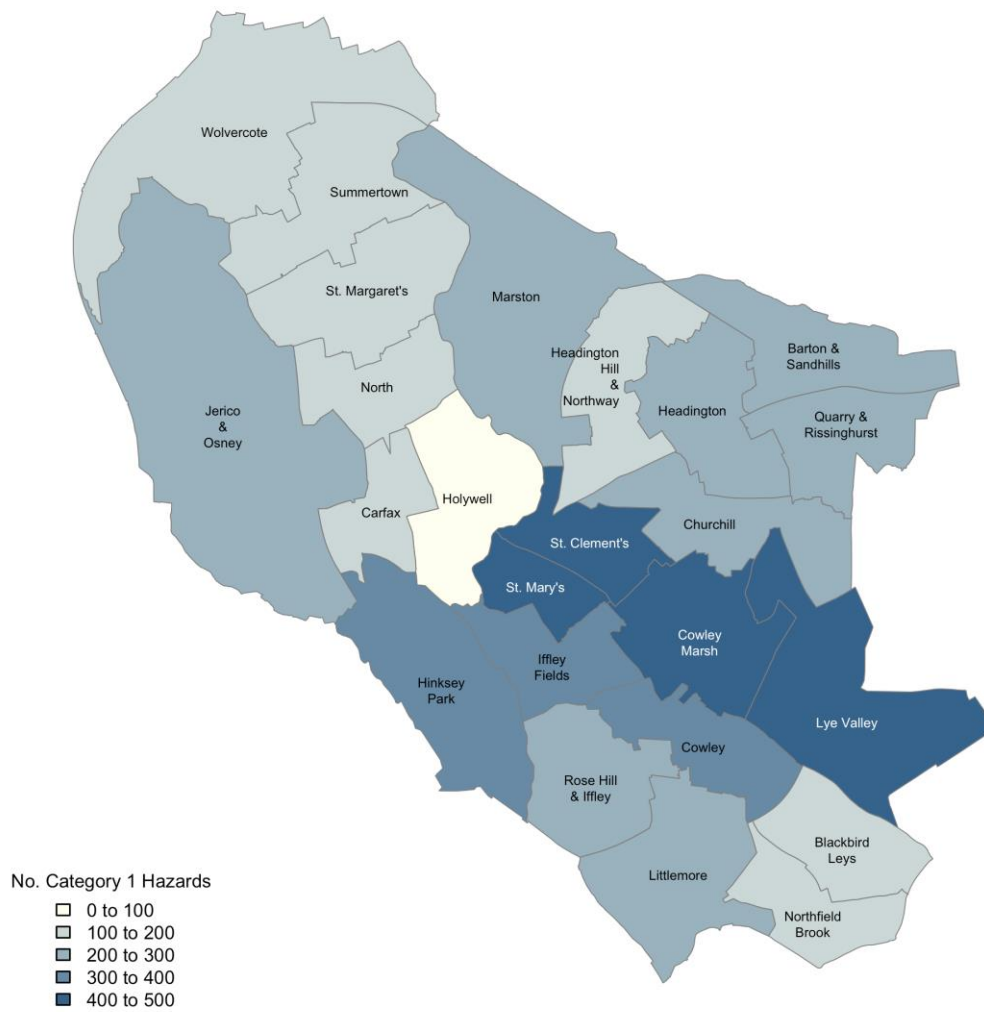
St. Mary's (479) and St. Clement's (472) wards have the highest number of properties with at least one Category 1 hazard (HHSRS).

<sup>27</sup> MHCLG Private rented sector 2018-19 English Housing survey Headline Report, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/860076/2018-19\\_EHS\\_Headline\\_Report.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/860076/2018-19_EHS_Headline_Report.pdf)



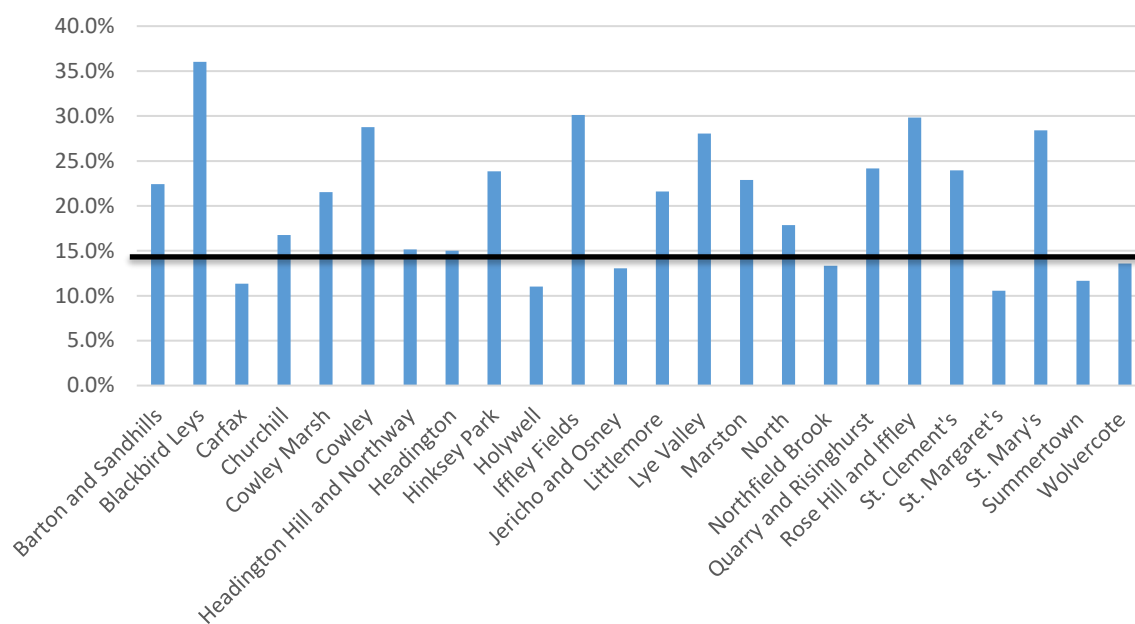
**Figure 20. Predicted number of Category 1 hazards by ward (Source: Ti 2020).**

Category 1 hazards in the PRS are distributed across the whole borough (Map 4). Concentrations of properties with serious hazards can be found in the central and southeast wards.



**Map 4. Distribution of PRS properties with category 1 hazards (Source: Ti 2020, map by MS).**

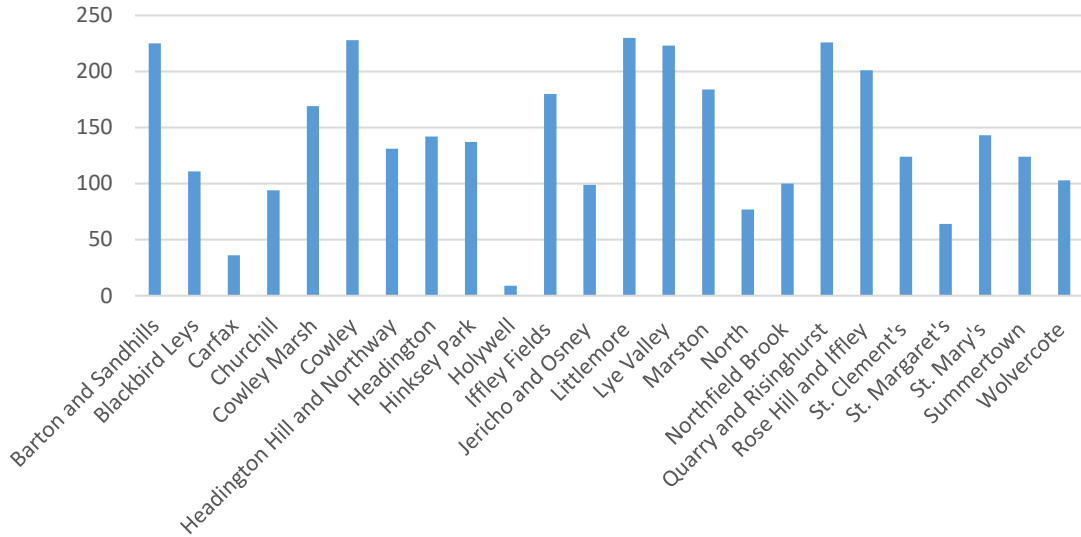
The rates of Category 1 hazards per 1,000 PRS properties reveals a wider distribution across Oxford (Figure 21).



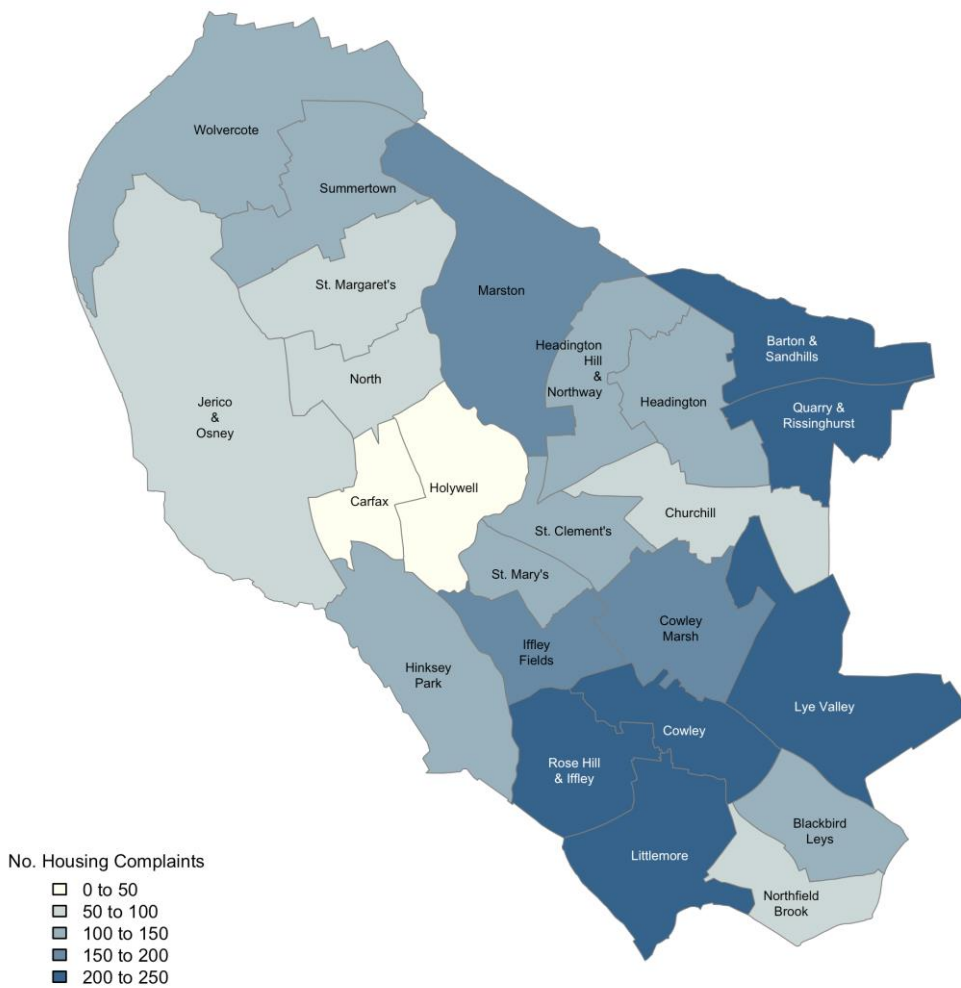
**Figure 21. Percentage of PRS properties predicted to have at least one Category 1 hazards by ward (Source: Ti 2020) Horizontal line shows UK average (14%)**

Complaints made by PRS tenants to the council about poor property conditions and inadequate property management are a direct indicator of lower quality and poorly managed PRS. Oxford received **3,360** complaints related to 2,990 unique private rented properties over a 5-year period (2015-2019) (Figure 21). This equates to approximately 1 in 10 of all rented properties in Oxford.

Littlemore (230), Cowley (228) and Quarry and Risinghurst (226) wards have the highest number of complaints. PRS housing complaints are distributed across all 24 wards



**Figure 22. PRS complaints made by private tenants to the Council (Source Ti 2020).**

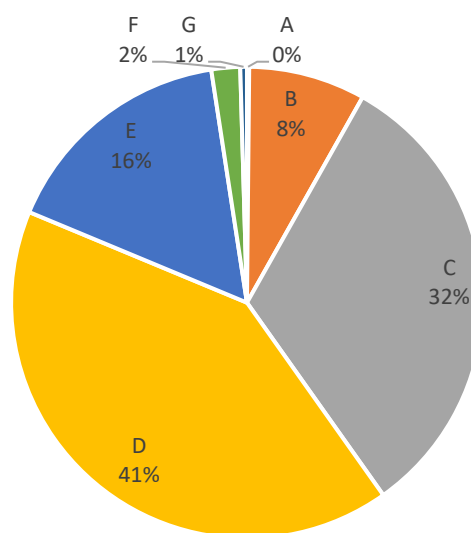


**Map 5 PRS complaints made by private tenants to the Council (Source: Ti 2020, map by MS).**

An EPC rating is an assessment of a property's energy efficiency. It is primarily used by buyers or renters of residential properties to assess the energy costs associated with heating a house or flat. The rating is from A to G. A indicates a highly efficient property, G indicates low efficiency.

The energy efficiency of a dwelling depends on the thermal insulation of the structure, on the fuel type, and the size and design of the means of heating and ventilation. Any disrepair or dampness to the dwelling and any disrepair to the heating system may affect their efficiency. The exposure and orientation of the dwelling are also relevant.

As part of this project 21,282 ratings were matched to PRS properties (Figure 23). All results have been modelled from this group.



**Figure 23. Distribution of Energy Performance Certificate ratings in PRS (Rating A-G) (Source: Ti 2020).**

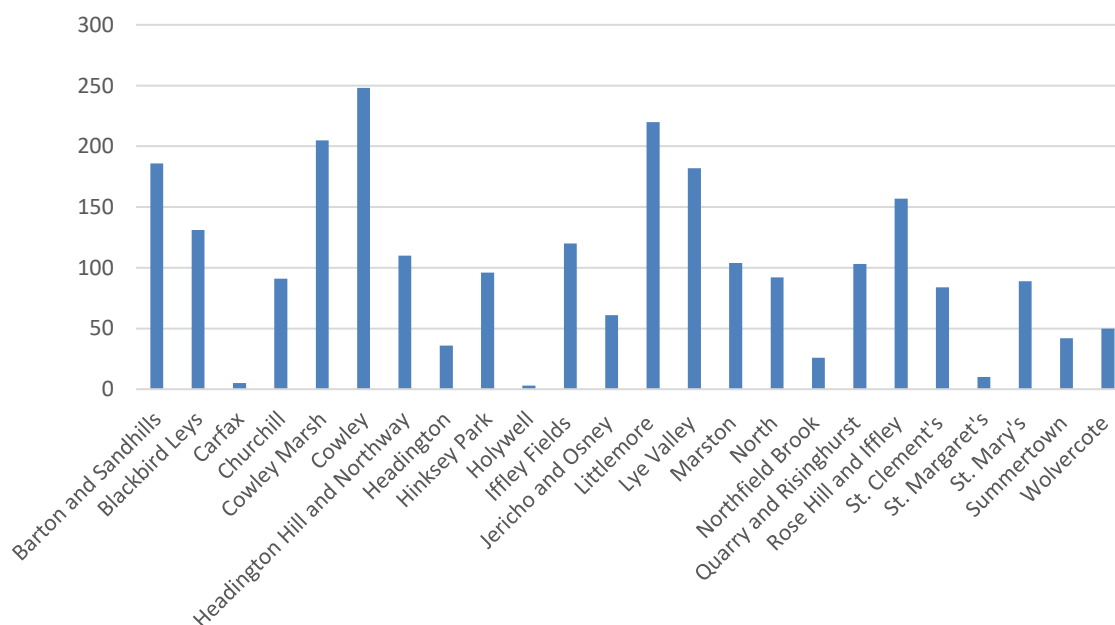
The Minimum Energy Efficiency Standard (MEES) came into force in England and Wales on 1 April 2018. The regulation applies to PRS properties and mandates that all dwellings must have an EPC rating of E and above to be compliant.

Using the EPC records it has been possible to calculate that 18.7% of PRS properties in Oxford have an E, F, and G rating. 2.5% of PRS properties have an F and G rating (Figure 23). Extrapolated to the entire PRS, 763 properties are likely to fail the MEES statutory requirement.

The statistical evidence shows that there is a continuous relationship between indoor temperature and vulnerability to cold-related death<sup>28</sup>. The colder the dwelling, the greater the risk. The percentage rise in deaths in winter is greater in dwellings with low energy efficiency ratings. There is a gradient of risk with age of the property, the risk being greatest in dwellings built before 1850, and lowest in the more energy efficient dwellings built after 1980<sup>29</sup>. Therefore, the sizeable number of F and G properties present a serious risk to the occupants' health, particularly if over the age of 65.

### 2.2.3 PRS enforcement interventions

Oxford uses a wide range of statutory housing and public health notices to address poor housing standards in the PRS. These are often because of a complaint being made by a tenant about their accommodation or as a result of a proactive inspection. Over a 5-year period (2015-19) Oxford served 2,451 housing and public health notices (Figure 24).

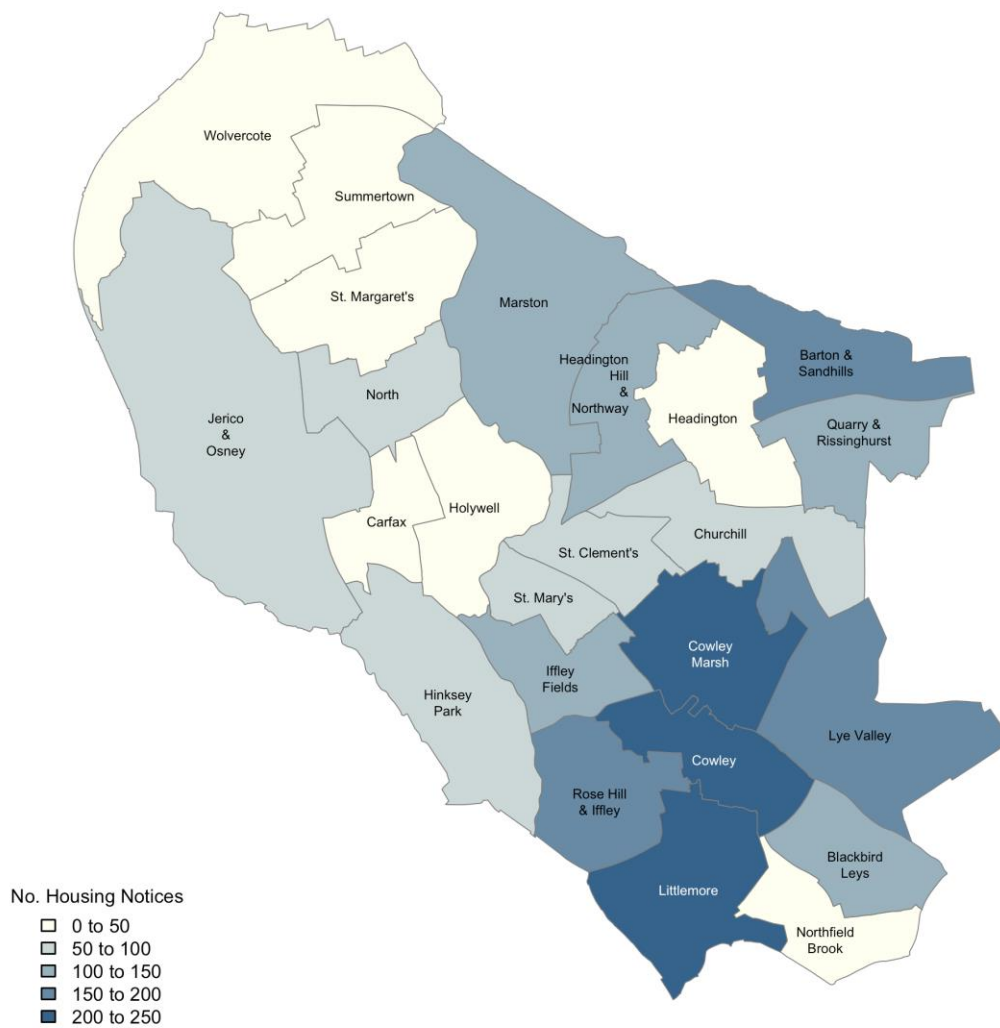


**Figure 24. Housing and public health notices served on PRS properties by ward (Source: Ti 2020).**

<sup>28</sup> Housing Health and Rating System, Operation Guidance, 2006  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/15810/142631.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf)

<sup>29</sup> Housing Health and Rating System, Operation Guidance, 2006  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/15810/142631.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf)

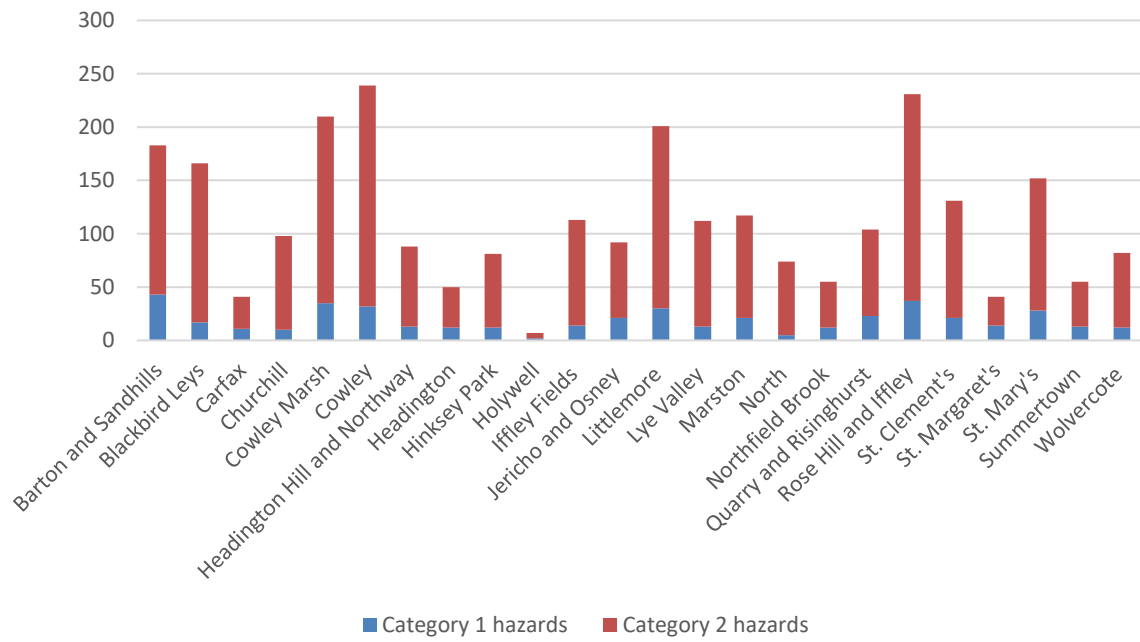




**Map 6 Housing and public health notices served on PRS properties by ward (Source: Ti 2020, map by MS).**

Part of the housing conditions review is to report on council intervention and findings during property inspections. Oxford City Council recorded the number of housing hazards, (Category 1 and 2, HHSRS) identified by competent officers during property inspections over a 5-year period (2015-2019).

Officers identified 2,723 housing hazards; 451 Category 1 hazards and 2,272 Category 2 hazards. Housing hazards were identified across all 24 wards. Cowley (207) and Rose Hill and Iffley (194) have the highest number of recorded home hazards (Figure 25).



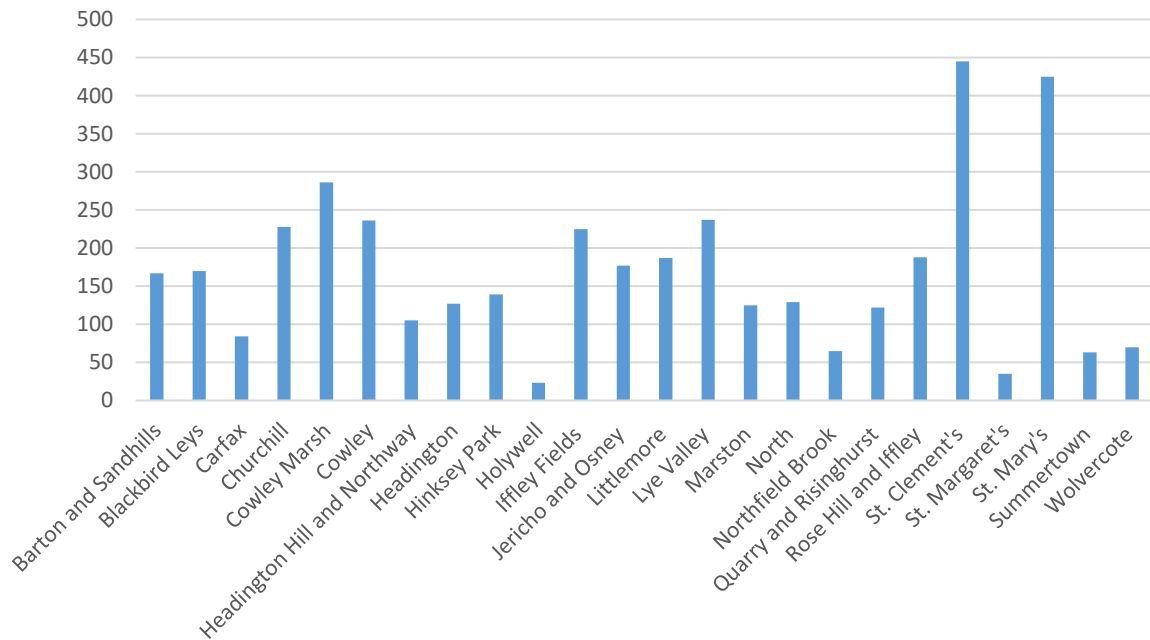
**Figure 25. Housing hazards (Category 1 & 2) identified by Oxford CC Officers during inspections (Source: Ti 2020).**

## 2.2.4 Anti-social behaviour (ASB)

The number of ASB incidents that resulted in an intervention by the council are shown below. They relate to ASB associated with residential premises only. For example, ASB incidents investigated on a street corner that cannot be linked to a residential property are excluded.

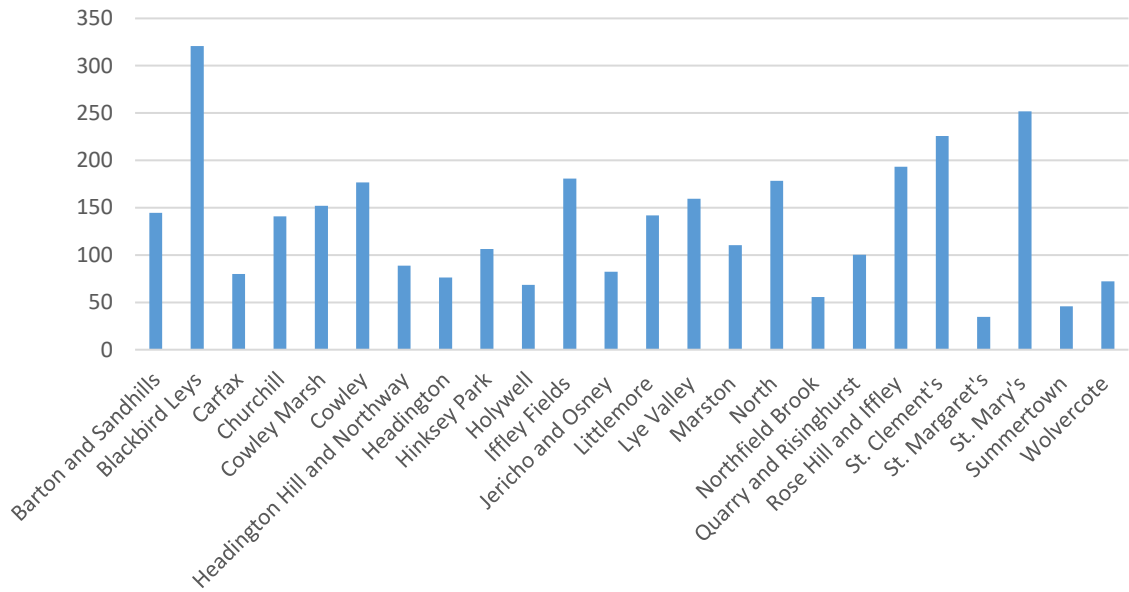
It is important to note that ASB can be subject to recording issues and therefore results do not include all reported ASB incidents, for the purpose of this report only ASB incidents recorded by a council officer have been included.

Between 2015-2019 a total of **4,058** ASB investigations were carried out by Oxford Council linked to PRS properties. St. Clement's (445) and St. Mary's (425) has by the far the highest number of ASB investigations (Figure 26).



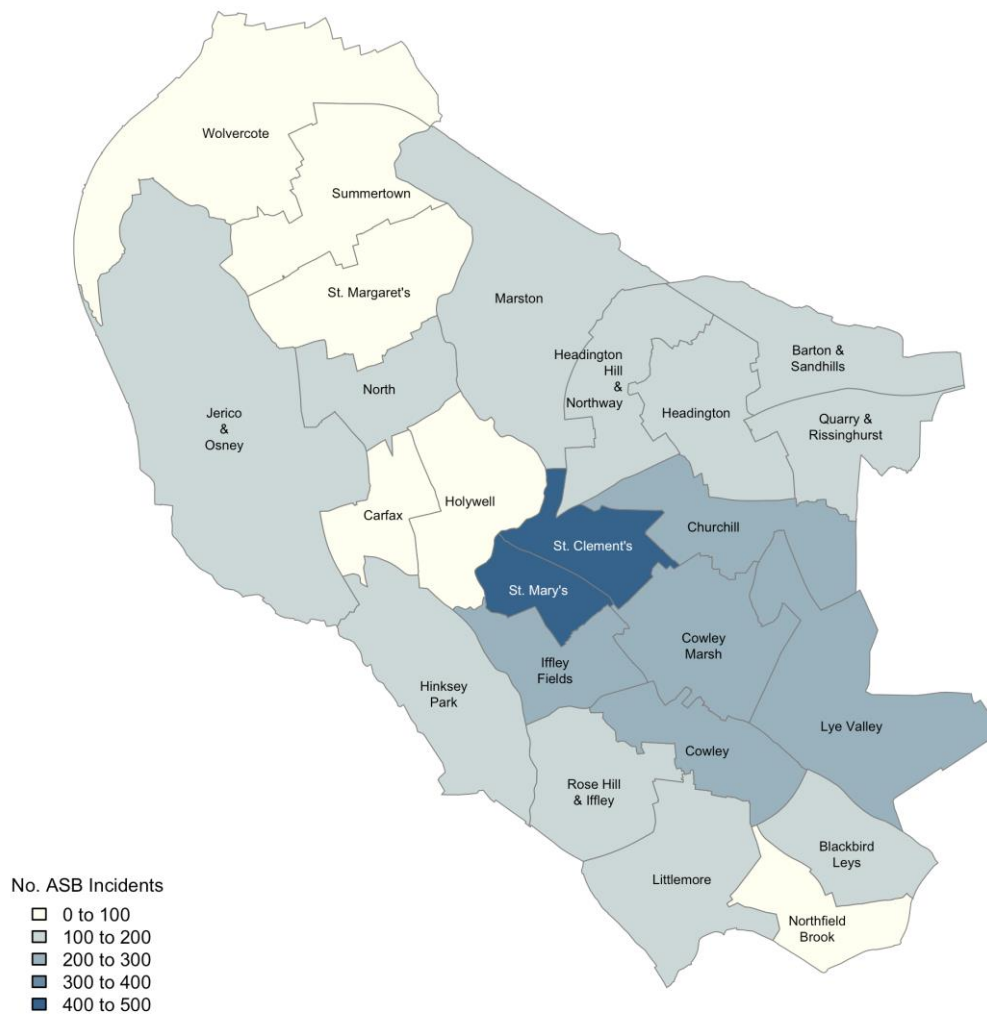
**Figure 26. Total ASB investigations linked to PRS properties by ward (Source Ti 2020).**

ASB in the PRS expressed as investigations per 1,000 dwellings, shows a more even distribution across all wards (Figure 27). Using this measure, Blackbird Leys (321 per 1,000) and St. Mary's (252 per 1000) wards have the greatest number of ASB investigations proportional to the size of the PRS.



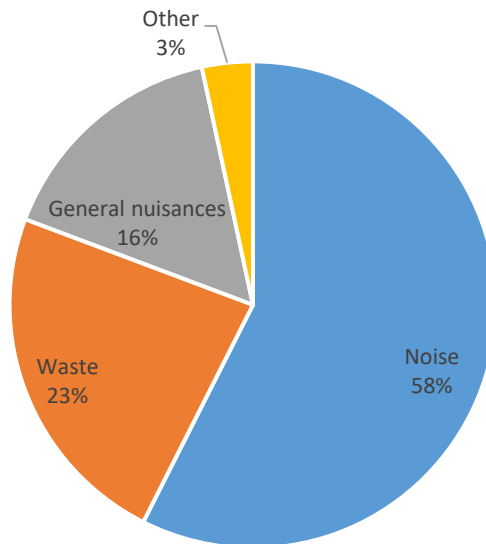
**Figure 27. ASB investigations linked to PRS per 1000 properties by ward (Source: Ti 2020).**

ASB investigations linked to PRS across Oxford wards are shown in Map 7.



**Map 7. ASB investigations linked to PRS properties by ward (Source: Ti 2020, map by MS).**

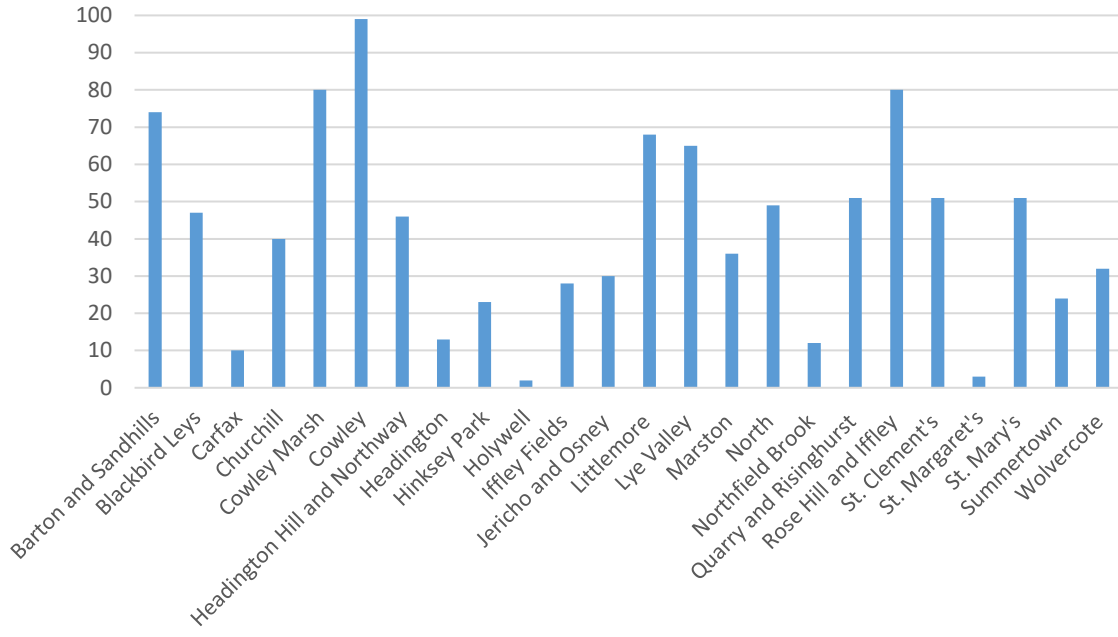
Recorded ASB investigations in the PRS have been split into four types. Noise (58%), Waste (23%), general nuisances (16%) and other ASB (3%) (Figure 28). Other ASB category includes, verbal abuse, graffiti, harassment, drugs and substance misuse and domestic violence. All incidents are directly linked to PRS properties.



**Figure 28. Types of ASB linked to PRS properties (Source: Ti 2020).**

### **2.2.5 PRS and financial vulnerability**

Housing benefit payments related to the PRS can be an indicator of financially vulnerable households and deprivation. At the time of this study Oxford administered 1,014 housing benefit payments to PRS households (Figure 29). Cowley (99) and Rose Hill and Iffley (80) wards received the most payments.



**Figure 29. PRS housing benefit payments (households) by ward (Source: Ti 2020).**

### **3 Conclusions**

Oxford City Council's PRS has grown rapidly over the last two decades, from 20.8% (2001) to 49.3% (2020).

There are a total of 61,896 residential properties in Oxford (excluding shell properties), **49.3%** (30,508) of which are PRS, 33.4% (20,672) are owner occupied and 17.3% (10,716) socially rented. The PRS in Oxford is distributed across all 24 wards. Oxford is likely to have one of the largest PRS populations, measured by proportion of housing stock, of any housing authority in England.

Affordability is one of the key challenges for private renters. Median rents in Oxford range between 51.5% and 82.7% higher than the English average depending on bedroom categories. Room and studio flats median monthly rents are equal to the London average. Four or more bedroom rents are higher than the London average. Oxford's median house price in 2019 was £ 501,284. The English average house price for the same period was £ 281,012. Therefore, house prices in Oxford are 78.4% higher in than the national average.

Poor housing conditions are prevalent in the PRS. There are **6,242** private rental properties in Oxford that are likely to have a serious home hazard (Category 1, HHSRS). PRS properties with serious hazards are distributed across the city.

18.7% of PRS properties in Oxford have an E, F, and G rating. **2.5%** of PRS properties have an F and G rating. Extrapolated to the entire PRS, 763 properties are likely to fail the MEES statutory requirement. Oxford also has a higher proportion of households in fuel poverty (11.8%) than the national average (10.4%).

Oxford City Council received 3,360 complaints from private renters related to 2,990 rented properties over a 5-year period. This equates to approximately 1 in 10 of all rented properties in Oxford.

Oxford City Council's recorded a number of serious housing hazards (Category 1 and 2, HHSRS) during the course of property inspections. Officers identified **2,723** housing hazards: 451 Category 1 hazards and 2,272 Category 2 hazards. Housing hazards were identified across all 24 wards.

In response, Oxford City Council has made significant numbers of regulatory interventions. Over a 5-year period (2015-19) the Council served **2,451** housing and public health notices.

Oxford has a minority of high deprivation wards. 7 out of 24 wards have aggregated IMD rankings below the national average. Two wards (Blackbird Leys & Carfax) are in the bottom quartile nationally.



Between 2015-2019 a total of **4,058** ASB investigations were carried out by Oxford Council linked to PRS properties. St. Clement's (445) and St. Mary's (425) has by the far the highest number of ASB investigations.

## Appendix 1 – Ward summaries

Table 2. Ward summary overview (Source Ti 2020).

Ward	Summary (All council data is 5 consecutive years, 2015 - 2019)	
Barton and Sandhills	Total residential stock	3016
	% PRS (%)	38.3
	No. PRS	38.3
	No. ASB incidents	167.0
	No. Category 1 hazards	259.0
Blackbird Leys	Total residential stock	2,348
	% PRS (%)	22.6
	No. PRS	530
	No. ASB incidents	170
	No. Category 1 hazards	191
Carfax	Total residential stock	1,530
	% PRS (%)	68.6
	No. PRS	1,049
	No. ASB incidents	84
	No. Category 1 hazards	119
Churchill	Total residential stock	2,951
	% PRS (%)	54.8
	No. PRS	1,617
	No. ASB incidents	228
	No. Category 1 hazards	271
Cowley Marsh	Total residential stock	2,887
	% PRS	65.1
	No. PRS	1,880
	No. ASB incidents	286
	No. Category 1 hazards	405
Cowley	Total residential stock	2,624
	% PRS (%)	50.9
	No. PRS	1,335
	No. ASB incidents	236
	No. Category 1 hazards	384
Headington Hill and Northway	Total residential stock	2,409
	% PRS (%)	49.0
	No. PRS	1,181
	No. ASB incidents	105
	No. Category 1 hazards	179
Headington	Total residential stock	2,932
	% PRS (%)	56.9
	No. PRS	1,667
	No. ASB incidents	127

	No. Category 1 hazards	250
Hinksey Park	Total residential stock	2,719
	% PRS (%)	48.0
	No. PRS	1,305
	No. ASB incidents	139
	No. Category 1 hazards	311
Holywell	Total residential stock	436
	% PRS (%)	77.1
	No. PRS	336
	No. ASB incidents	23
	No. Category 1 hazards	37
Iffley Fields	Total residential stock	2,248
	% PRS (%)	55.4
	No. PRS	1,245
	No. ASB incidents	225
	No. Category 1 hazards	375
Jericho and Osney	Total residential stock	3,506
	% PRS (%)	61.2
	No. PRS	2,147
	No. ASB incidents	177
	No. Category 1 hazards	280
Littlemore	Total residential stock	2,889
	% PRS (%)	45.7
	No. PRS	1,319
	No. ASB incidents	187
	No. Category 1 hazards	285
Lye Valley	Total residential stock	2,925
	% PRS (%)	50.8
	No. PRS	1,487
	No. ASB incidents	237
	No. Category 1 hazards	417
Marston	Total residential stock	2,648
	% PRS (%)	42.7
	No. PRS	1,132
	No. ASB incidents	125
	No. Category 1 hazards	259
North	Total residential stock	2,706
	% PRS (%)	26.7
	No. PRS	723
	No. ASB incidents	129
	No. Category 1 hazards	129
Northfield Brook	Total residential stock	2,268
	% PRS (%)	51.6
	No. PRS	1,171
	No. ASB incidents	65

	No. Category 1 hazards	156
Quarry and Risinghurst	Total residential stock	2,680
	% PRS (%)	45.4
	No. PRS	1,216
	No. ASB incidents	122
	No. Category 1 hazards	294
Rose Hill and Iffley	Total residential stock	2,710
	% PRS (%)	35.9
	No. PRS	972
	No. ASB incidents	188
	No. Category 1 hazards	290
St. Clement's	Total residential stock	2,661
	% PRS (%)	74.1
	No. PRS	1,972
	No. ASB incidents	445
	No. Category 1 hazards	472
St. Margaret's	Total residential stock	2,292
	% PRS (%)	44.2
	No. PRS	1,014
	No. ASB incidents	35
	No. Category 1 hazards	107
St. Mary's	Total residential stock	2,120
	% PRS (%)	79.6
	No. PRS	1,687
	No. ASB incidents	425
	No. Category 1 hazards	479
Summertown	Total residential stock	3,230
	% PRS (%)	42.7
	No. PRS	1,380
	No. ASB incidents	63
	No. Category 1 hazards	161
Wolvercote	Total residential stock	2,711
	% PRS (%)	35.8
	No. PRS	971
	No. ASB incidents	70
	No. Category 1 hazards	132

## **Appendix 2 - Tenure Intelligence (Ti) – stock modelling methodology**

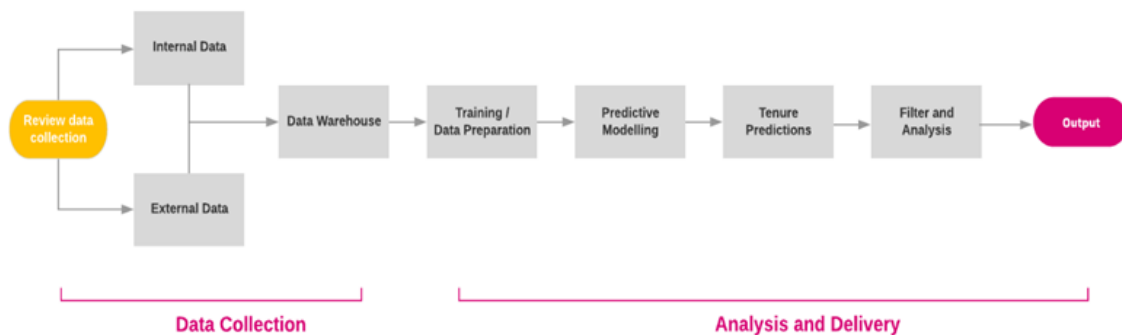
This Appendix explains at a summary level Metastreet’s Tenure Intelligence (Ti) methodology (Figure 30).

Ti uses a wide range of data to spot trends at the property level. Machine learning is used in combination with expert housing knowledge to accurately predict a defined outcome at the property level.

Council and external data have been assembled as set out in Metastreet’s data specification to create a property data warehouse.

Machine learning is used to make predictions of defined outcomes for each residential property, using known data provided by Oxford.

Results are analysed by skilled practitioners to produce a summary of housing stock, predictions of levels of property hazards and other property stressors. The results of the analysis can be found in the report findings chapter.



**Figure 30. Summary of Metastreet Tenure Intelligence methodology.**

### **Methodology**

Metastreet has worked with Oxford to create a residential property data warehouse based on a detailed specification. This has included linking 3.6 million cells of data to 61,896 unique property

references, including council and externally sourced data. Properties identified as shell addresses or rooms were excluded. All longitudinal data is 5 consecutive years, from 2015 –2019.

Once the property data warehouse was developed, the Ti model was used to predict tenure and stock condition using the methodology outlined below.

Machine learning was utilised to develop predictive models using training data provided by the council. Predictive models were tested against all residential properties to calculate risk scores for each outcome. Scores were integrated back into the property data warehouse for analysis.

Many combinations of risk factors were systematically analysed for their predictive power using logistic regression. Risk factors that duplicated other risk factors but were weaker in their predictive effect were eliminated. Risk factors with low data volume or higher error are also eliminated. Risk factors that were not statistically significant are excluded through the same processes of elimination. The top 5 risk factors for each model have the strongest predictive combination.

Three predictive models have been developed as part of this project. Each model is unique to Oxford; they include:

- Owner occupiers
- Private rented sector (PRS)
- PRS housing hazards

Using a  $D^2$  constant calculation it is possible to measure the theoretical quality of the model fit to the training data sample. This calculation has been completed for each model. The  $D^2$  is a measure of “predictive capacity”, with higher values indicating a better model.

Based on the modelling each residential property is allocated a probability score between 0-1. A probability score of 0 indicates a strong likelihood that the property tenure type is *not* present, whilst a score of 1 indicates a strong likelihood the tenure type *is* present.

Predictive scores are used in combination to sort, organise and allocate each property to one of 4 categories described above. Practitioner skill and experience with the data and subject matter is used to achieve the most accurate tenure split.

It is important to note that this approach cannot be 100% accurate as all mathematical models include error for a range of reasons. The  $D^2$  value is one measure of model “effectiveness”. The true

test of predictions is field trials by the private housing service. However, error is kept to a minimum through detailed post analysis filtering and checking to keep errors to a minimum.

A continuous process of field testing and model development is the most effective way to develop accurate tenure predictions.

The following tables include detail of each selected risk factors for each model. Results of the null hypothesis test are also presented as shown by the Pr(>Chi) results. Values of <0.05 are generally considered to be statistically significant. All the models show values much smaller, indicating much stronger significance.

**Owner occupier model**

The owner occupier model shows each of the 5 model terms to be statistically significant, with the overall model showing a “predictive capacity” of around 95% (Table 3).

**Table 3. Owner occupier predictive factors.**

<b>Risk factors selected</b>	<b>Pr(&gt;Chi)*</b>
Number of days liable (Ctax)	1.638e-15
Transaction type (EPC)	2.2e-16
Accounts over four years (Ctax)	2.2e-16
Total service requests (SR)	2.2e-16
Experian Mosaic Group	2.517e-16
Training data, n= 456	
D <sup>2</sup> test = 0.95**	

\* Pr(>Chi) = Probability value/null hypothesis test, \*\* D<sup>2</sup> test = Measure of model fit

**PRS predictive model**

The PRS model shows that each of the 5 model terms is statistically significant, with the overall model having a “predictive capacity” of around 97% (Table 4).

**Table 4. PRS predictive factors.**

<b>Risk factors selected</b>	<b>Pr(&gt;Chi)</b>
Transaction type (EPC)	2.2e-16
Experian Mosaic Group	2.2e-16
Registered deposits (TDS scheme)	2.2e-16
Housing benefit	2.149e-06
Total service requests	2.2e-16
Training data, n= 1461	
D <sup>2</sup> test = 0.97	

**Category 1 (HHSRS) hazards model**

Numerous properties where the local housing authority has taken action to address serious hazards were sampled for training data, including poor housing conditions. Specifically, this included Housing Act 2004 Notices served on properties to address Category 1 hazards. The model results show that each of the model terms is statistically significant, with the overall model having a “predictive capacity” of around 92% (Table 5).

**Table 5. Category 1 (HHSRS) hazard predictive factors.**

<b>Risk factors selected</b>	<b>Pr (&gt;Chi)</b>
Energy performance score (EPC)	2.2e-16
ASB count	3.331e-10
Total service requests	2.2e-16
Accounts over four years (Ctax)	1.176e-06
Environmental impact (EPC)	2.2e-16
Training data, n= 471	



D<sup>2</sup> test = 0.92

Version, Final

Metastreet Ltd

6-8 Cole Street

London

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# Appendix 2

## Appendix 2

Example of poor conditions - complaint received from private tenant

*Customer says – ‘ I am currently living in rented accommodation. There is no running hot water. The cooker is wired directly into the ring main, the shower has been disconnected for over 9 months. The toilet is blocked and the shower which is working trips the circuit breaker. There is no lighting in the house. There is building material left in the house and worked has not been completed. The landlord refuses to do anything to rectify the situation. I have a sink in my room and sewage backfires into the sink this has been going on for a year now and there is no fire escape from the top floor. There are bare wires hanging out the ceiling and no bulbs in the light holders. There is a broken window upstairs which hasn't been fixed since we moved in over a year ago. The landlord has removed furnishings and a washing machine and hassling us to leave the building. No maintenance has been carried out in months . The place is a health hazard and the cooker is also faulty and sometimes blows the fuse. Would be possible for someone to come around and assess the building please as it is a health. Building material has been left in the front garden for over a year. thank you for your time and attention over this very urgent matter before something serious may occur. I also have photographic evidence of this’.*

The property was investigated which resulted in an emergency prohibition order was served to the category1 hazards. The tenants moved out of the property during the investigation.



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## Selective Licensing conditions

The Housing Act 2004 requires licences to include certain conditions. Some of these conditions are required by schedule 4 of the act and others can be applied at the discretion of the council. Table 1 lists the conditions required by Schedule 4 which will be applied to all licences issued under the proposed scheme

**Table 1 – Mandatory Conditions**

	<b>Mandatory Condition</b>
1	Produce a Gas safety certificate for the property every 12 months
2	Keep electrical appliances safe and supply declaration on demand and, ensure the electrical installation is in safe condition and supply report on demand
3	Keep furniture safe and supply declaration on demand
4	Install smoke alarm on each storey used wholly or partly as living accommodation and keep in proper working order and supply declaration on demand
5	Install CO alarm in any room in the house which is used wholly or partly as living accommodation and keep in proper working order and contains fuel burning appliance, keep alarm in proper working order and supply declaration on demand
6	Supply occupants with written statement of terms of occupation
7	Demand references from persons who wish to occupy the house

### Discretionary “standard” conditions

In relation to selective licences, the Housing Act s90(1) permits the authority to include conditions as considered appropriate to regulate the management, use and occupation of the house. These conditions may relate to: restrictions or prohibitions on parts of the house and taking reasonable and practicable steps in relation to anti-social behaviour (ASB).

In order to understand the common conditions considered appropriate to regulate the management, use and occupation of properties under selective licensing schemes a research exercise was undertaken; including;

- National “best practice” guides were consulted to establish management practices that are nationally recognised
  - “How to let” guide published by the Ministry for Communities, Housing and Local Government<sup>i</sup>
  - “Landlord and tenant rights and responsibilities in the private rented sector” published by the Ministry for Communities, Housing and Local Government<sup>ii</sup>
  - “Private Rented Sector Code of Practice” published by Royal Institute of Chartered Surveyors, in conjunction with fifteen letting industry bodies<sup>iii</sup>
  - “Code of Practice” for National Residential Landlord Association members<sup>iv</sup>;
- Other authorities’ selective licence conditions to establish what existing schemes already consider to be “standard” for selective licences.

Having analysed the information, Table 2 summarises the proposed conditions to include, together with reasons for inclusion, whether it is considered “best proactive” and percentage of other local authorities who include similar conditions. Table 3 indicates conditions considered not to include together with reasons.

# Appendix 3

**Table 2 - Proposed Discretionary standard conditions**

Condition	Reason	Included as Best Practice	% of LA
Specific terms relating to ASB in written terms of occupation	Relates to management of the house and S90(2)(b) specifically states conditions can be added in relation to ASB	Yes	100 %
Management of waste	Relates to management of the house and S90(2)(b) specifically states conditions can be added in relation to ASB. It is a mandatory condition for HMO licences to include waste disposal requirements and this will make comparable.	No	100 %
Notification of changes to Licence Holders address	Relates to management of the house	N/A	87%
Notification of changes to licensed property	Relates to management of the house	N/A	87%
Notification of change in personal circumstances	Relates to management of the house.	Yes	87%
Keep in property maintained and in good repair, when notified then fix within reasonable timescale	Relates to management of the house	Yes	84%
Inspect property once every 6 months	Relates to management of the house.	Yes	68%
Tenancy management related conditions	Relates to management of the house	N/A	65%
Emergency arrangements including contact details / Licence holder absence	Relates to management of the house	Yes	61%
Energy Performance Certificate( EPC) of E or above – E or Exemption	Relates to management of the house. It is a legal requirement to have an EPC at Band E or an exemption. Oxford City Council has a corporate priority on sustainability	Yes – legal requirement	48%
Number of households	Relates to management of the house – selective licensing is for non-HMO houses. This will make it clear. This is also required as one selective licence can be issued to cover a residential block with individual dwellings. A “household” number indicates the number of individual dwellings covered by the licence.	N/A	35 %
Provision of receipts for rent payments	Relates to management of the house	Yes	32%
To take action to eradicate pests, when reported	Relates to management of the house – although this will be included within property maintenance.	Yes	32%

# Appendix 3

**Table 3 Conditions not proposed**

Conditions on other LA licences	Reason for not including
Specific security provisions e.g window locks / alley gates	Many other authorities have introduced selective licensing in high crime areas – these are specific measures required to help prevent crime. However high crime is not an Oxford concern so it is not appropriate to add this to a licence – HHSRS could be used where concerns arise.
Undertake training / become accredited	The council has to assess “competence” when granting a licence. Where concerns arise regarding competence, the council would add a condition as necessary rather than a blanket requirement for all landlords. The council proposes to give discounts to accredited landlords as an incentive – therefore working with compliant landlords.
Number of occupants	Restriction to a set number of occupants could lead to issues when families of different size move in or out. There would also be an issue if a family had another child as this would count for a person. Could lead to a lot of requests for variations and this would increase the overall cost of scheme. Number of occupants is best assessed via Part 1 function and HHSRS for crowding and space.
Inventory house / rooms	It is considered that this could be interpreted as relating to “condition and content” and so fall outside of selective licensing conditions.
Display Licence	It is considered that a condition requiring landlord to provide a pack to tenants with this information is sufficient. Family houses do not have the same turnover as HMOs.
Display Manager details	It is considered that a condition requiring landlord to provide a pack to tenants with this information is sufficient. Family houses do not have the same turnover as HMOs.
Fire alarm – certificate / declaration on expiry	This is fulfilled by mandatory requirement to supply a declaration on demand. Family houses have less complicated alarms.
Keep escape route clear	A family house would be expected to know their escape routes.
Display fire notice	A family house would be expected to know their escape routes.

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## Selective Licensing Fee proposal

The fee proposal is based on a review of HMO licence costs. The processing of selective licence applications is very similar to the HMO applications already processed by the Council. However there would be no inspection of a selective licence property prior to the issue of a licence and not all properties will need to be inspected.

### Fee scheme

Selective licences will be issued for five years unless there is a history of poor management. The fee scheme for new applications are shown in Table 1. At the start of the scheme, various discounts will be offered, as in Table 2. It is anticipated the vast majority of licences will be for five years however some will be issued for one year and then require a renewal application. Renewal fees are in Table 3. To demonstrate that the fee scheme is designed to ensure compliant landlords are not financially penalised compared to non-compliant landlords, Table 4 illustrates different landlord behaviours and fee payable.

<b>Table 1: Proposed fees for new applications</b>				
Category	Description	Total Fee	Stage One	Stage Two
SB1 Standard fee	New application made within 6 months of start of scheme, or where the property is newly acquired and the application is made within 3 months of the acquisition date	<b>£480</b>	£170	£310
SA1 Higher new application fee	New application made after 6 months of scheme designation date	<b>£1100</b>	£495	£605

### Discounts

Discounts will be offered to incentivise landlords to make applications promptly, recognise compliant landlords / agents and could be offered to support landlords who work with the Council to provide accommodation for vulnerable persons. In addition, discounts are available for specific building types in recognition of lower administration costs. Compliant landlords should benefit from paying lower fees. For any discount to apply a full application must be submitted without the need for the council to request any further information from the applicant.

Only one discount will be applied to the fee which will be applied to the stage 2 fee.

# Appendix 4

<b>Table 2: Proposed Discounts</b>		
<b>Category</b>	<b>Description</b>	<b>Discount amount</b>
<b>Early bird</b>	Where a complete application is made within 6 months of the scheme commencement date. Maximising the number of applications received early will reduce the amount of work needed to find unlicensed properties. Receiving documentation with the application reduces the amount of time needed to request and check documentation and also demonstrates landlord compliance.	<b>£80</b>
<b>Early Bird and Accreditation</b>	The most compliant landlords / agents are members of recognised accreditation schemes demonstrating professional competence. These landlords / agents are expected to make their application early and so will benefit from “early bird” discount. In addition, it is judged that properties managed by an accredited person will not need to be inspected and so this will reduce the time required by the council to administer the scheme and so these landlords should benefit from an additional discount.	<b>£180</b>
<b>Accreditation</b>	This will be applied where a landlord who is accredited with a recognised accreditation scheme acquires a new property and applies for a licence within 3 months of the purchase date or where there is a change in the licence holder to an accredited landlord. The discount is applied to reflect the reduced inspection time	<b>£100</b>
<b>Charity</b>	This will be applied where registered charities, who are working with the Council and providing accommodation as part of the homeless pathway. The discount would apply to full applications made within 12 months from the start of the scheme, this will assist where charities are operating a number of properties Such charities have different cost operating models and to charge a fee could heavily affect their ability to run their services.	<b>£180</b>
<b>New Build</b>	Any new build property whose first occupant is a private tenant (providing application is made within three months of occupation date).this is to reflect that the property will meet the current building standards and an inspection would not be necessary	<b>£220</b>
<b>Block</b>	Where landlords own the freehold of a building and rent out flats within the building one licence is given covering the whole block. The building will have been converted with building regulation approval. The first flat is charged at the full fee and then for each additional flat, a small fee is charged to cover extra checks made for each flat.	<b>Standard fee (SB1 or SA1) plus £236 per additional unit</b>
<b>Home Choice</b>	Properties used by the City Council as part of the work to prevent homelessness; to incentivise landlords to provide private rented properties this would apply only for applications where the standard fee applies, i.e. where there is a change of Licence Holder who makes the property available to the Home Choice scheme or where a newly acquired property is made available to be used as part of the scheme and the application made within 3 months of purchase. The details and amount of discount available is to be determined	<b>discount on standard fee</b>

## Length of licence and Renewal Fees

The majority of licences will be issued for five years. However, there are some circumstances where a licence will be issued for one year. These include the following factors:

- Documentation was not submitted;
- Multiple justified service requests made within last three years;
- Concerns about fit and proper person status;
- Concerns about satisfactory management arrangements;
- Evidence property is not compliant with planning use;

Where a one year licence is issued, the council will inspect within 12 months of the licence date to ensure the property is compliant. On renewal, a decision will be made whether to:

- Issue a 5 year licence
- Issue for one year.

<b>Table 3 Renewal Fees</b>			
Category	Description	Licence length	Total Fee
C – only applicable from yr 2 onwards	Renewal application	Five	£131
D – only applicable from yr 2 onwards	Higher renewal application	One	£196

# Appendix 4

<b>Table 4: Total fees paid by landlord behaviour scenarios</b>			
Scenario		Fee paid	Fee paid per annum
1	Accredited landlord / agent with early bird discount (application made within six months of commencement date)	£300	£60
2	Landlord / agent with early bird discount (application made within six months of commencement date)	£400	£80
3	Landlord / agent makes incomplete application up to 6 months of commencement date	£480	£96
4	Landlord / agent makes application up to 6 months of commencement date. Due to concerns / known issues they are issued one year licence. Inspection shows good management and all documents now satisfactory. On renewal, converted to 5 year licence	£611	£102
5	Landlord / agent makes application up to 6 months of commencement date and issued one year licence. Yr2 renewed at one year higher rate for non-compliance. Yr3 renewal converted to 5 year licence	£891	£127
6	Landlord / agent makes application after six months of commencement date and issued five year licence for a property that has been licensable for more than 3 months	£1,100	£183
7	Landlord / agent makes application up to six months of commencement date and issued one year licence. Yr2, Yr 3, Yr 4, Y5 found to be non-complaint and renewed at one year higher rate.	£1,264	£253
8	Landlord / agent makes application after six months of commencement date (one year licence) for Yr2 found to be non-compliant renewed at higher rate. Yr 3 found to be compliant and converted to end of scheme	£1,431	£204
9	Landlord / agent makes application after six months of commencement date (one year licence). Yr2, Yr3, Yr 4 & Yr5 found to be non-compliant renewed at higher rate.	£1,920	£384

## Predicted Number of Licences

At this stage it is estimated that there will be 12,000 private sector properties requiring a licence and it is likely, based on similar schemes that around 80% will be issued a licence throughout the 5 year scheme. Assuming a similar result for Oxford City Council, then around 10,000 properties would be licensed by the end of the scheme. This will be kept under review as the scheme progresses and resources and therefore fees will be adjusted accordingly.

## Income and cost assessment

A review of HMO properties has established 1/3 are managed by agents belonging to a national recognised scheme and it is assumed a similar proportion of rented family homes are also managed by agents. However this may be a low estimate and fees may have to be adjusted to meet demands part way through the scheme.

The vast majority of the applications will be received in the first year and income projection has been based on 75% of applications received in year 1, around 7,200 applications. Of these applications, it is estimated that 50% applications will fall into the “accreditation and early bird” discount and a further 25% will fall under the “early bird” discount. Approximately 3,000 applications will be received in later years, at a higher fee. Application and fee income projections are outlined in Table 5

Based on the licence fees above and the assumed application projections, the income generated by the scheme is estimated to be approximately **£6,666,735**. The scheme must be self-financing. The fees can only be used for selective licensing and are not income generation for other council activities. The total costs are estimated to be **£6,670,074**, these include staffing, ICT requirements, training and the provision of landlord information see Table 6

# Appendix 4

**Table 5: Predicted application and fee income**

	Yr 1			Yr 2			Yr 3			Yr 4			Yr 5		
	Total licensed	7200		Total licensed	8194		Total licensed	9066		Total licensed	9768		Total licensed	10141	
	Fee	No. apps	Income	Fee	No. apps	Income	Fee	No. apps	Income	Fee	No. apps	Income	Fee	No. apps	Income
SA1 Standard higher	1100	720	792000	1133	872	987976	1167	761	888313	1202	626	752464	1238	311	385104
SB1 Standard new	480	1080	518400	494	122	60317	509	111	56627	525	76	39868	540	61	32984
Early bird	400	1800	720000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Early bird & Accred	300	3600	1080000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
C Renewal standard	130	0	0	130	612	79560	134	260	34827	138	111	15246	142	94	13348
D Renewal higher	200	0	0	200	612	122400	206	260	53581	212	111	23455	219	47	10267
Per Yr Total	3110400			1250253			1033347			831032			441703		
<b>Total income</b>	<b>6666735</b>														

100

**Table 6 – Income and cost breakdown per year**

Year	1	2	3	4	5	Total
<b>Income</b>	£3,110,400	£1,250,253	£1,033,347	£831,032	£441,703	£6,666,735
<b>Cost</b>	£2,425,849	£1,018,247	£1,046,222	£1,075,038	£1,104,717	£6,670,072

# Appendix 5

## Appendix 5 Risk Register

Title	Risk description	Opp/ threat	Cause	Consequence	Date Raised	Owner	Gross		Current		Residual		Comments	Controls					
							I	P	I	P	I	P		Control description	Due date	Status	Progress %	Action Owner	
Insufficient evidence base	The consultation project does not provide sufficient evidence to support an approach for the future of the scheme or is undertaken in an unrealistic timeframe.	Opp and Threat	Lack of interest; insufficient marketing, promotion, inaccurate targeting of audience. Affected by COVID 19 pandemic aftermath	The consultation exercise does not ensure all stakeholders in the private rented sector, including those living within the sector, have a voice. This could lead to uneven responses and insufficient evidence of the need for a scheme.	Mar 2020	Gail Siddall	3	3	3	2	2	2		Ensure that statutory consultation period is satisfied and undertaken at an appropriate time. Independent consultation supplier with appropriate skill base and resources used to carry out consultation to reach all stakeholders					
Recommendations not approved	The recommendations of the report are not approved	Threat	Insufficient support from members to proceed with statutory consultation	Scheme will not proceed and problems in private rented sector will continue to be dealt with reactively	Mar 2020	Gail Siddall	3	2	3	2	2	2		Review and implement appropriate consultation project and ensure requirements of legislation fulfilled.					
Legal challenge	A legal challenge to the proposals is put forward as a judicial review	Opp and Threat	Statutory requirements not met. Insufficient resources provided to fulfill requirements. Insufficient evidence base. Lack of wider consultation	Scheme will not proceed until legal challenge resolved	Mar 2020	Gail Siddall	3	3	3	2	2	2		Ensure that statutory requirements for proving the case for selective licensing is robust and are met and that sufficient resources provided to undertake comprehensive consultation.					
Changes to Government Policy	Change in government policy in relation to Selective licensing schemes which require their approval	Threat	The COVID 19 pandemic may reduce the appetite for regulatory activity including the introduction of discretionary licensing schemes	The government may not approve the scheme or require further evidence from the council	July 2020	Gail Siddall	4	3	4	3	4	3	Government policy will be kept under review throughout the consultation period.	If policy is changed officers will review and inform cabinet					
IT system	The number of applications expected in year 1 will require a robust and tested application processing system	Threat	The current system is not designed to cope with a large number of applications. It requires manual transference of data from one system to another.	Applications not processed in timely manner and staff input into processing will be increased leading to further costs. Reputational damage to the scheme will occur if licences are delayed.	July 2020	Gail Siddall/Mic helle Iddon	3	4	3	4	3	4	Progress on a replacement system has been paused due to technical issues.	Project needs to be agreed and started in Sep 20 to ensure that system is fit for purpose if Selective licensing is introduced (any changes would benefit other licensing schemes )					

Impacts on the housing market	The rollout of selective licensing may have some unintended impacts on the housing market	Threat	Selective licensing will be used to enable the improvement of standards in the PRS. Landlords will need to pay for a licence, and some landlords will need to invest in their properties to comply with minimum statutory standards. The scheme will also drive financial transparency in the sector, which will not be welcomed by all Landlords.	Some landlords may exit the market and others will rely more on professionals to manage their stock. Others may use the scheme as a reason to justify increasing rents which could impact affordability in the housing market.	Jul-20	Gail Siddall/ Nerys Parry	4	3	4	2	3	2		Close working between Regulatory Services and Community Safety and Housing Services to ensure impacts on the housing market, tenants and prospective PRS tenants are considered, closely monitored, and responded to throughout the consultation, design process, and into implementation (if licensing goes ahead). Consider how selective licensing and the council's PRS access schemes align (such as Homechoice), to ensure homeless families can access the PRS.	Ongoing	25	Gail Siddall/ Nerys Parry
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# Appendix 6



## Form to be used for the Full Equalities Impact Assessment

103

<b>Service Area:</b> Regulatory Services and Community Safety		<b>Section:</b> HMO Enforcement Team	<b>Date of Initial assessment:</b> 20 <sup>th</sup> April 2020	<b>Key Person responsible for assessment:</b> Gail Siddall	<b>Date assessment commenced:</b>	
<b>Name of Policy to be assessed:</b>			Introduction of a Selective Licensing Scheme for Oxford			
<b>1. In what area are there concerns that the policy could have a differential impact</b>			<b>Race</b>		<b>Disability</b>	
			<b>Gender reassignment</b>		<b>Religion or Belief</b>	
<b>Other strategic/ equalities considerations</b>			<b>Safeguarding/ Welfare of Children and vulnerable adults</b>		<b>Mental Wellbeing/ Community Resilience</b>	
<b>2. Background:</b>  Give the background information to the policy and the perceived problems with the policy which are the reason for the Impact			Oxford City Council maintains a reactive approach to improving the standards of properties in the Private Rented Sector (PRS). The council has worked on numerous other initiatives within the city to achieve, yet despite our efforts the PRS has the highest amount of significant hazards within properties. Through our Additional and Mandatory schemes for Houses in Multiple Occupation (HMO) HMO property standards have been improved and as such the council is exploring expanding on these success with the introduction of a Selective Licensing Scheme. Selective licensing is similar			

# Appendix 6

<p>Assessment.</p>	<p>to our existing schemes but would have the scope expanded to include all properties in the PRS in any area we designate.</p> <p>A statutory consultation exercise of a minimum of 10 weeks must be undertaken before the scheme can be introduced.</p> <p>As Oxford has one of the highest percentage of residents living in the PRS any changes have the potential to impact a large number people. Should landlords choose to remove properties from the PRS to avoid the scheme, or choose to carry on illegally this could potentially place vulnerable tenants and children at risk of living in poor accommodation.</p>
<p><b>3. Methodology and Sources of Data:</b></p> <p>The methods used to collect data and what sources of data</p>	<p>The data used to support the councils exploration of selective licensing has been drawn from existing internal data sources including property, council tax, electoral roll and service request information. This has been supplemented by freely available data from the ONS and energy performance data.</p>
<p><b>4. Consultation</b></p> <p>This section should outline all the consultation that has taken place on the EIA. It should include the following.</p> <ul style="list-style-type: none"> <li>• Why you carried out the consultation.</li> <li>• Details about how you went about it.</li> <li>• A summary of the replies you received from people you consulted.</li> <li>• An assessment of your proposed policy (or policy</li> </ul>	<p>If Cabinet approve the recommendations to consult upon renewing the scheme, consultation will be carried out for a minimum of 10 weeks – this consultation will be widespread and will include consultation with key stakeholders. It is proposed that the consultation is carried independently from the council. Consultation on the impact assessment has not been carried out as the proposals are still subject to approval by Cabinet.</p>

# Appendix 6

105

<p>options) in the light of the responses you received.</p> <ul style="list-style-type: none"> <li>• A statement of what you plan to do next</li> </ul>	
<p><b>5. Assessment of Impact:</b> Provide details of the assessment of the policy on the six primary equality strands. There may have been other groups or individuals that you considered. Please also consider whether the policy, strategy or spending decisions could have an impact on safeguarding and / or the welfare of children and vulnerable adults</p>	<p>The project is based on the need to fulfil national legislative requirements. The consultation must be widespread and aims to reach all those who are likely to be affected by the introduction of the scheme.</p> <p>Data gathered as part of the consultation exercise will assist in informing the potential impacts on target groups such as landlords from BAME groups, tenants, students and migrants. Impacts will vary across each group but as Oxford has a challenging and expensive rental market it would be expected that those with lower financial security and those groups with English as second language would be more likely to be impacted. There are also significant proportions of landlords operating in the city that are from BAME or overseas backgrounds which also forms another key consideration.</p> <p>As this scheme shall be operating as cost neutral, current positions should not be affected in their capacity to continue their role in safeguarding vulnerable individuals. Costing for the scheme is inclusive of training additional staff, which is inclusive of relevant safeguarding training.</p>
<p><b>6. Consideration of Measures:</b></p> <p>This section should explain in detail all the consideration of alternative approaches/mitigation of adverse impact of the policy</p>	<p>The groups most likely to be affected by these proposals have been identified and a draft consultation plan has been prepared, this will be finalised before the cabinet meeting. The consultation exercise if approved, will be undertaken in accordance with the agreed plan.</p>
<p><b>6a. Monitoring Arrangements:</b></p> <p>Outline systems which will be put in place to monitor for adverse impact in the future and this should include all</p>	<p>The council reviews the fees and charges in relation to licensing schemes to ensure the scheme is operating at a cost neutral position and to consider impacts on landlords generally. It is our position that landlords who are forthcoming with applications and the relevant documentation will be charged a lesser fee commensurate with their cooperation.</p>

# Appendix 6

<p>relevant timetables. In addition it could include a summary and assessment of your monitoring, making clear whether you found any evidence of discrimination.</p>	<p>Enforcement activity is reviewed in each case by senior officers and by Law and Governance to ensure that the council is being fair, consistent and proportionate in its responses as well as acting in the public interest.</p>				
<p><b>7. Date reported and signed off by Cabinet:</b></p>					
<p><b>8. Conclusions:</b>  What are your conclusions drawn from the results in terms of the policy impact</p>	<p><b>Although the proposed scheme may affect vulnerable groups, the overall aim of the scheme is to reduce inequalities in the Private Rented Sector and with robust consultation it is believed that risks can be managed effectively by incorporating consultation results received by effective and widespread engagement</b></p>				
<p><b>9. Are there implications for the Service Plans?</b></p>	<p>YES/NO</p>	<p><b>10. Date the Service Plans will be updated</b></p>		<p><b>11. Date copy sent to Equalities Lead Officer</b></p>	
<p><b>13. Date reported to Scrutiny and Cabinet</b></p>		<p><b>14. Date reported to Cabinet</b></p>		<p><b>12. The date the report on EqIA will be published</b></p>	

106

Signed (completing officer) Gail Siddall

Signed (Lead Officer)

**Please list the team members and service areas that were involved in this process:**

Equalities Lead Officer  
Service Manager  
Legal Services Manager

# Appendix 6

107

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**To:** Cabinet  
**Date:** 09 September 2020  
**Report of:** Head of Service – Regulatory Services and Community Safety  
**Title of Report:** Review of the Additional HMO licensing scheme

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	The report provides findings from a review carried out for the HMO Licensing Scheme and seeks approval from members to conduct a statutory consultation to renew the scheme in 2021
<b>Key decision:</b>	Yes
<b>Cabinet Member:</b>	Councillor Alex Hollingsworth, Cabinet member for Planning and Housing Delivery
<b>Corporate Priority:</b>	More Affordable Housing.
<b>Policy Framework:</b>	Housing and Homelessness Strategy 2018-21
<b>Recommendations :</b> That Cabinet resolves to:	
<ol style="list-style-type: none"> <li>1. <b>Consider</b> the Review of Licensing of Houses in Multiple Occupation 2020 and note its findings;</li> <li>2. <b>Resolve</b> that the Review indicates that a significant proportion of HMOs in the Council's area are being managed ineffectively;</li> <li>3. <b>Instruct</b> Officers of the Council to proceed with a statutory 10 week consultation on the basis that it is necessary to renew the licensing scheme in its entirety for a further 5 years; and</li> <li>4. <b>Request</b> a future report setting out the results of the statutory consultation and the proposed future of the licensing scheme</li> </ol>	

<b>Appendices</b>	
Appendix 1	Report on the review of the Houses in Multiple Occupation Licensing Scheme 2020.
Appendix 2	Proposed Fee Structure
Appendix 3	Risk Register
Appendix 4	Initial Equalities Impact Assessment

## **Introduction and background**

1. HMO licensing was introduced in July 2006 by the Housing Act 2004 (the Act), at that time HMOs that were 3 storeys in height **and** occupied by 5 persons required a mandatory HMO licence. In October 2018 the definition for HMOs requiring a mandatory licence was changed to include any HMO occupied by 5 persons forming more than 2 households. Additional HMO licensing schemes, if introduced by Local Authorities, apply to those HMOs which are not required to have a mandatory HMO licence.

2. Additional HMO licensing was first introduced in Oxford in January 2011. The scheme was renewed in 2016 and expires in January 2021. The scheme means that all HMOs including properties converted into self-contained flats without Building Regulation Approval (sec 257 HMOs); require a licence

### **Legal issues**

3. The legal issues relating to this report are set out within the Housing Act 2004.
4. Local Authorities have the ability to designate areas and therefore renew schemes containing HMOs to be subject to additional licensing, without the need for approval from the Government
5. Within the Act there is also a legal requirement to review the scheme “*from time to time*” following its operation. To fulfil this requirement a review has recently been undertaken.
6. In order to renew the current scheme the Council must consider a series of factors as set out in Sections 56 and 57 of the Housing Act 2004, to identify which HMOs it might wish to be covered by a scheme and consult with those people who are likely to be affected by the licensing scheme. The consultation must be for a period of not less than 10 weeks and it is proposed that it will be undertaken by an external agency.
7. The consultation exercise will include information about the proposed designation and details of the issues relating to HMOs in the city, it will explain the reasons for the proposal and how the Council will continue to use licensing to address specific problems so as to allow an informed response from the consultees.
8. The consultation will seek views about the proposed designation including the level of support or otherwise; to determine whether landlords, stakeholders, residents and tenants support, in whole or in part, the proposed designation for an additional HMO licensing scheme to cover all HMOs which do not require a mandatory HMO licence. The consultation will also provide opportunities for any alternatives to be identified and to collate views to inform the licensing proposal including :
  - Fee Structure -including fee levels and discounts
  - Licence Conditions
  - Consultees’ perceptions about the key issues in relation to HMOs
9. Following the consultation exercise, a further report will be presented to Cabinet to decide upon the renewal of the scheme, Following this there must be a period of 12 weeks before a scheme can be introduced, meaning that there will be a period when there is a lapse in the licensing regime, with some HMOs operating without regulation via the HMO licensing scheme. The proposal would be that the new designation would commence in May 2021 for a further period of 5 years.
10. MHCLG issued guidance for council’s during the COVID 19 pandemic suggesting a pause in introducing licensing schemes. As it is a legal duty to consult widely on the renewal of the scheme it was considered that to commence such a consultation exercise during lockdown would have significantly increased the risk of a legal challenge. Other local authorities have been affected, with Newcastle delaying the introduction of their licensing scheme by 3 months, Durham extending consultation that had begun prior to lockdown and Wirral’s licensing scheme has lapsed for 3 months. The pause due to Covid



has resulted in the timetable for renewal being delayed meaning that there will be a period of around 4 months where there will be no additional HMO licensing scheme.

11. During this period, as there is no scheme, the Council cannot issue licences or renewals. However where licences expire, existing landlords will be able to apply for a new licence should the renewal of the scheme be approved in February. These licences will be charged at the renewal fee and will be issued at the start of the new scheme. This will affect in the order of 520 licences which will require a renewal in this period.
12. The Council will not be able to take Enforcement action against landlords for operating an unlicensed HMO or for breach of conditions on an expired licence during this period. However enforcement action can still be taken, where complaints are received, to remove hazards from HMOs, which is a useful, but often a slower process, in resolving issues. Any unresolved justified complaints will be taken into account upon the renewal of the licence, with the landlord possibly having to pay a higher renewal fee for poor management.
13. In order for the Council to 'renew' the scheme it must proceed through the statutory process as laid out in Section 56 and 57 and the guidance issued under the Housing Act 2004:

#### **Key Findings from the review.**

14. The review of the current scheme has been concluded and is attached to this report in Appendix 1
15. A summary of the key findings and how these reflect the considerations set out in Section 56 and 57 of the Housing Act 2004 are set out below
16. Section 56 of the Act places requirements upon the Local Housing Authority when considering a designation for additional licensing of HMOs, in that the Council 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 likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public; and*
  - *Take reasonable steps to consult with persons who are likely to be affected and consider any representations made in accordance with the consultation and not withdrawn; and*
  - *Have regard to any information regarding the extent to which any codes of practice approved under section 233 have been complied with by persons managing HMOs in the area (these codes relate to University managed accommodation).*
17. Section 57 provides further considerations for the Local Authority in that they should ensure that:
  - *Exercising the designation is consistent with the authority's overall housing strategy; and*
  - *Seek to adopt a coordinated approach in connection with dealing with homelessness, empty properties and anti-social behavior affecting the private rented sector as regards combining licensing with other action taken by them or others; and*

- *Consider whether there are any other courses of action available to them (of whatever nature) that might provide an effective method of dealing with the problem or problems in question; and*
  - *That making the designation will significantly assist them to deal with the problem or problems (whether or not they take any other course of action as well).*
18. The review found that since the start of the scheme in January 2015 the Council have processed 12, 236 licences in relation to 3850 HMOs. The Council have continued to work with landlords and agents to improve compliance with the HMO licensing scheme, currently only 49% of HMOs are fully compliant, and of those 47% are those within the additional HMO licensing scheme. This equates to around 1050 additional licensed HMOs which are non-compliant upon re-inspection.
  19. The Council has a stepped approach to the enforcement of non-compliance with the licensing scheme, which can mean that minor breaches are rolled into the next licence, often with a higher renewal fee; through to financial penalties for repeated or major breaches. To date this has seen 54 financial penalties being taken for breaches in conditions and of management regulations in HMOs either having or requiring a licence under the additional scheme.
  20. 2,460 investigations into unlicensed HMOs have been undertaken, these have resulted in 25 financial penalties being served for operating HMOs requiring a licence, of these 19 were for HMOs requiring a licence under the additional scheme. There were also 22 penalties served relating to breaches of related legislation, eg non-compliance with the HMO management regulations and Improvement notices, such legislation is not dependant on additional HMO licensing.
  21. The Council has had to take over control of the management of 3 properties where the landlord has failed to licence the property as a HMO and has dealt with 16 cases where this was a real possibility, however a suitable licence holder was appointed in these cases so further action was not pursued.
  22. The Council continues to receive service requests from tenants and from neighbours concerning HMOs with 1,921 service requests received concerning HMOs covered by additional licensing since the start of the scheme.
  23. It is clear that from the proportion of service requests relating to HMOs received that there is a significant number that continue to be ineffectively managed, with 1 in 5 of all service requests received relating to known HMOs
  24. Landlords of HMOs operating in the city have had a “level playing field” since the introduction of additional HMO licensing in 2011, ensuring standards are the same for all HMOs irrespective of size. Since that time the council have adopted and continued a multi- agency approach, working in partnership with the Police, Fire Service, Border Control and other internal services, for tackling issues associated with HMOs
  25. The Council continues to provide information and training to landlords via the Landlord’s Information Exchange and the Landlord Accreditation scheme, the Council also hold regular forum meetings with local agents. Despite this, it is disappointing to note that there are a number of landlords and agents who do not engage with the Council until formal action is being taken.
  26. The Housing and Homelessness strategy 2018-2021 is a key driver for the delivery of the corporate aim of more affordable housing and the midterm review of the strategy further reinforced this by including a priority to “make better use of

the Private rented Sector accommodation. This strategy also supports the work undertaken by the Council in relation to homelessness and rough sleeping and the priority to create sustainable communities that are safe and healthy to live in.

27. The overall improvement of HMOs through Additional Licensing is seen as a key contributor to the corporate aim of providing more affordable housing with an overall improvement of conditions in the Private Rented Sector.
28. If the current scheme is not renewed it will lapse and HMO licensing will only apply to HMOs within the city that require a mandatory licence, this is currently estimated at only 55% of the licensable HMO stock. A further consideration of not having an additional HMO licensing scheme could be the likelihood that some landlords will reduce occupation in HMOs to avoid licensing controls, which could cause an increase in homelessness
29. If the scheme is renewed even with the delay, there would be a period where the HMO licence scheme could not be enforced in smaller HMOs in the city, which could leave some tenants vulnerable during this period

### **Option Appraisal**

30. As part of the review a number of options were considered in relation to the HMO licensing scheme, these options were to renew the scheme in its entirety, renew the scheme in parts of the city or not renew the scheme. The best option from the appraisal was to renew the scheme in its entirety.
31. The main reasons supporting the option of renewal of the scheme in its entirety are as follows:
32. The Private Rented Sector in Oxford has grown considerably in Oxford and the city continues to be one of the most expensive places to live in terms of house prices. This puts the home ownership market beyond a large number of residents and places a burden on the private rented sector. Sharing accommodation is the only viable option for a large proportion of young and low income households and there has been a notable increase in the number of families with young children occupying HMOs. Licensing ensures that the Council has a comprehensive toolkit to deal with poor conditions and issues around anti-social behaviour in all HMOs. Thereby improving the living conditions for those residents in occupation and those who are affected by HMOs in the neighbourhood.
33. Service requests relating to HMOs continue to be made by tenants and neighboring residents irrespective of which type of HMO licence required. From the data available it can be seen that there is no marked difference in the type of service requests received for those in the additional HMO licensing scheme or those requiring a mandatory HMO licence. If the scheme was not renewed in its entirety the Council would need resources to be able to respond to and deal with around 400 service requests per year regarding HMOs not within the mandatory scheme.
34. The rate of compliance with the additional HMO licensing scheme is 47%, therefore there is a large proportion of this type of HMOs which do not meet minimum standards even though licence holders and managers are being given specific details of the requirements for their properties. If the scheme was not renewed in its entirety this figure would likely increase which would have an impact on the number of service requests the Council receives regarding HMOs.
35. The current spread of HMOs is not concentrated in one particular area and the issues regarding this type of accommodation are widespread. Partial licensing of HMOs would likely result in an increase of HMOs in areas which were not

subject to licensing and leave the Council will limited options for regulating these properties.

## Financial Issues

36. Following comments received during the 2015 consultation, a revised fee structure was introduced when the current scheme began in 2016. Landlords and agents were very clear that compliant landlords should not have to subsidise non – compliant landlords. Oxford City Council implemented a HMO licensing fee scheme to reflect these comments and to incentivise landlords to change their behaviour and improve management of their properties. Oxford has therefore introduced and operated a unique charging scheme for HMO licensing which reflects the costs of operating the scheme and compliant landlords are not subsidising non-compliant landlords. See current fee structure below

### Description of HMO licensing Scheme fees

Fee Category	Description
Category A	New HMO operating for more than 12 weeks without a licence
Category B	New HMO with application made within 12 weeks.
Category C	One year renewal
Category D	One year renewal classed as poor management
Category E	Two year renewal for compliant landlords
Category F	Five year renewal for Oxford City Council accredited landlords only

37. The review report has analysed the fee income in detail and it is clear that a compliant landlord has paid considerably less than one who is not compliant and where the Council has had to use extra resources to ensure that the scheme is complied with.
38. It is clear that there are a few authorities that charge much higher fees. It is interesting to note that these areas are similar cities to Oxford, being university cities and regional employers.
39. In April 2019 following a High Court judgement, a two part fee structure was introduced. The Council charge an initial fee as part of the application, this covers the processing of the application, including a visit to the HMO if it is a new application. The second part of the fee is charged when the Council are in a position to grant the licence, this part of the fee covers the operational and enforcement costs in relation to the licensing scheme.
40. The financial structure of the Scheme was designed to be ‘cost neutral’ and to negate the need to use any revenue funding to support the delivery of the Scheme. The Council regularly reviews the fees and charges structure of the Scheme to ensure that this has remained the case.
41. The review however has highlighted a number of changes that could be made to ensure that licence holders are paying a fair fee based on the management of the property and the level of compliance. The detailed analysis has found that in a number of circumstances the resource spent is not reflected in the licence fee and as such it is proposed to create further fee categories and amend some of the stage payments to reflect true costs – see Appendix 2

## Level of risk

42. The risk register is attached at Appendix 3 – there are no abnormal risks associated with this stage of the renewal process

## Equalities impact

43. An initial Equalities Impact Assessment is attached at Appendix 4

## Environmental Impact

44. There are a number of environmental impacts relevant to this report. The option of ‘do nothing’ could result in significant environmental impacts, particularly when the Council will have very limited ability to maintain and improve conditions within privately rented homes. It is likely that the energy efficiency of HMOs will decline, this will also effect the council’s target of reducing carbon emissions from residential properties, as homes are one of the biggest carbon emitters in the UK.
45. Waste management issues could also be affected by the scheme not being renewed, household recycling can be an issue in HMOs and without the input of the licensing scheme and the ability to manage and maintain waste issues in HMOs, household recycling rates are likely to reduce. This is likely to result in a spiral of decline and an increase in environmentally related service requests.

## Conclusion

46. The review of the scheme has highlighted a number of successes with the continuation of the additional HMO licensing scheme. Compliance rates are improving and there is much more engagement with landlords and agents. However it is disappointing to note that poor conditions and management practices still exist in this sector of the private rented stock. Without the proactive work associated with HMO licensing such issues would become more widespread and therefore the continuation of HMO licensing will help to prevent a decline in standards within this vital sector of the housing market in Oxford.

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## Background Papers:

- |   |  |
|---|--|
| 1 | Report on review of Additional HMO licensing scheme 2020 |
|---|--|

## Appendices to report –

- Appendix 1 – Report on the review of the Houses in Multiple Occupation Licensing Scheme 2020.  
Appendix 2 – Proposed Fee Structure  
Appendix 3 – Risk Register  
Appendix 4– Equalities Impact Assessment

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**Review of Licensing of Houses in Multiple Occupation  
2020.**

## **Purpose**

The purpose of this paper is to provide the findings of a review carried out on the Houses in Multiple Occupation (HMO) Licensing Scheme in operation in Oxford since 2016. Previous to this, the Council produced a similar report reviewing the HMO licensing scheme which was in operation since 2011. This review fulfils the responsibility under the legislation that, ‘*a local housing authority must from time to time review the operation of any designation made by them*’ but also provides the Council with a ‘snapshot’ of progress which will be used as a platform when considering the future renewal of the scheme.

## **Background**

Since the introduction of citywide HMO licensing in 2011 the Private Rented Sector (PRS) has continued to grow, with an estimated 33% of the stock being privately rented<sup>1</sup>. The private rented sector is often associated with the younger population although it also houses the more vulnerable in society.

A number of market factors such as high house prices, high demand and an increased population have resulted in an increased growth of HMOs with the current predictions suggesting there are now circa 6,900 HMOs.

The council have always been clear that Additional HMO Licensing in Oxford will be used to improve the HMO stock in the city, this continues to be a significant undertaking by the Council.

The overall purpose of the licensing scheme remains the same as it was when it was first introduced in 2011 that is to: ***‘alleviate the housing situation by setting and maintaining minimum standards across the city in the most vulnerable sector of Oxfords private rental market’***.

This is also major contributing factor to the Councils Corporate aim to “Deliver more affordable housing” by improving conditions in the Private Rented Sector in the city.



## Key Outcomes

Listed below are some of the key outcomes from the review and the scheme, with further details provided in the Supporting Information section of the report.

- **Implementation of a new Fee Structure** - Following feedback from landlords and agents, during the consultation phase for the current additional HMO licensing scheme a new fee structure for HMO licensing was introduced. This was to enable the Council to concentrate on non-compliant landlords.  
A compliant landlord who applied for a new licence in 2016 would have paid £707 licence fee for the length of the scheme or £307 for a renewal of a licence if the HMO was licensed under the previous scheme. A non-compliant landlord would have paid £2706 in licence fees for a new licence or £2,064 for a renewal licence in the same period.
- **Amenities and Facilities guide** – Following public consultation, a revised guidance document for HMOs was published in 2019. This outlines what the Council expects to see in HMOs in the city.
- **12,236 licences issued** over the length of the scheme relating to 3,850 properties.
- **2439**, 2 year licences and **826**, 5 year licences have been issued to compliant landlords
- Over **1,000 visits per year** are made to licensed HMOs to monitor compliance with the scheme
- The Council have received **5,392** service requests relating to HMOs of these **1,921** concerned HMOs subject to additional licensing
- **233,998** mandatory and non-standard conditions have been attached to HMO licences.
- **21,071** nonstandard conditions have been applied to deal with a HMOs below the minimum standards, with **6,795 relating to fire safety** and **11,084 relating to management and maintenance**
- An **estimated £9.327M** has been invested in the HMO stock by landlords to bring about improvements and maintenance to comply with the scheme.
- **53%** of HMOs requiring an additional licence do not comply with the scheme
- **2,460** cases relating to suspect HMOs have been investigated and 54 financial penalties have been served for operating a HMO without a licence.

## Supporting Information

### The National Picture

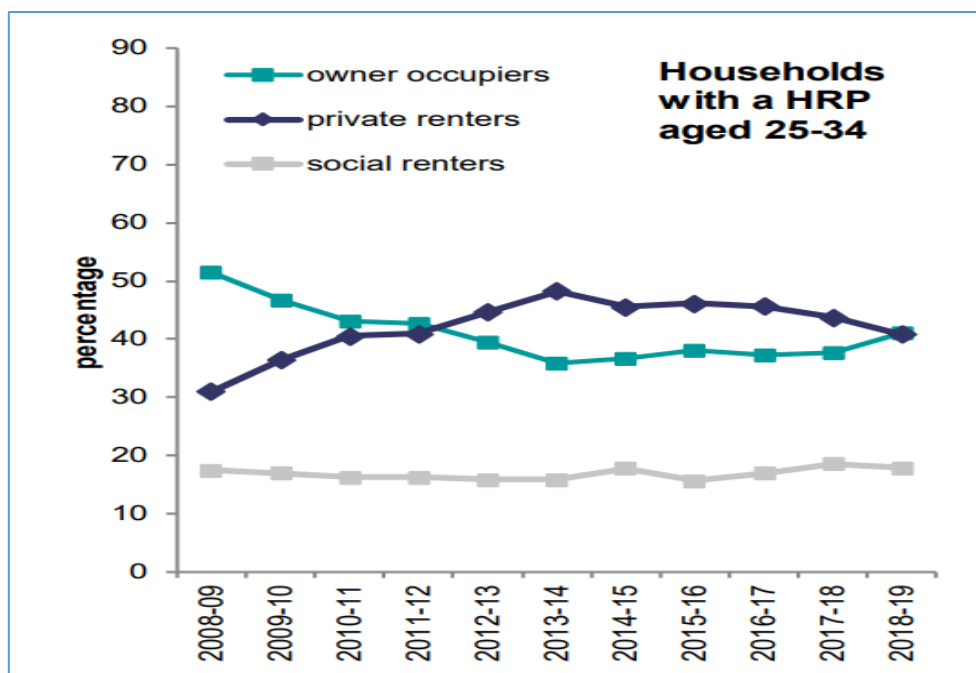
The Office for National Statistics projections indicates that there will be a population increase in the UK by 11 million over the next two decades. People are growing older and living longer. It is estimated that over the next 2 years the over 65's will increase by 7 million

The English Housing Survey 2017-18 (EHS)<sup>1</sup> reported, that there were 23.9 million homes in England, 20% were privately rented.

In recent data from the EHS 2018 -19<sup>2</sup> report the proportion of 25-34 year olds living in the PRS has levelled at around 41%. This value when compared to the previous decade has shown high growth as the number of 25-34 year olds living in the PRS has significantly increased from 28%. This increase has come at the expense of a drop in the number of owner occupiers for this age bracket down from 55% to 38%. As there is no real change in the number of 25-34s entering the social rented sector the decline in home ownership has directly translated into more renters for this age bracket. Considering the youthful demography of the city this particular age group makes up a significant proportion of the population at 30,000 residents or approximately 20% of the overall population (Census, 2011). When this bracket is opened up to include 20 to 24 year olds to represent the typical age of undergraduate students this proportion rises to cover 35% of the city.

The table of results, from the EHS 2018-19, below shows where the majority of 25- to 34-year-olds owned their own home in 2007-8, however those born just a decade later are now far more likely to be renting from a landlord. As can be seen the 'tipping point' appears to be between 2011 and 2012.

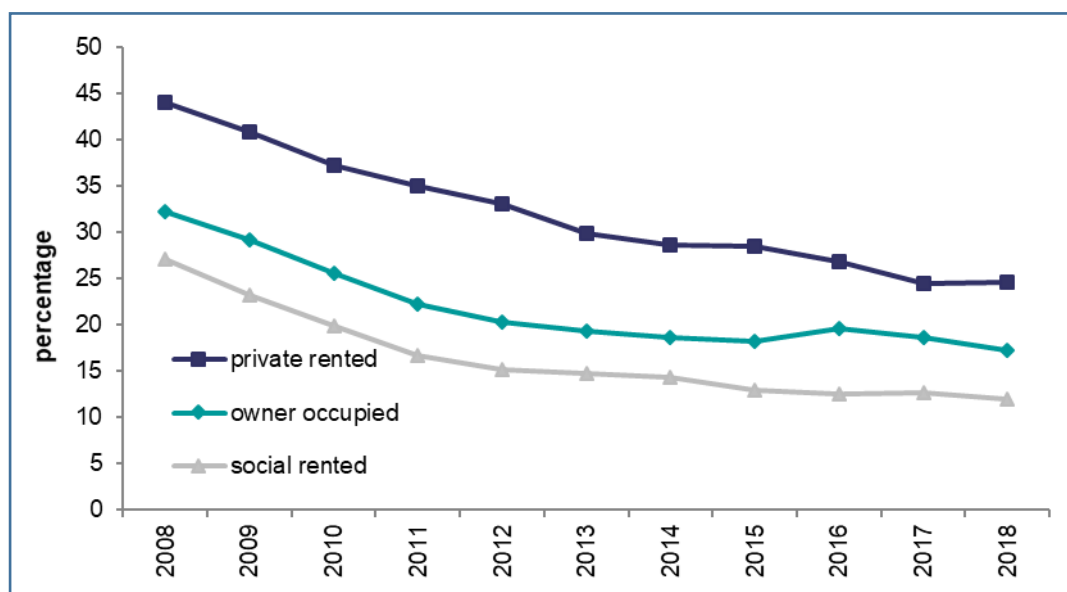
**Figure 1 – Tenure profile for 25-34 year olds (EHS 2018-19)**



Within the PRS over three quarters (76%) of renters were working, with 65% in fulltime work and 12% in part-time work. Smaller proportions of private renters were retired (8%), in full-time education (5%), or unemployed (3%)

Housing conditions within the PRS are poorer than that of social and owner occupied properties. Despite improvements over the years nearly 25% of properties in the PRS are considered “non-decent” and contain the highest percentage of category 1 hazards at 14%<sup>3</sup>.

**Figure 2 – Percentage of “Non-Decent” properties by tenure (EHS 2008-18)**



Nationally, the sector sees the greatest amount of turn over with 62% of households having lived at their address for less than three years<sup>4</sup>.

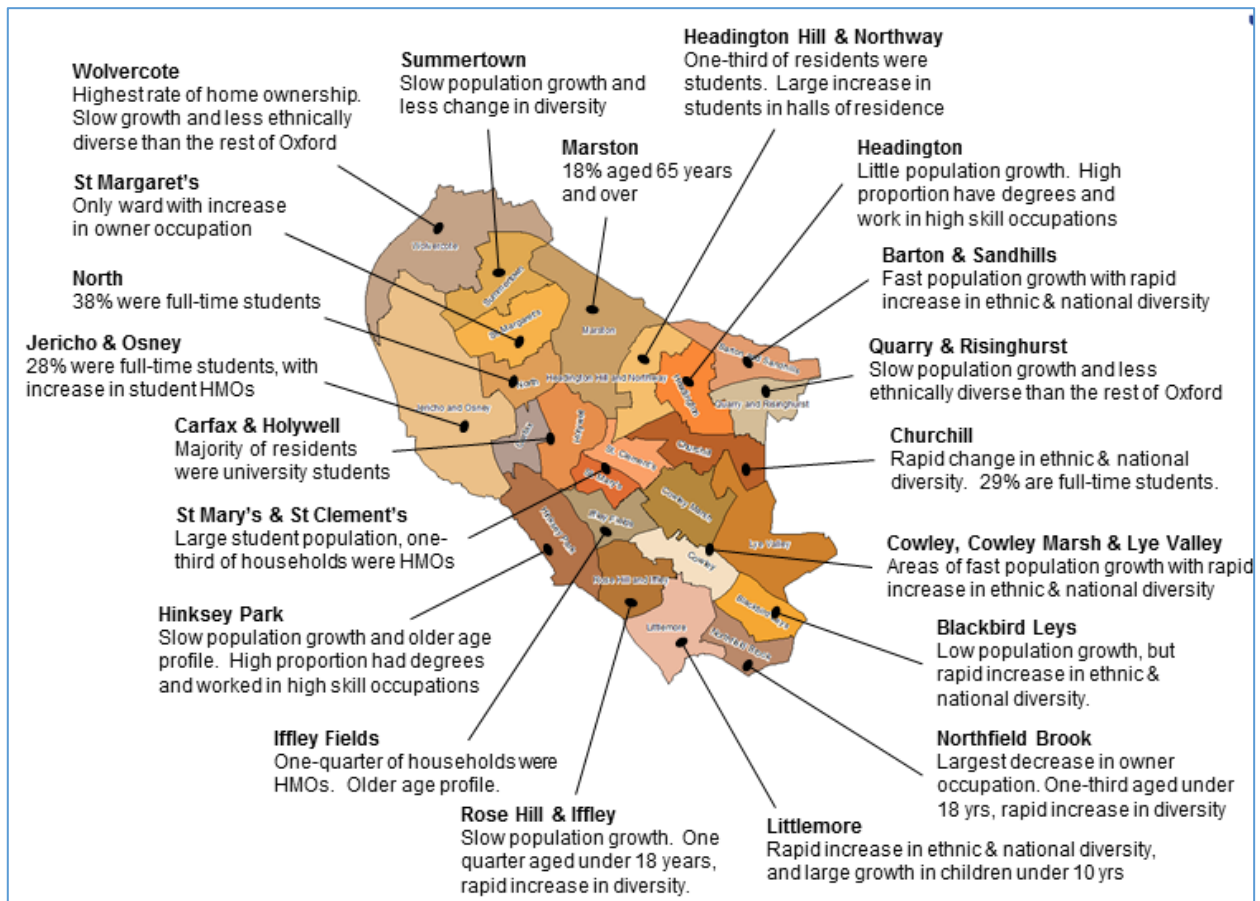
As a tenure there is little indication that the PRS will shrink in the near future with the EHS 2018-19 indicating that the percentage of PRS tenants looking to buy their own home is at its lowest point in the decade between 2008 and 2018 at 56%.

### **The Oxford Picture**

Housing in Oxford faces enormous pressure as it has a growing population with the Office for National Statistics (ONS) midyear estimate in 2018 putting the population at 154,347 people. According to the ONS Oxford’s rate of population growth is set to steadily increase over the coming years, Oxford’s population growth is the 12th fastest in the UK, increasing by 15,000 residents each decade (OCC, 2014). However when using housing led forecasts produced by the Oxfordshire County Council which factor in additional housing market metrics, Oxford’s population is set to grow at rate prescribed higher than that of the ONS and is predicted to rise to 176,571 by 2026<sup>5</sup>.

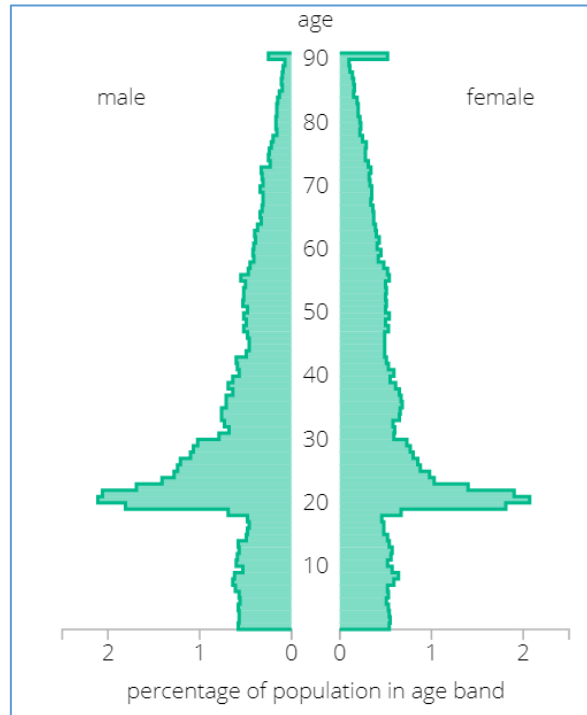
Oxford's population has increased by 12% in the last decade. Figure 3 below provides a snapshot of how this has impacted on the 24 different wards.

**Figure 3 – Ward profiles**



Oxford is a relatively young city in regards to the average age of occupants with a significant distribution of the population. According to Census data in 2011 34% of the population of Oxford is aged between 20-35 years. As shown in Figure 4, 33,640 of the city's population are enrolled between the two universities with a further 8,800 enrolled in part time study<sup>6</sup>.

**Figure 4 – Distribution of population of Oxford by age (ONS 2011)**



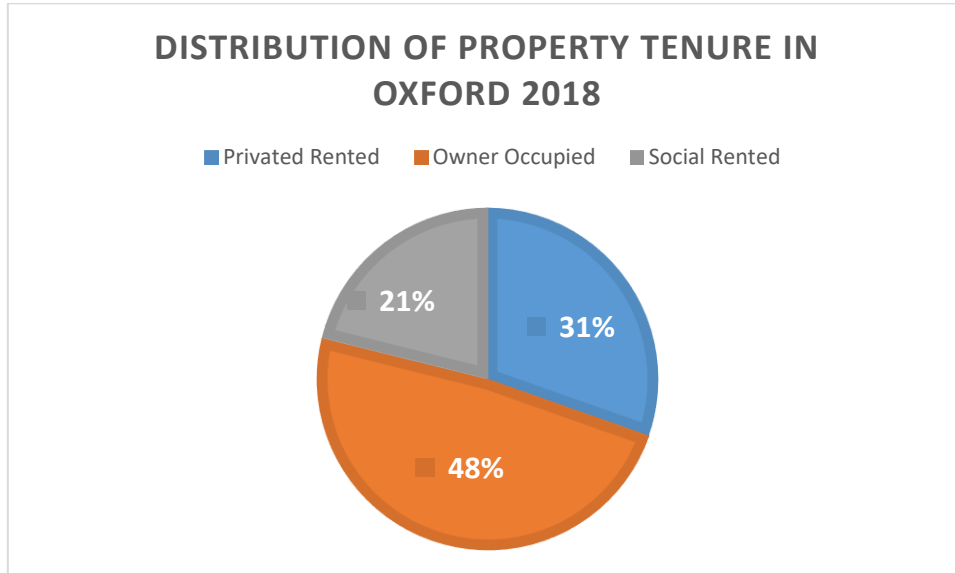
Socio-economic representation of the city is broad with both ends of the spectrum being found. While Oxford is often seen as wealthy city, an assumption which is supported by the average house prices, above average median income and high cost of living, there is a vast gulf between its residents as 10 of Oxford's 83 neighbourhood areas ('Super Output Areas') are among the 20% most deprived areas in England (IMD, 2019)<sup>7</sup>.

According to the Lloyds Banking Affordable Cities Review 2019 – Oxford has an average house price of £460,184, 12 times (12.6) average annual earnings in the city (£36,430) making Oxford the UK's least affordable city. High house prices create a situation where younger people and low income households are not able to access the owner occupation market leaving the Private Rented Sector (PRS) as the only viable option for accommodation.

### **Property tenure in Oxford City**

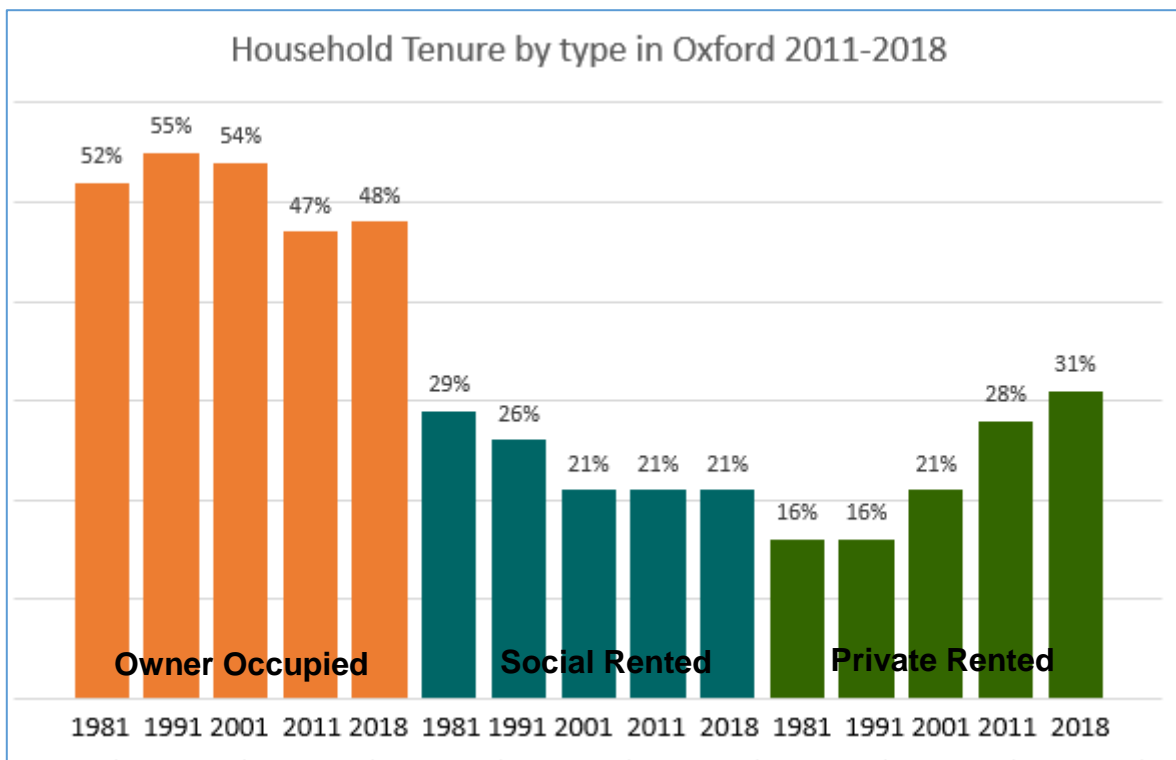
Nationally, 19.9% of properties are within the PRS but Oxford contains a significantly higher proportion of rented accommodation. Since 2011 this sector has seen growth from 28% whereas levels of home ownership have decreased slightly to represent 48% and Social Housing stock accounts for approximately 21%. As shown below in Figure 5 the PRS in Oxford represents 30.2%<sup>8</sup> of the housing stock which is one the highest proportions of PRS in England based on an ONS report in 2018.

Figure 5 – Tenure profile in Oxford



This places the number of those who rent in the city greater than that of home owners. While the speed of growth in the sector has steadied in recent years it follows on from accelerated levels of growth in the PRS between the 2001 and 2011 at the expense of a shrinking number of owner occupiers.

Figure 6 – Tenure profile in Oxford over time



According to the ONS in 2018 there was an estimated 58,910 dwellings<sup>6</sup> in the city, of which approximately 17,800 are contained in the PRS. HMOs represent 5,240 properties<sup>9</sup> in the PRS and currently 4,100 of those are either licensed or in the process of being licensed. The difference between these two values is largely to be a result of a number of properties linked to tertiary education that are exempt from the current scheme. The proportion of the estimated HMO stock licensed by the city council has increased by 32% since during the current scheme. The stability in the overall number of estimated HMO properties is perhaps a reflection of increased links between HMO licensing and Article 4 planning functions to ensure that communities remain sustainable and cohesive by reflecting a number of tenure types.

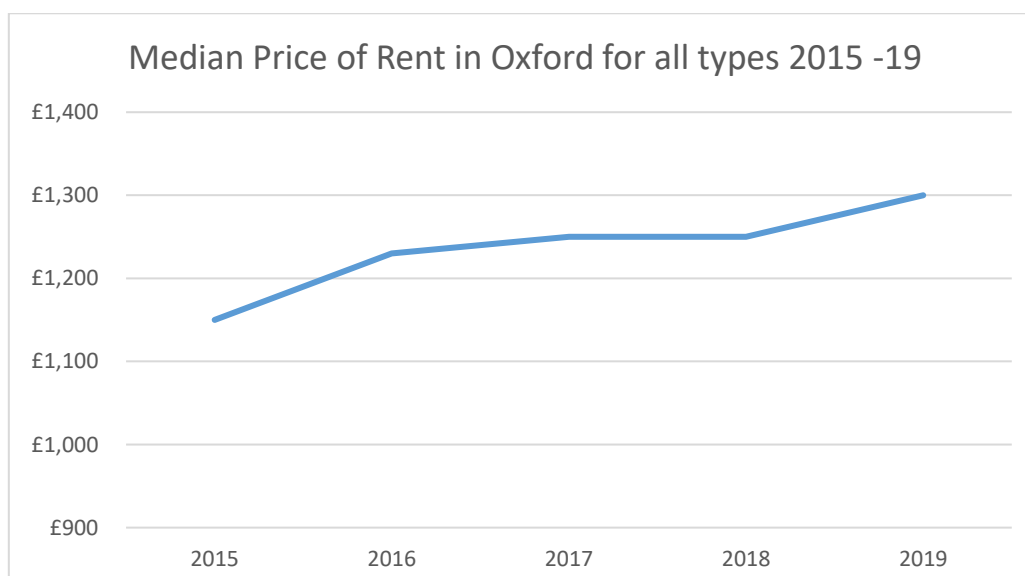
The city is also facing some of the more contemporary challenges of the housing market as some of the PRS has shifted into the short-term letting market. As many as 1,200 properties in Oxford may be listed on sites such as AirBnB which may be placing further pressures on the local housing market (OCC, 2018).

It is well known that Oxford has a long term housing shortage where demand is high and availability is low, this housing market provides an opportunity for landlords to offer less than perfect accommodation without any problems of finding a suitable tenant. Along with this, tenants often do not complain regarding conditions for fear of losing their accommodation through retaliatory eviction.

### **Rent**

Housing in Oxford is an expensive proposition, as the city has some of the highest median rental values for properties of all sizes. The South East region of England is home to some of the more expensive private rental markets and this is reflected by median rents measuring 26% higher than the median value for all of England. Since 2015 rent has increased by 13% with median cost of renting a home costing £1,300<sup>10</sup>. Figure 7 below shows the movement of rental prices between 2015 and 2019. Although the cost of rent has continued to rise, the rate of increase is slower than that during the period prior to the initial Additional HMO Licensing Scheme.

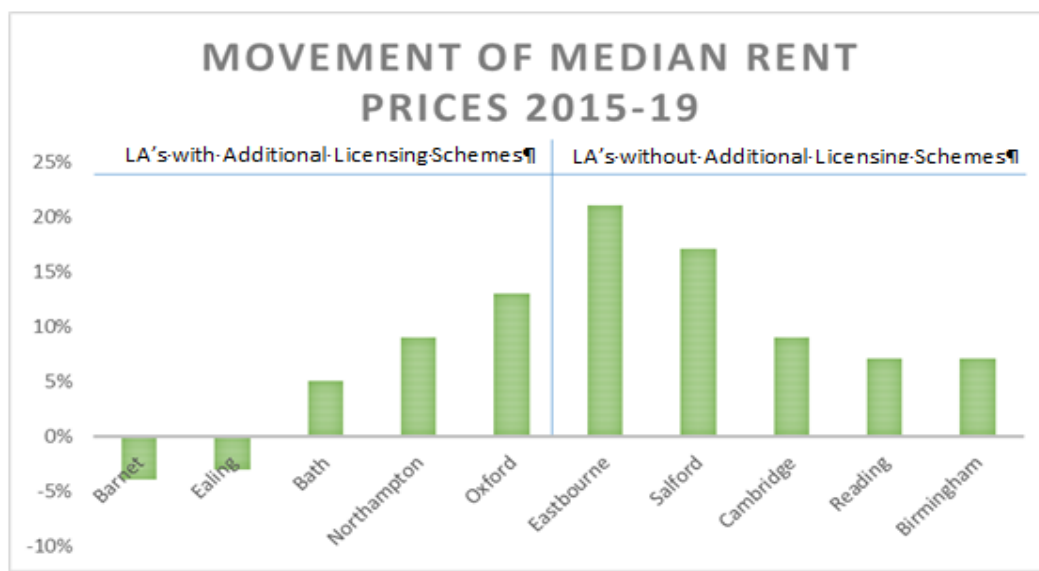
**Figure 7 – Tenure profile in Oxford over time**



Affordability of housing in Oxford is not likely to greatly improve in the near future as the lack of available land for development and high land values will maintain high property values. This is reflected in the reduction of homeownership and corresponds with increases in the cost of rent due to a higher demand placed on a growing rental market.

When looking across authorities there is no consistent theme of increased rent due to a licensing scheme operating within that area. In fact, several authorities have seen the cost of rent decrease despite the operation of an Additional and Selective licensing scheme. The cost of housing is a complex issue that is dependent on a number of variables and to attribute levels of rent solely on the existence of licensing schemes would be an oversimplification. See figure 8 below

**Figure 8 – Comparison of Rents in Areas with and without Licensing**



### **HMOs**

HMOs provide a significant amount of accommodation in Oxford and form an important and valuable part of the Housing market. However the conditions and practices associated with them have caused concerns over a number of years. It is estimated that Oxford has one of the highest number of HMOs in England and Wales. Only the large metropolitan and unitary authorities and some London Boroughs contain more.

HMOs form an unusually high percentage of houses in the city and it is estimated that 1 in 5 of the resident population live within one, with the trend over many years being for the HMO stock to grow steadily within the City. Data from the Census 2011 suggested that HMOs currently make up 44% of the PRS, however a number of these are exempt from HMO licensing.



**Planning and licensing** - Since the introduction of an Article 4 Direction, which withdrew the permitted development right to change single family dwelling houses to small (C4 use class) HMOs, the growth of HMOs in key hotspot areas has been controlled via the planning process as permission will not be granted if more than 20% of the properties in a 100m area are HMOs. Whilst there is separate legislation that applies to the planning status of a HMO, the licensing process has ensured that HMO licence applicants are advised about planning requirements to operate within the law. See Table 1

Oxford has a large student population who typically live in HMOs throughout the city. Whilst there is a planning policy requiring the Universities to have no more than 3,000 students living outside of university provided accommodation, in the last year of monitoring by the city council there were 6,782 students with accommodation needs outside of university provided accommodation, since the start of the scheme 2,948 rooms have been provided by the universities.

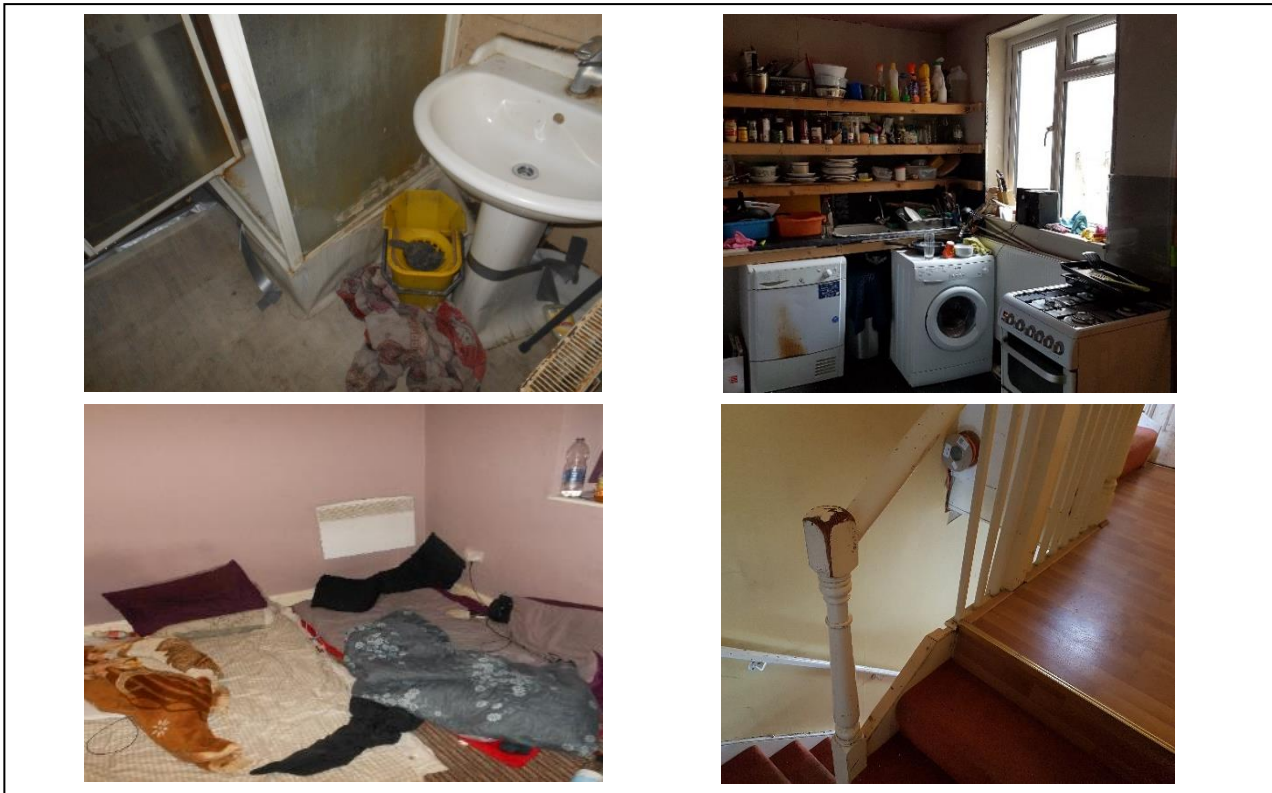
**Table 1 – Planning Applications and Approvals**

Year	Applications for change of use to HMO	Approvals for change of use to HMO
15/16	96	78
16/17	119	92
17/18	112	93
18/19	62	62

### **Living Conditions**

The problems associated with living in a HMO have been well documented over the years and are well known to professionals working in the sector. Whilst it is clear that there have been improvements made to HMOs; the experience over the years, in Oxford, is that some of the worst conditions continue to be present in HMOs, especially those found lacking a HMO licence. The photographs below depict some of the conditions recently found within HMOs.

Figure 9 – Examples of Poor Conditions within HMO properties.

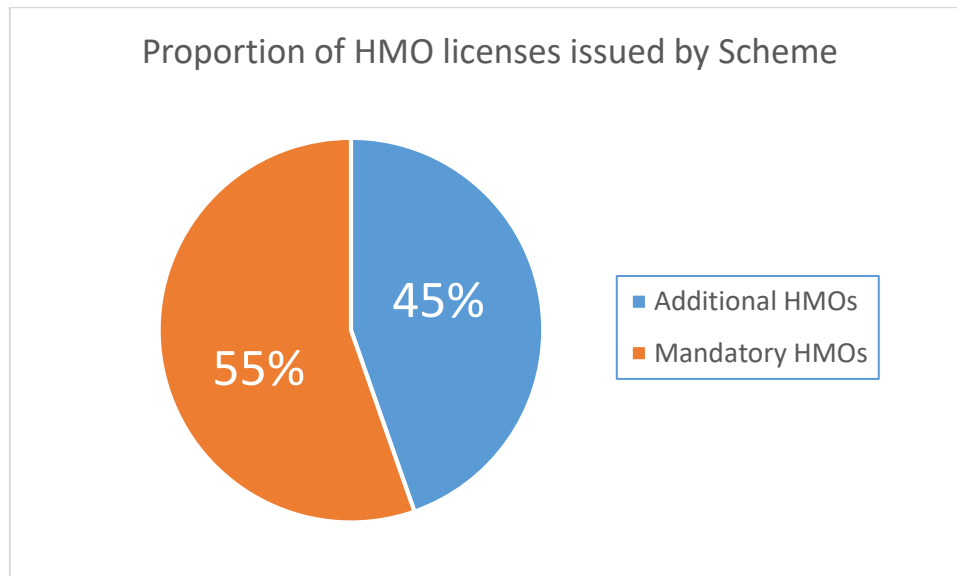


### Licensing of HMOs

Mandatory Licensing of HMOs was introduced by the Housing Act 2004, initially HMOs only required a licence if they were 3 or more storeys in height with 5 or more unrelated occupiers sharing facilities. In October 2018 legislation was introduced to ensure that any property, occupied by 5 or more persons regardless of the number of storeys required a HMO licence. It is estimated that only 55% of the licensable HMO stock in the city would be subject to mandatory HMO licensing i.e. those HMOs with 5 or more occupiers.

The Council introduced a city wide HMO licensing scheme in 2011, this was implemented in two phases with all HMOs being subject to licensing as from January 2012, this scheme was renewed in January 2016. The council have always taken a robust approach to HMO licensing and has always maintained that a HMO licence is not “just a piece of paper “. HMO licensing has been used to upgrade each property to a decent standard with all licences being issued **after an inspection** of the HMO. This enables the Council to have a positive impact on the condition and management of approximately 4,400 properties

**Figure 10 – Proportion of issued HMO licenses by Scheme**



HMO licensing in Oxford is both a reactive and a proactive service, with property inspections being integral to the licensing process both initially and to check compliance. The council also investigates service requests from HMO occupiers and neighbours as well as providing help and assistance to landlords. The council investigates cases where HMOs are suspected of operating without a HMO licence, when such cases are identified a robust approach is always taken with a number of cases resulting in the landlord receiving a financial penalty.

The Council continues to take the preferred stance of applying licensing to *all* HMOs in the same way, for example that licensing applies to *all* taxis. City wide additional HMO licensing allows the Council the opportunity to make this a reality. Similar regulatory schemes apply to food businesses in the city regardless of the size of the business giving the public confidence in such businesses irrespective of their size, likewise the size of a HMO should not dictate the standards that tenants can expect.

During the current scheme a revised fee structure has been introduced, this has enabled landlords who are managing their properties to a good standard a longer licence. The growth in these licences indicates that improvements are being made to the HMO stock through the additional licensing scheme.

### **Processing HMO Applications**

The landlord/owner has the responsibility for submitting a valid application for a HMO licence, however the council has found that even after a number of years of licensing operating in the city, reminders need to be sent to ensure that renewals are made in a timely manner so as to ensure landlords are not operating without a licence.

Since the start of the scheme in 2016, there has been on average 2,518 HMO licence applications per year. However, whilst all renewal applicants receive a reminder to renew, there remains a number (13%) who require further reminders to submit their valid application.

Since the introduction of the licensing scheme in Oxford, HMO properties have only been issued a licence following a full inspection. These initial inspections ensure that one of the critical aims of the scheme, to improve HMO stock conditions, is being met. As a part of the application process, inspections inform licence conditions with time scales set for completion proportional to the health and safety risk to the occupants. A licence is then issued for one year to ensure the landlord completes any required work and complies with standard conditions, such as sending in the gas safety certificate annually. During this year, further inspections are then made to check compliance with the conditions set on each licence. In recent years the council has encouraged the submission of photographic evidence of completed works where appropriate to increase the efficiency of the overall process. Whenever an initial inspection or compliance inspection is made this arranged by prior appointment to ensure that time is not wasted through lack of access to the property.

When renewal applications are received for existing HMO properties a decision is made as to whether or not the landlord has demonstrated compliance. If not, the landlord is restricted to a one year licence and will likely incur the higher renewal fee.

### **Licence conditions**

Each HMO licence is granted with conditions. There are a number of conditions which must be included with every HMO licence granted, these include conditions relating to such matters as gas safety, electrical appliances, furniture, smoke alarms and details of the occupants. Since October 2018 all licences have also been required to include conditions regarding minimum room sizes and waste disposal. These are applied by all Councils across England and Wales and are often referred to as the 'mandatory conditions'.

The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 Schedule 3 sets out the prescribed standards (minimum standards) for HMOs. The Council has an adopted Amenity and Facility Guide to expand on the prescribed standards and outlines what the council considers as appropriate and necessary facilities. This guide was reviewed in 2018, in consultation with landlords and agents with the latest version published in 2019. A guide ensures consistent standards and allows landlords, agents and tenants to understand the standards they can expect in HMOs. Decisions regarding deviations from the prescribed guidance are made on a case by case basis.

During 2015 to 2019 the Council included, on average, 18 standard conditions to every licence. These comprise of the mandatory conditions the Council must include and a number of standard "discretionary" conditions are added to ensure good management of HMOs. As part of this review, the "standard discretionary" conditions applied by the council have been benchmarked with other authorities. This is to ensure that the "standard discretionary" conditions applied are generally consistent with other local authorities. The outcome of this exercise can be seen in Appendix 1

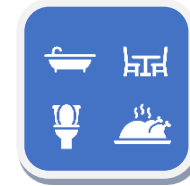
In addition, the Council also included (non-standard) discretionary conditions which covered three broad areas relating to HMOs. Of the total number of licences issued for this period, 4622 licences required non- standard discretionary conditions which equates to 38% of licences issued. See figure 10 for a breakdown of the types of conditions.

**Figure 10 – Category of Non-Standard conditions included on HMO licences**

**Fire Safety Conditions** – these are specifically over and above the mandatory conditions and would include such matter as fire separation, additional detection and providing fire safety equipment etc.



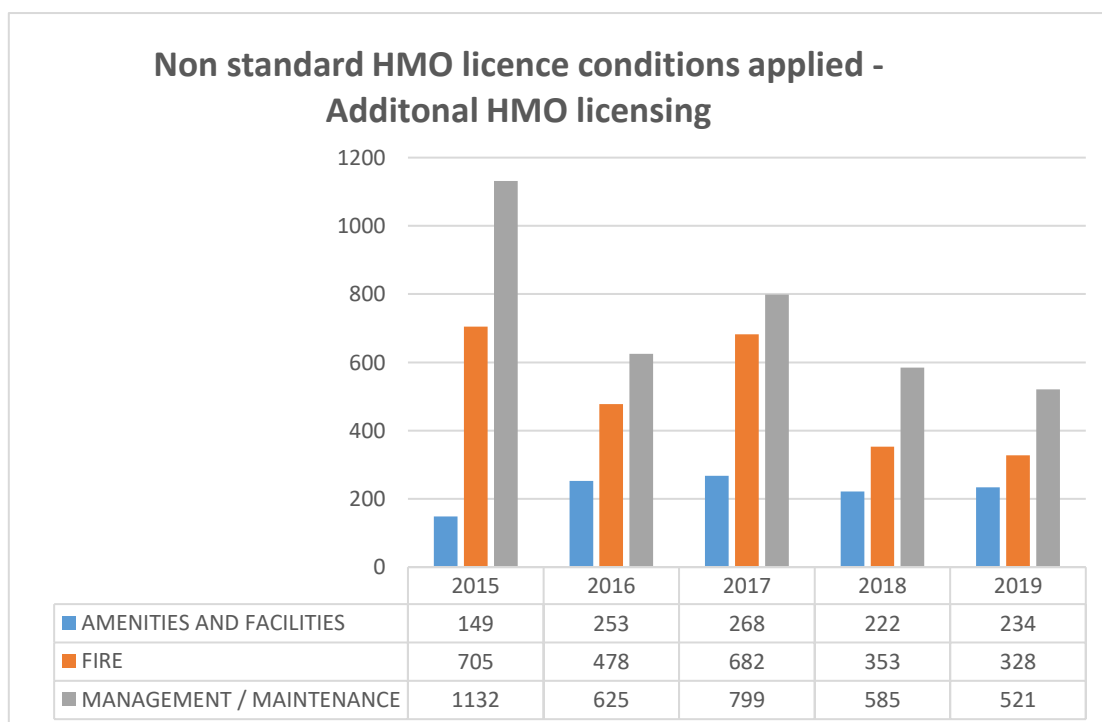
**Amenities and Facilities Conditions** – these conditions relate to cases where there are insufficient or not enough facilities or amenities present within the property for the number of people living there. This typically includes providing amenities such as kitchens or bathrooms and facilities within those elements. These conditions are set in relation to the Council's Amenities and Facilities Guide



**Management and Maintenance Conditions** – These cover disrepair and issues relating to the management of the HMO, which may not be Category 1 hazards and can therefore be addressed via the licensing process



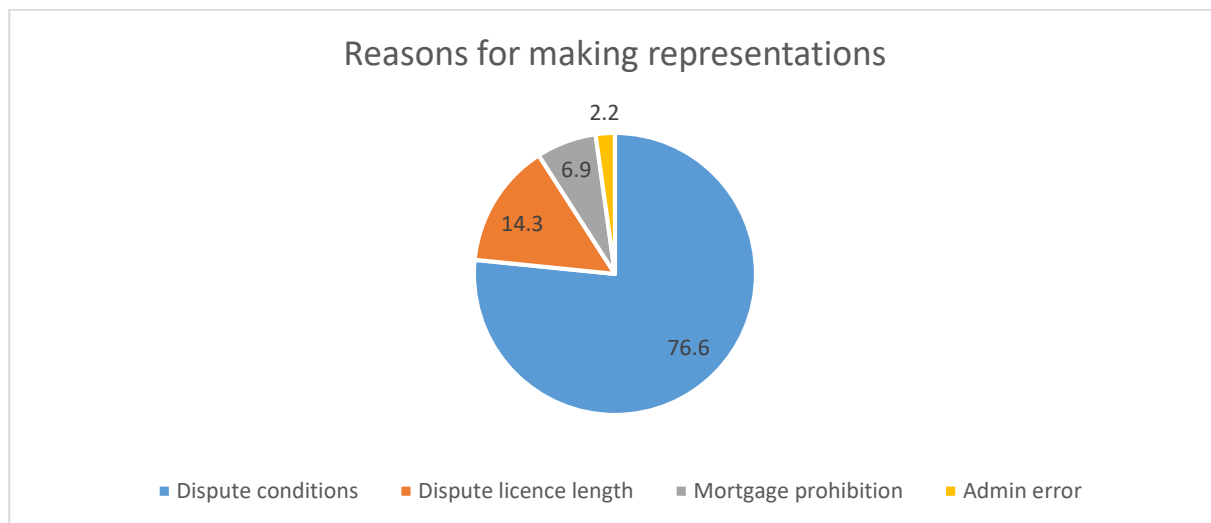
**Figure 11 – Number of Non-Standard conditions included on additional HMO licences**



Over the period of the HMO licensing scheme the numbers of conditions applied has reduced which indicates an improved compliance with the HMO licensing scheme. However the compliance rate, i.e. the number of non-standard conditions complied with on re-inspection, is still only 49% which means for every 10 licensed HMOs re-inspected, 5 are non-compliant. For properties with Additional HMO licences the rate of non-compliance increases to 53%.

Applicants can make representations to the council concerning the conditions that are proposed to be applied to a HMO licence before it is granted. Over the period 2015 to 2019, representations were received in relation to 449 licences which equates to 3.7% of total number of licences issued. This shows that the vast majority of landlords (96.3%) are happy with the proposed licence conditions. The reasons for making a representation can be seen in Figure 12:

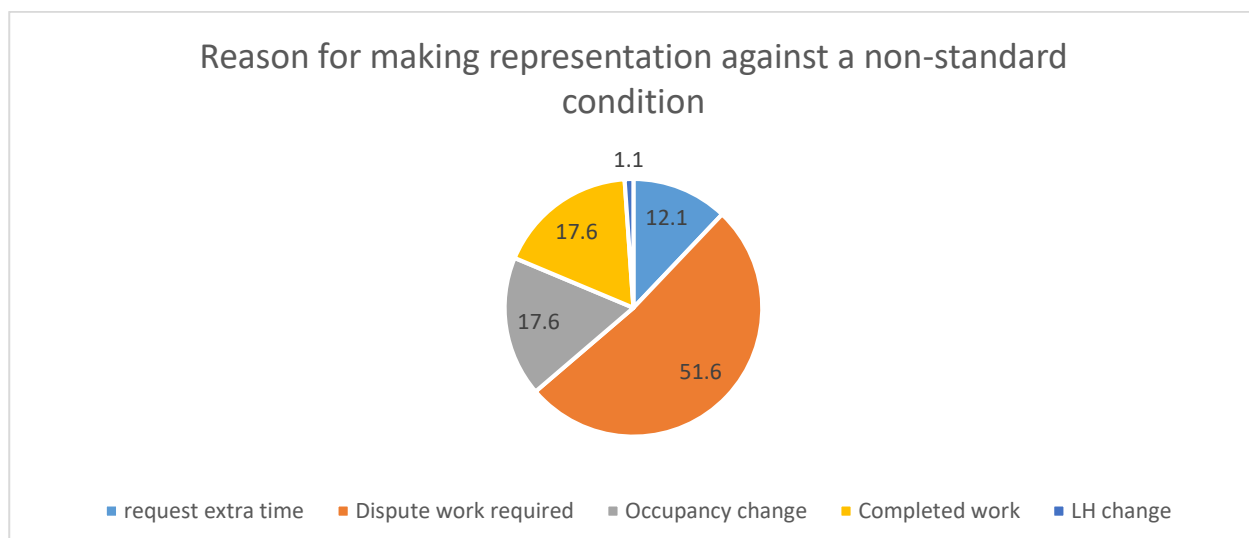
**Figure 12 – Reason for making a representation regarding HMO licence**



Representations relating to lack of mortgage permission for letting / HMO use are always rejected because this is considered to be outside of the HMO licensing regime. Representations relating to administrative errors are always accepted. Looking at representations received relating to licence length, 51.6% of representations are accepted demonstrating we are generally fair with our decisions relating to licence length.

Representations relating to the addition of non-standard conditions equate to 7.4% of licences with non-standard conditions added. A 25% sample was analysed to extract the representation reason.

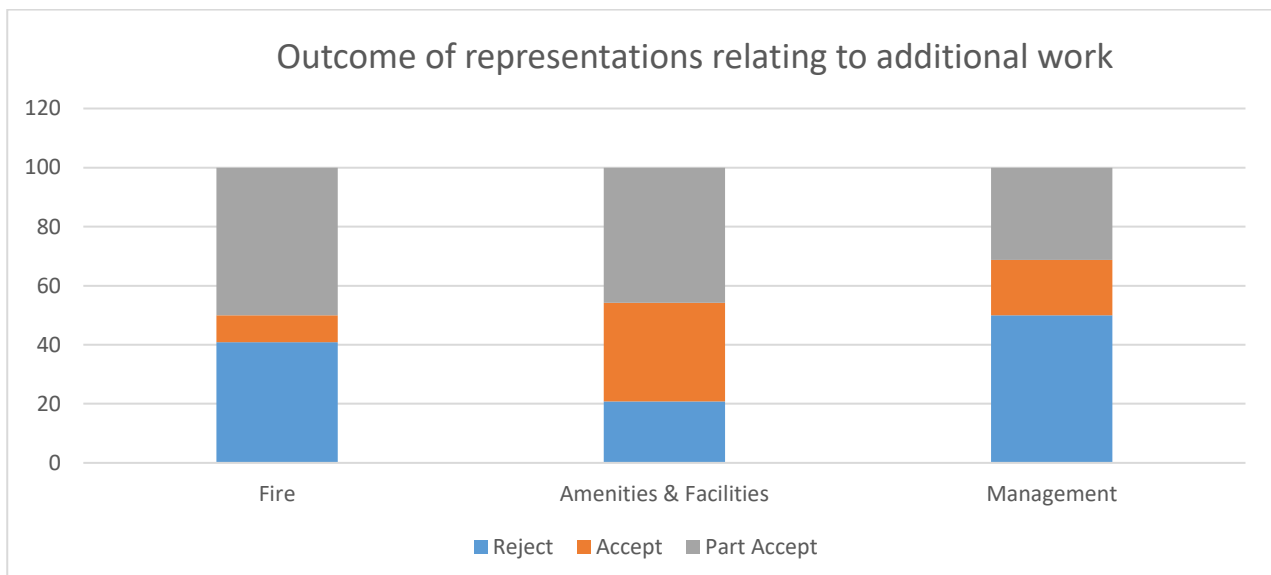
**Figure 13 – Reason for making a representation against a non-standard condition**



Occupancy changes, completion of work and extra time were accepted in all cases. The change of licence holder was rejected in these cases. Therefore, representations objecting to having to undertake additional work occurs in only 1% of licences with non-standard discretionary conditions demonstrating that landlords generally do not object to undertaking work and the council is fair and reasonable in the work required.

When looking at the representations by additional work type, it is work relating to provision of amenities and facilities that leads to the most representations, followed by fire and then management / maintenance. The outcome of these representations is shown in Figure 14 and there are slight differences dependent on work type. It is apparent that overall, in 62.8% of cases we either fully accept or part accept (that is, compromise is reached) the representations demonstrating the council considers the landlords' point of view.

**Figure 14 – Outcome of representations relating to additional work**

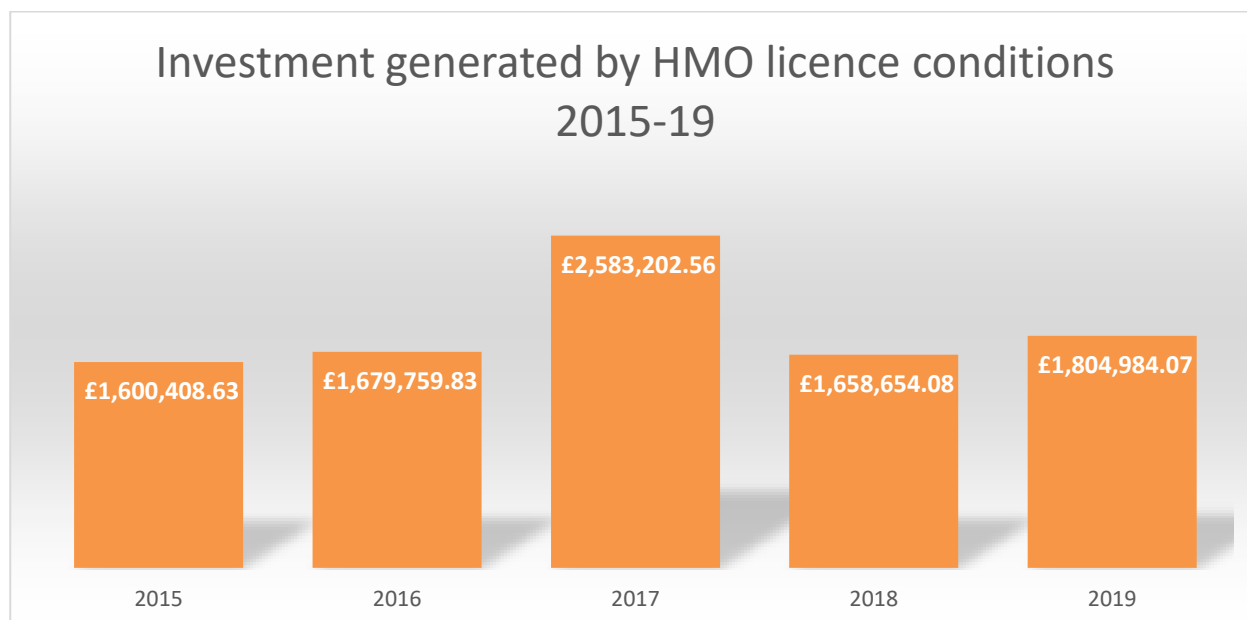


If a landlord is not happy with the conditions attached to the licence, they have a right of appeal to the First-tier Tribunal. Between 2015 to 2019, only 7 appeals were made to the First-tier Tribunal equating to 0.2% of licences with non-standard conditions.

### **Investment in the HMO stock**

It is clear from the rate of compliance over the existing scheme that landlords are continuing to invest in the HMO stock; Figure 15 below shows an estimate of the amount per year based on the conditions applied to HMO licences. In total this amounts to £9.327M over the scheme or £1.865M per year for the 2,500 HMO licences issued, equating to an average investment per licence of £746.00

**Figure 15 – Potential economic investment generated by HMO licence conditions**



### **HMO related Service requests**

The council have received 29,433 service requests since 2015 concerning regulatory matters and anti-social behaviour. Of these around 20% relate to known HMOs in the city.

**Table 2 – Breakdown of service requests received per year**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>Service requests relating to HMOs</b>	1027	903	1348	1048	1066
Service requests relating to Additional Licence HMOs	325	404	487	348	357
Percentage of HMO service requests relating to Additional HMOs	31%	45%	36%	33%	33%

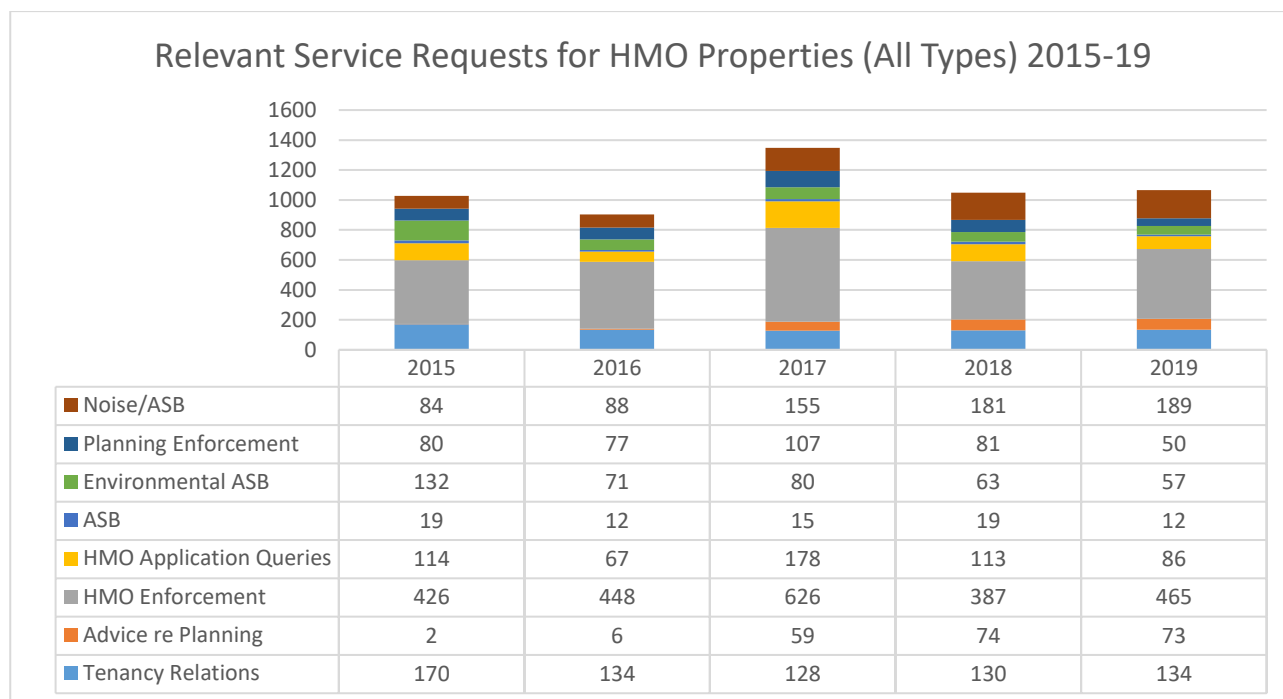
It can be seen that of the service request received concerning HMOs, on average 36% of each years workload is in relation to those which fall within the additional HMO Licensing scheme. When service request were broken down by licence type it there ws no significant difference between the mandatory HMO stock and the smaller HMOs which fall into the Additional HMO licensable stock.

Captured in Figure 16 below is the number of relevant services requests received in relation to all licensed HMOs. There is a broad range of requests received covering such complaints which affect the community as noise and anti social behaviour (ASB) and environmental ASB. Work required to maintain the cohesiveness of communities is reflected in the number of service requests regarding



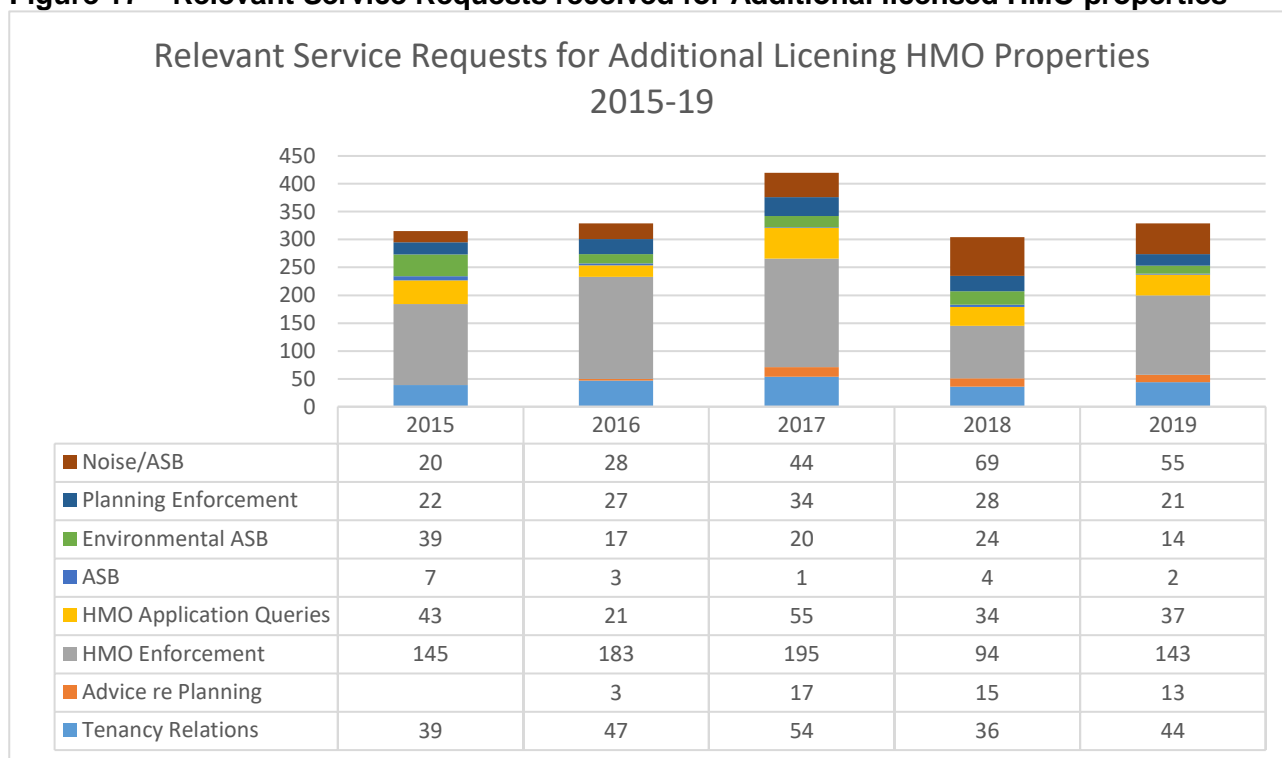
planning issues for HMO properties. Service requests for HMO enforcement, both proactive and reactive are shown as well as the work done in providing advice and assistance in ensuring the lawful protection of tenants rights.

**Figure 16 – Relevant Service Requests received for HMO properties**



Service requests received for known HMO properties licensed under the additional scheme closely follow the overall distribution of service request types for all HMO properties. See Figure 17

**Figure 17 – Relevant Service Requests received for Additional licensed HMO properties**



Other areas of the council contribute to the regulation of HMOs in the city but planning enforcement in particular plays a role in regulating HMO properties with 60% of all planning enforcement notices served in reference to HMOs

### **HMO Fees and Charges**

A revised fee structure was introduced when the current scheme began in 2016 following comments received during the 2015 consultation on the renewal of the current scheme. Appendix 2 explains what is included in the fees. Landlords and agents were very clear that compliant landlords should not have to subsidise non – compliant landlords. Oxford City Council implemented a HMO licensing fee scheme to reflect these comments and to incentivise landlords to change their behaviour and improve management of their properties. Oxford has therefore introduced and operated a unique charging scheme for HMO licensing which reflects the costs of operating the scheme and compliant landlords are not subsidising non-compliant landlords. See Table 3 and Appendix 2 for details of the current fee categories. As part of the review the fee structure has been reviewed to ensure it is meeting its objectives and also how it compares to other similar schemes in operation.

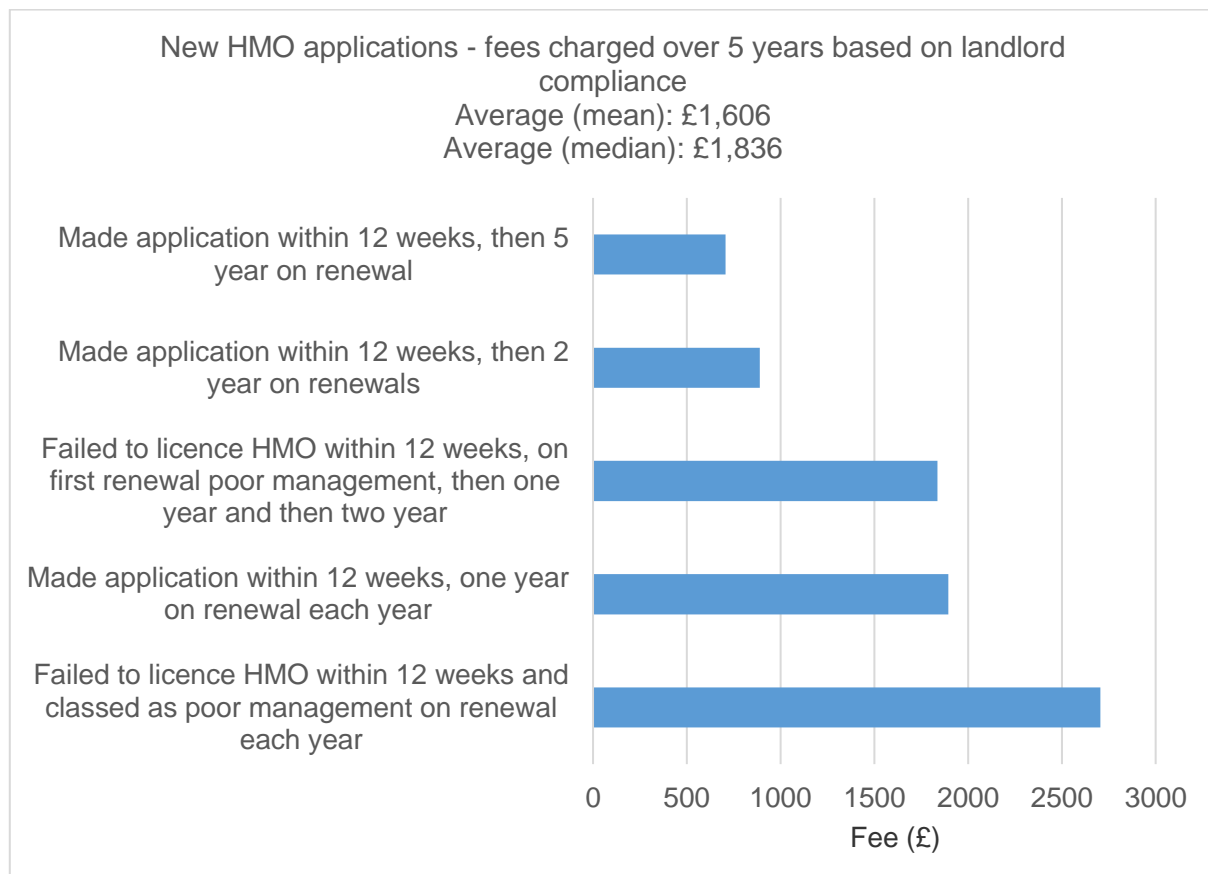
**Table 3 – Description of HMO licensing Scheme fees**

Fee Category	Description
Category A	New HMO operating for more than 12 weeks without a licence
Category B	New HMO with application made within 12 weeks.
Category C	One year renewal
Category D	One year renewal classed as poor management
Category E	Two year renewal for compliant landlords
Category F	Five year renewal for Oxford City Council accredited landlords only

**Fee comparison (Compliant /non- compliant landlord) – New HMO properties**

If a landlord made their first application for an HMO licence in 2016 then - over the five year period of the current scheme:

- The highest fee paid would have been £2,706 for a landlord who failed to licence within 12 weeks and then was classed as poor management (Category A and D) on renewal each time.
- The lowest fee paid would have been £707 for a landlord who made their application within 12 weeks and then on renewal was given a five year (or to end of scheme) licence (Category B and Category F).

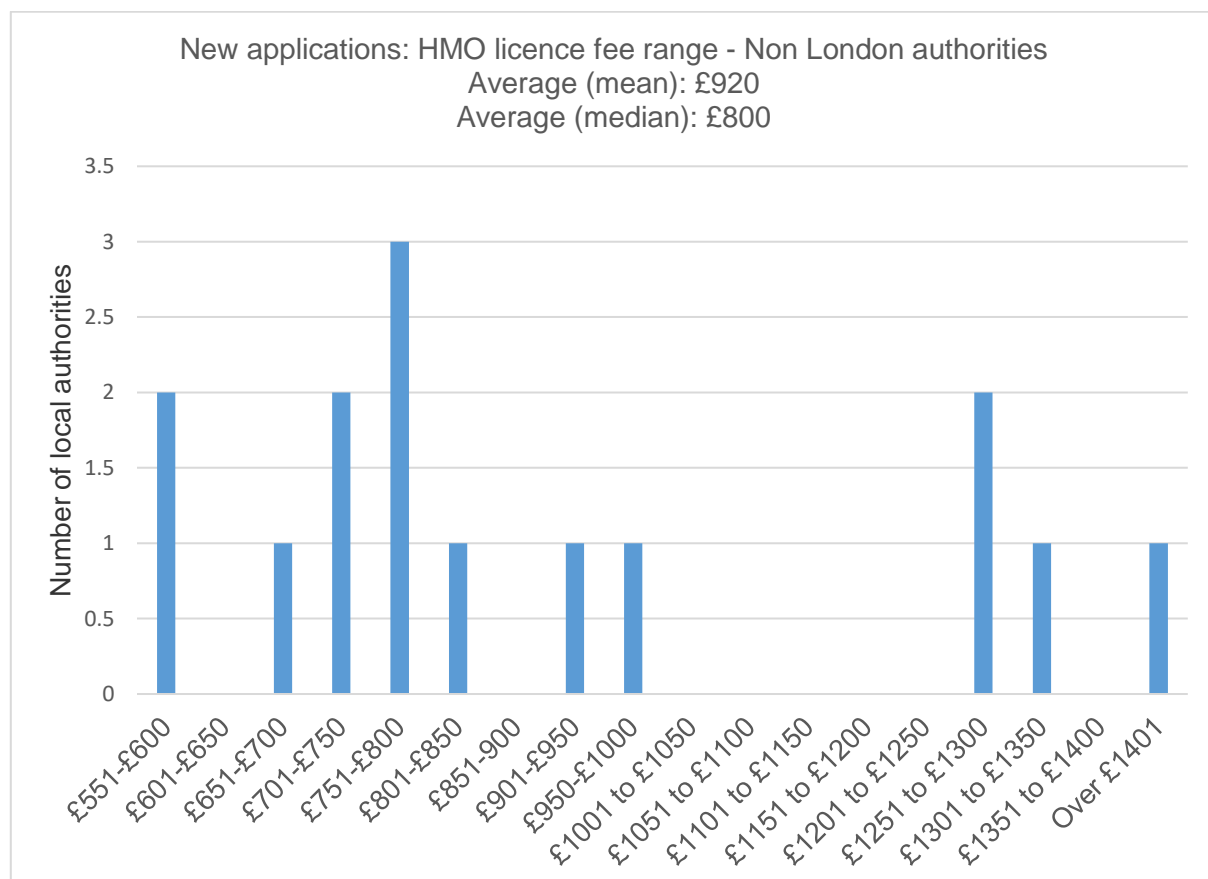
**Figure 18 –HMO fees (new application)**


**Table 4– Breakdown of fees based on compliance with scheme**

Description	Total fee over 5 years
Made application within 12 weeks, then five year on renewal	£707
Made application within 12 weeks, then two year on renewals	£890
Failed to make application within 12 weeks, on first renewal poor management, then one year and then two year on renewals	£1,836
Made application within 12 weeks, then one year on renewals	£1,895
Failed to make application within 12 weeks, then poor management on renewals	£2,706

### Fee Comparison with other authorities – New HMO applications

Looking at other authorities (excluding London authorities) operating additional licensing schemes, the national average (mean) fee is £920 with median point £800. A compliant landlord in Oxford would have paid £707, less than the national average.

**Figure 19– Range of New application fees for HMO across Non-London Authorities**

It is clear that there are a few authorities that charge much higher fees. It is interesting to note that these areas are similar cities to Oxford, being university cities and regional employers.

- Bristol £1,420

- Nottingham £1,330
- Worcester £1,283
- Northampton £1,269

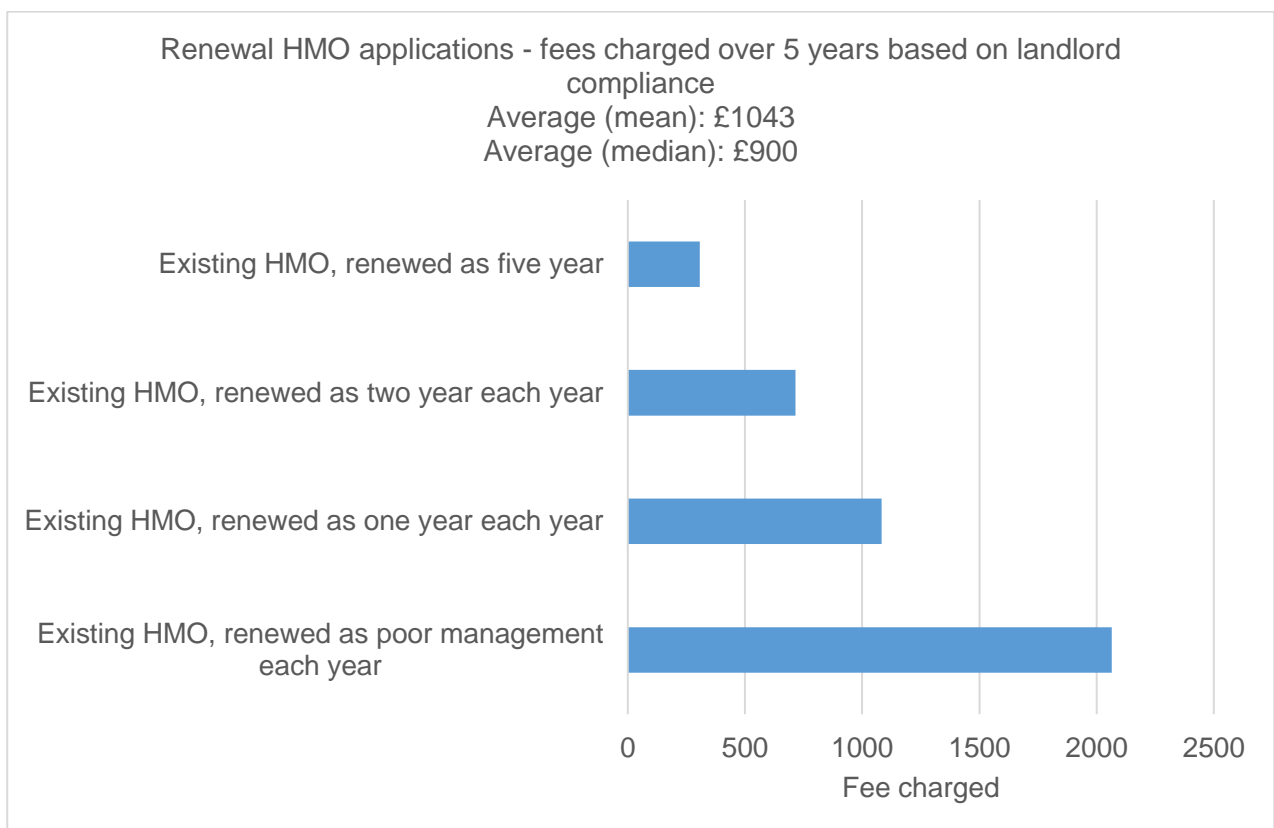
### Fee comparison (Compliant /non- compliant landlord) – Existing HMO properties

As the current scheme was renewed there were a large proportion of HMOs in existence and therefore renewal fees have been analysed as part of the review

For an existing HMO, on renewal in 2016,

- The highest fee paid would have been £2,064 for a landlord who was classed as having poor management each year (Category D).
- The lowest fee paid would have been £307 for a landlord who was accredited by the council (Category F).

**Figure 20 – Renewal Application Fees**



**Table 5 – Breakdown of Renewal Fees**

Description	Total fee over 5 years
Existing HMO, renewed as five year	£307
Existing HMO, renewed as two year annually	£716 for six years £574 for five years
Existing HMO, renewed as one year annually	£1,083
Existing HMO, renewed as poor management annually	£2,064

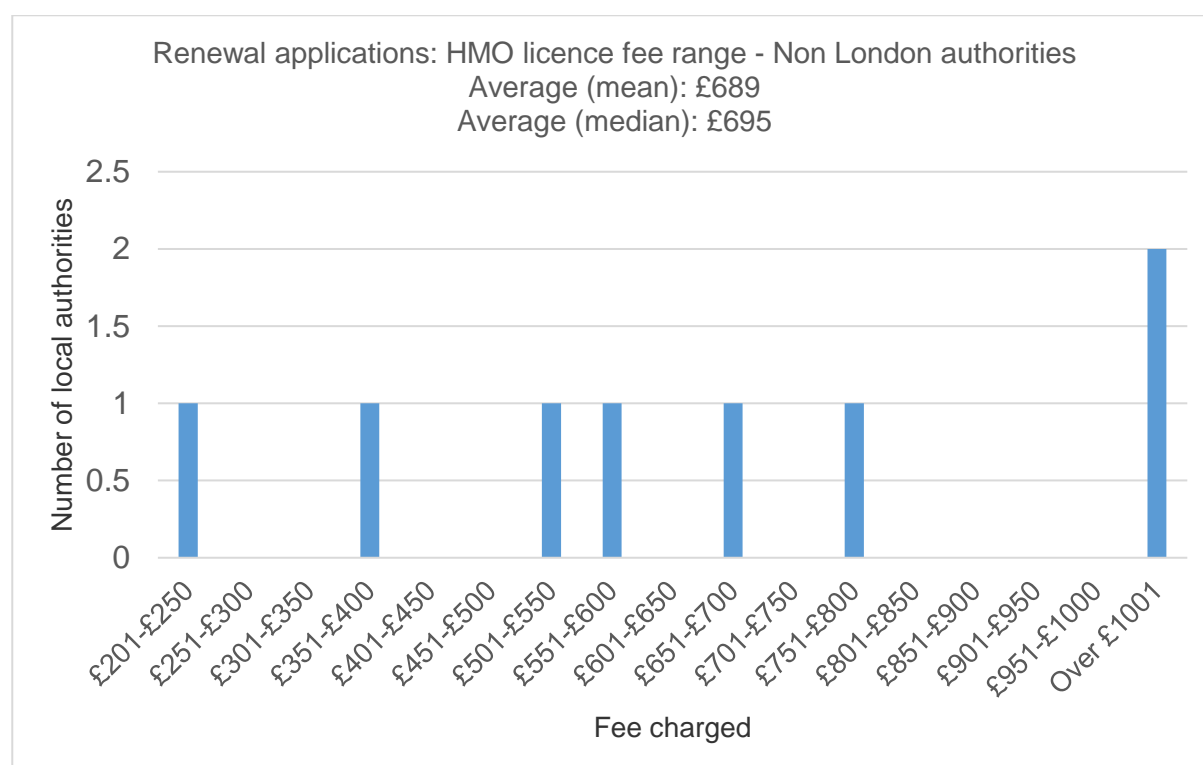
### Fee Comparison with other authorities – HMO renewal applications

Looking at other authorities (excluding London authorities) operating additional licensing schemes, the national average (mean) renewal fee is £689 with median point £695.

An Oxford City Council accredited landlord would have paid £307, less than half of the national average. An Oxford City Council compliant landlord issued with two year licences (giving six licence years) would pay £716. To pro-rata to five years, the fee would be £574. The pro-rata five year fee is less than the national average.

(Note – when looking nationally, only those authorities that charged a different renewal fee were included). Two authorities charged over £1,001 – these were

- Bristol - £1,100
- Worcester - £1,181

**Figure 21 – Range of Renewal application fees for HMO across Non-London Authorities**

It is clear that in Oxford, over the five year period, compliant landlords pay far less than non-compliant landlords.

This demonstrates that Oxford City Council's fee scheme is set to ensure that compliant landlords do not pay more than non – compliant landlords. Oxford City Council is unique in having this type of fee structure to clearly reward compliant landlords and incentivise landlords to improve their properties and standards of management.

There is only one other comparable scheme – this exists in Hastings who operate a one, three or five year licence scheme. Hastings have a flat fee of £400 for every application. If a landlord was issued with one year licences for five years, the fee paid is £2000 however if a landlord was issued a five year licence they pay £400. Oxford's fees are similar to this.

## **Enforcement of the HMO Licensing Scheme**

HMO licensing has applied to all HMOs across the city since 2012 and since that time it has provided a level playing field for all landlords and licence holders, this has meant that they are more accountable for the management and improvements of the HMOs in the city. The council, when it first introduced HMO licensing did not want it to be a paper exercise and were clear to be effective the scheme have to be enforced appropriately.

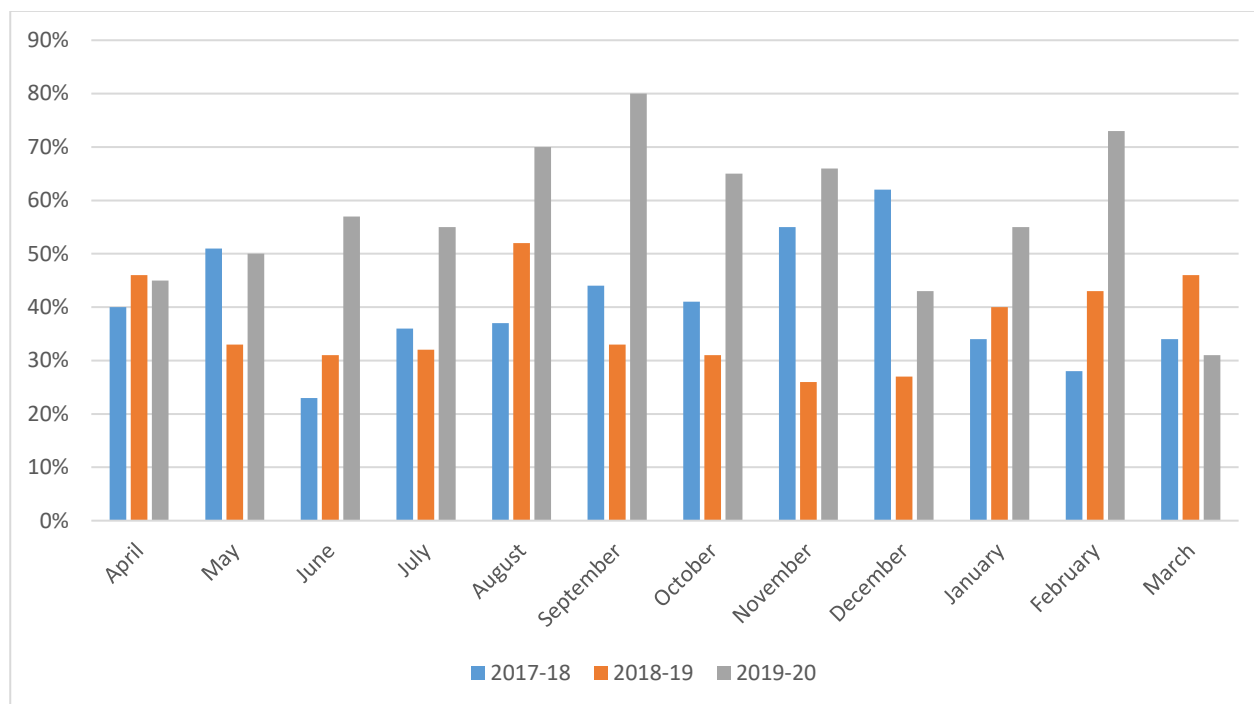
Since 2016 there have been in excess of 9,800 visits to HMOs, both reactive and proactive, to address concerns regarding HMOs and to check compliance with the licensing scheme.

**Table 6 – HMO Inspections 2015-19**

Visit Type	2015	2016	2017	2018	2019	Scheme Total
Compliance Visits	192	349	471	444	591	2047
Full Survey Visit	2		4	11	118	135
Representation Visits					18	18
Verification Visit	417	481	398	236	200	1732
Suspect HMO Visits	568	301	260	144	194	1467
Service Request Visits	477	431	554	224	174	1860
<b>Grand Total</b>	<b>1656</b>	<b>1562</b>	<b>1687</b>	<b>1059</b>	<b>1295</b>	<b>7259</b>

During the current scheme 233,998 conditions have been applied to HMO licences. These conditions inform the licence holder of the works and standards required to ensure compliance with the scheme. As discussed earlier there has been an improvement in the compliance rate with the scheme over the last few years see figure 22, however the council is still finding that over 51% of HMOs are not compliant when revisited.

**Figure 22 - Compliance rates with HMO licensing**



The council will always investigate cases of non-compliance it finds, including failure to licence HMOs. Investigations can result in a further licensing controls being applied through to prosecution or a financial penalty. Financial Penalties were introduced by the Housing and Planning Act 2016 in April 2017, these are now used by the council in the majority of cases. In each case Law and Governance must determine if there is sufficient and suitable evidence available, that the case is in the public interest to take action and there is a realistic prospect of a conviction if the case was to be presented to the magistrates court; meaning that such penalties are given the same level of scrutiny as previous prosecution cases.

The Council has continued to focus its resources on tracking down those landlords who are operating unlicensed HMOs. This has resulted in 2,460 investigations being carried out into such properties and 53 financial penalties or prosecutions for operating without a licence.

For HMOs that are already licensed, the council has found the possibility of a prosecution or financial penalty and loss of “fit and proper person” status and losing a licence is of great concern to most landlords. This has meant that in the majority of cases, the landlord will take steps to remedy the problems referred to them without the need for legal intervention. However, the Council has also taken formal action in a small number of cases of non-compliance with the HMO licensing scheme.



## Compliance Rates for Providing Required Certificates

Engaging with appropriate contractors to conduct routine checks on the condition of the property, including obtaining legally required safety certificates, represents the bare minimum of professional property management. A key part of the application process is providing valid certification that demonstrates compliance with a number of basic property standards. Many of the certificates requested are already a legal requirement under existing legislation, such as gas, electrical and EPC certificates.

Fire safety in particular is a critical area of concern in HMOs and as such landlords are asked to provide at the point of application certificates to cover checks on the fire alarm system and emergency lighting system. Also required is a copy of the annual landlord gas safety check report a copy an electrical system conditions report undertaken within the last five years along with a separate portable appliance test (PAT) report covering the condition of electrical provided with the property. To verify the thermal performance of a property a valid Energy Performance Certificate (EPC) is a further requirement.

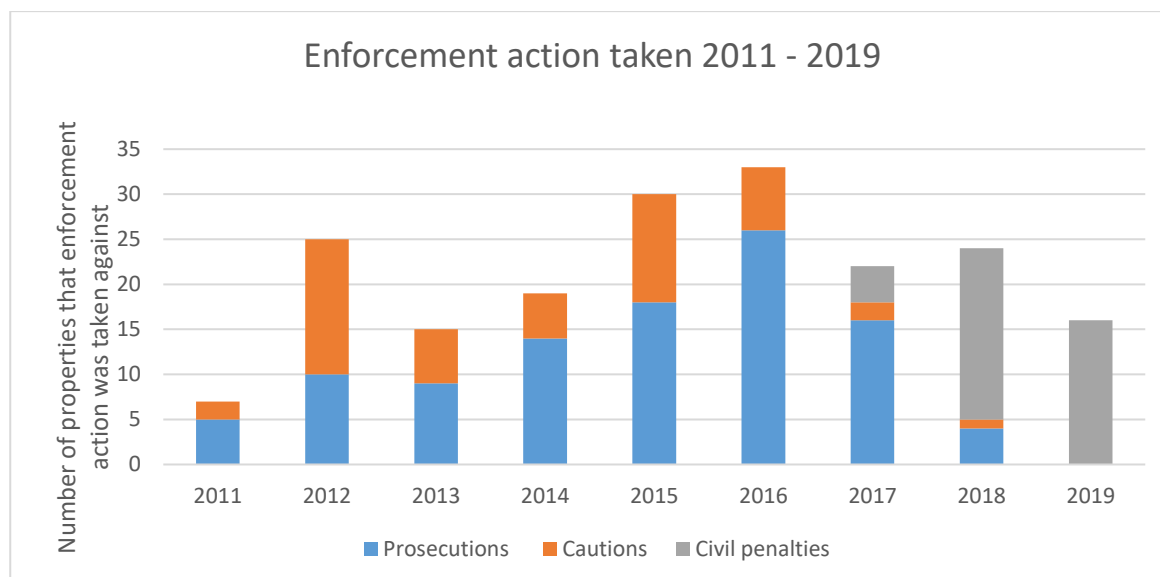
These certificates and reports give an indication of the condition of the property and how that property is being managed. If a landlord does not provide the certificate(s) requested, the council cannot refuse to grant a licence and the landlord must provide the certificate within a month of issue date. Longer licences are therefore only granted when the required certification has been provided.

Despite this compliance with the provision of valid certificates is still below an acceptable level with approximately 20% of all certificates provided being invalid (through either being out of date, unsatisfactory or not provided) which includes 9% of required certificates failing to be provided at all for applications submitted in 2019. Several certificate types have an even lower level of compliance when looking at each type individually with Emergency Lighting Certificates having the highest level of non-compliance at 29%. Where certificates are not able to be provided along with the licence application this provision may be conditioned onto the licence itself with landlords given a short timescale to provide. Landlords are also required to provide copies of new certificates and reports during the course of the license. The table below contains the compliance rates for the provision of valid reports and certificates as well as where certificates have expired and not updated.

**Table 7 – 2019 Application compliance rates for the provision of certificates and reports**

Certificate Type	Certificates Checked	Invalid or No Certificates	Non-Compliance %	No Certificate Provided Only	No Certificate %
Electrical Safety	2258	396	18%	166	7%
Emergency Lighting Test	942	270	29%	158	17%
Energy Performance	2254	198	9%	85	4%
Fire Alarm Test	2256	591	26%	269	12%
Landlords Gas Safety	2198	512	23%	189	9%
Portable Appliance Test	177	42	24%	1	1%
<b>Totals</b>	<b>10085</b>	<b>2009</b>	<b>20%</b>	<b>868</b>	<b>9%</b>

**Figure 23 – Enforcement action taken**



It is interesting to note that the majority of legal actions have been taken in relation to HMOs which fall within the Additional HMO licensing scheme. This demonstrates that a significant proportion of these HMOs are being managed by landlords who do not wish to comply with legal requirements.

**Table 8 – Enforcement action by licence type**

Licence Type	2016	2017	2018	2019
Mandatory	17	7	10	5
Additional	13	10	11	21

**Table 9 – Enforcement action by Offence**

Offence	2016	2017	2018	2019
Sec 72(1) – operating without a licence	16	16	7	14
Sec 72(3) – breach of licence conditions	3	1	5	2
Sec 234 – breach of management regulations	17	12	9	10

It is worth noting that the HMO Management Regulations apply to all HMOs irrespective of whether the property has a licence and 22 of the above cases where breaches have been investigated

apply to HMOs which require an Additional licence, such breaches would still require investigation even if the additional licensing scheme was not in operation.

Following a successful prosecution or the service of a financial penalty, the landlord could be considered not to be a “fit and proper person”, this could lead to their licence being revoked. The landlord would then need to find a suitable person to take over the licence and make a new application. If this is not possible the council will issue an interim management order and takes over control of the property if it remains as a HMO. This approach has been adopted on 3 occasions during the current scheme, however 16 cases have been dealt with where this has been a real possibility, these cases have resulted in the landlord employing a local agent to fully manage the property and the agent has become the licence holder.

### **The Next steps**

It is clear from undertaking the review of the current scheme that additional HMO licensing in Oxford is a key method in bringing about improvements in a proactive manner to part of the HMO stock. The current Additional HMO Licensing scheme will expire on 25<sup>th</sup> January 2021, if the scheme is not renewed there will only be, based on current data, 55% of the HMOs in the city requiring a HMO licence under mandatory licensing.

In order for the Council to ‘renew’ the scheme it must proceed in accordance with the statutory process as laid out in the Housing Act 2004 and to comply with the Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015.

Section 56 of the Act places requirements upon the Local Housing Authority when considering a designation for additional licensing of HMOs, in that the Council 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 likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public; and
- Take reasonable steps to consult with persons who are likely to be affected and consider any representations made in accordance with the consultation and not withdrawn; and
- Have regard to any information regarding the extent to which any codes of practice approved under section 233 have been complied with by persons managing HMOs in the area (these codes relate to University managed accommodation).

Section 57 provides further considerations for the Local Authority in that they should ensure that:

- Exercising the designation is consistent with the authority’s overall housing strategy; and
- Seek to adopt a coordinated approach in connection with dealing with homelessness, empty properties and anti-social behavior affecting the private rented sector as regards combining licensing with other action taken by them or others; and
- Consider whether there are any other courses of action available to them (of whatever nature) that might provide an effective method of dealing with the problem or problems in question; and
- That making the designation will significantly assist them to deal with the problem or problems (whether or not they take any other course of action as well).

The General Approval provides the condition that any consultation period for the proposed designation should not be less than 10 weeks.

### Option Appraisal

Following a detailed assessment of the data provided earlier in this review report, options for the future of additional licensing have been considered. These options seek to meet the stated aims and objectives and to deliver positive and lasting change. Whilst it is noted that there has been improvement in the HMO stock in the city it should also be noted that poor conditions and management practices are still evident in non-compliant HMOs which account for around 40% of the licensable stock.

A number of options were considered which could be applied across the city, ranging from statutory action only to complete renewal of the Scheme. It is recognised that to be effective the review should consider all possible options.

The preferred final option must:

- Be technically feasible
- Be in accordance with relevant statutory powers
- Contribute toward strategic objectives
- Be appropriate to the needs of the community
- Be financially deliverable and sustainable

The following options were considered:

**Option A – Statutory Action Only.** This would mean that only those HMOs which are occupied by 5 or more persons would require a HMO licence, currently these account for 55% of the licensed HMO stock – however such HMOs may reduce in number as landlords could reduce the number of lettings to avoid licensing. This option would also rely on HMO occupiers or neighbours complaining to the Council for issues to be addressed, tenants often choose to put up with poor conditions rather than risk complaining for fear of retaliatory evictions. It is unlikely this would address environmental and management issues and this would most likely lead to a continuing spiral of decline in both housing standards and the wider community, with a growing need for intervention in future years. This option could also increase the service demand to other areas eg in relation to waste and anti – social behaviour. This option would not meet the criteria for the preferred option as although it is technically feasible, it is not financially deliverable as the income receivable from any mandatory licensing scheme would not cover the cost of undertaking regulatory work in non-licensable HMO stock, this option does not contribute to the strategic aims and would make very little contribution to the aims and objectives of the scheme.

**Option B – Renewal of the Scheme in certain areas of the City.** This option was considered, however if the scheme was to be renewed only in certain areas of the City there would be a huge amount of inconsistency in the regulation of HMOs, in some parts of the City there are higher concentrations of HMOs but non-compliance continues to be found in all areas. Intervention to deal with excluded areas would be reduced and this could result in an increase of HMOs in the excluded parts of the City; which could lead to a loss in family homes in those parts. The Council would also have very limited powers to deal with any issues in HMOs which were not within the

licensing scheme and so this would impact on the local community and would do very little to create a sustainable and viable housing market. This approach does not address the need for a comprehensive scheme and does not provide a level playing field for all HMOs or meets all of the aims and objectives of the scheme. This option does not align fully with the council objective.

**Option C – Renewal of the Scheme in its entirety.** This option assumes that the existing scheme will be ‘renewed’ in its entirety, thereby licensing all HMOs in the City. This option would allow for continued engagement with landlords and agents operating in the city as well as with tenants. The Council would be able to continue to monitor the progress of the scheme and to ensure that there is an improvement in the compliance with the scheme. This option is technically feasible, financially deliverable and contributes to the corporate aims, it may not fully meet the criteria to be ‘appropriate to the needs of the community’ as some landlords, who are part of the community may not agree that a scheme of licensing was appropriate to their needs.

Option C is considered to be the best option for dealing with the whole range of aims and objectives of the scheme. The option meets all the rules in most respects and is the preferred course of action for the future of the Scheme.

### **Recommendations**

The key findings of this review and the recommendation to renew the scheme will be presented to the cabinet meeting in September 2020.

The recommendations will include a proposal to commence a new designation for a period of 5 years.

If approved the Council will proceed with the statutory consultation for a new designation for a minimum period of 10 weeks and submit a future report to Cabinet setting out the results of the consultation and the structure of the new designation.

## Appendix 1 – Benchmarking exercise re HMO conditions

A benchmarking / comparison exercise was undertaken to establish common conditions among other local authorities operating additional licensing schemes. Although there are around 32 local authorities that operate additional licensing scheme across England (including London), it was only possible to find information on there “standard” conditions for 16 authorities\*. This exercise was in two parts:

- Part 1 – comparison with existing “discretionary standard” conditions on Oxford HMO licences
- Part 2 – identification of conditions not included as “standard” on Oxford HMO licences.

### Part 1– comparison with existing “discretionary standard” conditions on Oxford HMO licences

Condition on Oxford HMO Licence	% authorities including this condition
Explicitly state number of occupants / households	31%
Inventory	0%
Provide electrical report	75%
Provide EPC	25%
Provide certificate / declaration annually that fire alarm system has been tested to British Standards	69%
Display copy of licence	75%
Display managers details	63%
Display fire procedure notice	31%
Keep means of escape clear	13%
Notify authority of changes including licence holder address, house changes and persons involved in management	88%

The above table demonstrates, that for the most part, Oxford City Council has conditions on HMO licences in common with other authorities.

- It appears that asking for an inventory specifically is not common, however on closer inspection many authorities include conditions around “providing information to tenants” and this includes an inventory (see below).
- Asking for an EPC is only in common with 25% of other authorities however Oxford City Council has a strong focus and emphasis on sustainability and carbon reduction and this aligns with the Council’s own corporate aims.
- Specifically stating the number of occupants / household as a condition is also less common. Oxford City Council does this to be clear the number and households is obvious to landlords and tenants.

- Conditions on displaying a fire procedure notice and keeping means of escape reasonably clear is again less common. However, this is judged to be good practice and will assist occupants in an emergency.

## Part 2 – identification of conditions not included as “standard” on Oxford HMO licences.

Condition not on Oxford HMO licence	% authorities including this condition
Condition to take steps to address anti-social behaviour	94%
Condition to maintain the property	63%
Condition to undertake regular inspection (six monthly)	56%
Condition that once informed of pests at the property, being required to take steps to remove pests	63%
Condition to provide security provision (this was most commonly window locks and provision of keys to gates)	19%
Condition to obtain references from prospective tenants	38%
Condition to provide tenants with specific information, including repair timescales, and abide by tenancy law	44%
Condition to provide a rent receipt if rent paid in cash and if by BACS payment, this is the receipt	31%
Condition to have emergency arrangements in place and contact available if the licence holder is absent – that tenants should have contact details of who to contact	63%
Condition to attend training / obtain accreditation	38%

The above table shows there are some conditions that other local authorities place on licences that Oxford does not. It is proposed to include further conditions to ensure Oxford licences are similar to other authorities and improve management practices, as follows:

- Condition relating to the licence holder to take steps to address anti-social behaviour. 94% of other authorities include this as a condition. This strongly suggests that Oxford City Council should consider a condition relating to anti-social behaviour. The provision to designate an area subject to additional licensing is where a “significant proportion of HMOs are poorly managed to give rise to occupants or the community”. This condition reflects the need to manage HMOs so that they do not give rise to problems for the community. There is already the

mandatory condition relating to waste including to ensure the tenants understand the waste disposal requirements of the council. Including a condition to ask landlords to include specific items in the tenancy agreement, such as being neighbourly and outlining good behaviour to tenants will help reduce issues with noise nuisance.

- Condition to maintain the property, undertake regular inspections and to treat pests. “Maintaining property” and “pest treatment” was required by 63% of local authorities, while regular inspection was slightly lower at 56%. Again, this relates to the reason for designating an area subject to additional licensing and ensuring the HMO does not give rise to problems for occupants and the community. Including this as a condition will further improve management of HMOs. While many landlords and agents are proactive and inspect properties, maintain the property and respond to issues about pests, around 40% have been shown to be non – compliant. One of the weaknesses identified by officers is that landlords “expect” the council to tell them what is wrong rather than landlords undertaking a proactive approach. This condition will further improve management and professionalism of landlords – this reflects the government approach.
- Condition to have emergency arrangements in place and a process for when the licence holder is away. This is something that over 63% of local authorities include. The reasons for including this as a condition are similar the above point and will ensure that tenants know who to contact in an emergency. When granting an HMO licence, there must also be “satisfactory management arrangements in place” and this covers emergency arrangements and covering periods of licence holder absence. Of course, it is recognised that landlords will take holidays and most will have arrangements already in place. However, sometimes landlords are overseas for significant periods of time, for example longer than a month. In these situations, the licence holder must have adequate arrangements in place and the condition will make this clear. It is not expected that landlords will need to employ an agent – given the internet and mobile communication, it should be possible to manage the house from overseas however it is expected that in these cases that landlords have a list of contractors readily available. This condition will make this clear.
- Condition relating to obtaining references. While only 38% of authorities include this as a condition, it is noted that this condition is a mandatory condition for selective licensing. If the council implements selective licensing, similar conditions will be needed for both. It is proposed to include this as a condition. It will also help prevent issues with anti-social behaviour from tenants by ensuring tenants are proven to be responsible.
- Condition relating to providing tenants with information when they move in. 44% of authorities include this as a condition. It was noted that an inventory was normally part of this information. Other information to be provided included: copies of gas certificate, EPC, deposit information, “how to rent” guide, emergency arrangements and information around waste disposal. It is proposed to include a condition to improve management of HMOs.



- Condition relating to rent receipts. While only 31% of authorities include this as a condition, it is important that landlords keep a record of rent. Electronic payment is common now and this provides an audit trail. However, where rent is paid in cash then records need to be kept. It is therefore proposed to include a condition that rent payments in cash or cheque must be recorded and that electronic bacs payment provides a record.

It is not considered necessary to include conditions on:

- Training and accreditation. While 38% of local authorities include this as a condition, Oxford City Council's scheme is very different to most authorities. A five year licence is on offer to landlords accredited with us and so this should already incentivise landlords to obtain training / accreditation.
- Security provision. Only 19% of authorities include this as a condition. It is not considered necessary as this should be covered by a housing health and safety rating assessment or a specific condition.

#### **\*Local Authorities used in Benchmarking exercise**

Council	Area	Additional licensing	Scheme researched
Bath and North East Somerset Council	South West	Yes	Yes
Blackpool Council	North West	Yes	Yes
Brighton and Hove City Council	South East	Yes	Yes
Bristol City Council	South West	Yes	Yes
East Riding of Yorkshire	Yorkshire and Humber	Yes	Yes
Doncaster Council	Yorkshire and Humber	Yes	Yes
Harlow Council	South East	Yes	Yes
Hastings Borough Council	South East	Yes	Yes
Liverpool City Council	North West	Yes	Yes
Newcastle City Council	North East	Yes	Yes
Northampton Council	East Midlands	Yes	Yes
Nottingham City Council	East Midlands	Yes	Yes
Sefton Council	North West	Yes	Yes
Slough	South East	Yes	Yes
Worcester City Council	East Midlands	Yes	Yes

## Appendix 2 – HMO licence fee categories

The table below demonstrates what is included in each licence fee category.

<p><b>CATEGORY A</b> – Higher charge NEW HMO application where the HMO has been operating for more than 12 weeks. The higher fee is to reflect the additional time spent generally on unlicensed HMOS. This includes the time:</p> <ul style="list-style-type: none"> <li>• to process the application;</li> <li>• an inspection before the licence is granted to establish occupancy number and any additional work needed and the time to write licence conditions;</li> <li>• a compliance visit during the licence;</li> <li>• an enforcement charge – this charge is added to reflect the time spent over a five year period on unlicensed HMOs</li> <li>• general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, officer training, responding to service requests relating to HMOs</li> </ul>
<p><b>CATEGORY B</b> - Standard NEW HMO application made within 12 weeks This category is when a NEW licence application is made promptly - it is our standard cost for a new application. This category also applies where a licence has expired and a new application is received within six weeks of the expiry date. This includes the time:</p> <ul style="list-style-type: none"> <li>• to process the application;</li> <li>• an inspection before the licence is granted to establish occupancy number and any additional work needed and the time to write licence conditions;</li> <li>• a compliance visit during the licence;</li> <li>• general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, officer training, responding to service requests relating to HMOs</li> </ul>
<p><b>CATEGORY C</b> – Standard RENEWAL HMO application. This category is for a RENEWAL licence - it is our standard cost for a renewal application. This applies where the landlord does not meet the criteria to receive a two or five year licence. This includes the time:</p> <ul style="list-style-type: none"> <li>• to process the application;</li> <li>• a percentage cost for a five year inspection - all HMOs must be inspected once every five years</li> <li>• general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, officer training, responding to service requests relating to HMOs</li> </ul>
<p><b>CATEGORY D</b> - non compliant RENEWAL HMO application. This category is when a RENEWAL licence application is classed as "non-compliant". This may be for a variety of reasons e.g.</p> <ul style="list-style-type: none"> <li>• on the day of the compliance inspection, work was not completed within the timescale set;</li> <li>• there has been a service request that has led to work being added during the last licence;</li> <li>• action required by the council to resolve problems;</li> <li>• repeated failure to send in certificates on expiry;</li> <li>• other reasons to be considered non-compliant</li> </ul> <p>This includes the time:</p>

- to process the application including time spent writing additional conditions on the licence due to the non - compliance;
- a compliance visit during the licence;
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, officer training, responding to service requests relating to HMOs

**CATEGORY E -**

This category is for a RENEWAL licence - it is for landlords who are compliant and meet our two year licence criteria.

This includes the time:

- to process the application;
- two year licence ongoing administration charge - this includes receipt of certificates and other documents during the licence;
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, officer training, responding to service requests relating to HMOs.

**CATEGORY F -**

This category is for a RENEWAL licence - it is for landlords who are compliant and meet our five year licence criteria.

This includes the time:

- to process the application;
- five year licence ongoing administration charge - this includes receipt of certificates and other documents during the licence and an inspection during the five years;
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, officer training, responding to service requests relating to HMOs.

## References

1	English Housing Survey 2017 to 2018: private rented sector	<a href="https://www.gov.uk/government/statistics/english-housing-survey-2017-to-2018-headline-report">https://www.gov.uk/government/statistics/english-housing-survey-2017-to-2018-headline-report</a>
2	English Housing Survey 2018 to 2019: private rented sector	<a href="https://www.gov.uk/government/statistics/english-housing-survey-2018-to-2019-headline-report">https://www.gov.uk/government/statistics/english-housing-survey-2018-to-2019-headline-report</a>
3	English Housing Survey 2018 to 2019: private rented sector	<a href="https://www.gov.uk/government/statistics/english-housing-survey-2018-to-2019-headline-report">https://www.gov.uk/government/statistics/english-housing-survey-2018-to-2019-headline-report</a>
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7	English indices of deprivation 2019	<a href="https://www.gov.uk/government/collections/english-indices-of-deprivation">https://www.gov.uk/government/collections/english-indices-of-deprivation</a>
8	ONS Subnational dwelling stock by tenure estimates 2018	<a href="https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/subnationaldwellingstockbytenureestimates">https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/subnationaldwellingstockbytenureestimates</a>
9	ONS Local Authority Housing Statistics dataset, England 2018-19: Section F - Condition of Dwelling Stock	<a href="https://www.gov.uk/government/statistical-data-sets/local-authority-housing-statistics-data-returns-for-2018-to-2019">https://www.gov.uk/government/statistical-data-sets/local-authority-housing-statistics-data-returns-for-2018-to-2019</a>
10	Valuation Office Agency VAO: Summary of monthly rents recorded between 1 October 2018 to 30 September 2019	<a href="https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/privaterentalmarketsummarystatisticsinengland/october2018toseptember2019">https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/privaterentalmarketsummarystatisticsinengland/october2018toseptember2019</a>

## Appendix 2

### Proposed HMO Licence Fee structure

Oxford City Council has a one, two, five year licence length scheme to reflect compliance with legislation and incentivise improvement in standards, management and professionalism among landlords.

The current fee structure is as follows:

Category	Type	Licence length (In years)	Description
A	New	One	Higher charge for a NEW application where the HMO has been operating for more than 12 weeks.
B	New	One	Standard charge for a NEW application where the HMO has been operating for less than 12 weeks or a change of licence holder or where the landlord failed to renew.
C	Renewal	One	Standard charge for a renewal application.
D	Renewal	One	Higher charge for a renewal application where the property / licence holder is classed as non-compliant
E	Renewal	Two	Charge for a two year renewal application
F	Renewal	Five	Charge for a five year renewal application

### 2021 scheme fee proposal

It is proposed to maintain the one, two, five year licence structure.

1. The current category A is renamed A1 – to reflect the enforcement costs generally associated with finding unlicensed HMOs and ensuring they are licensed this category will have an increase stage 1 part fee.
2. A new fee category of A2 is introduced for those landlords that fail to renew their HMO licence promptly. This is to recover the additional time spent.
3. The stage one payment for renewals (Categories C, D, E and F) will pay a lower amount to reflect the proportion of work associated with this stage in the process
4. An increase in all categories to reflect ongoing scheme costs and increased costs associated with general licensing activity and training. This is due to an increase in such tasks as variations, to licences as landlords seek to maximise occupancy within the C4 use category. Time spent on “withdrawn” applications is significant as is the increased volume of change of use applications submitted to planning which are commented on by the HMO enforcement team
5. An increase for Category C, E and F to reflect the need to re-inspect HMOs over the next five years.
6. An increase for Category D to reflect that properties in this category are classed as “non-compliant” and therefore take up additional resources.

## Appendix 2

Category	Type	Licence length (years)	Description	Proposed Total Fee	Increase from 20/21
A1	New	One	failed to make new application in 12 weeks	<b>£2200</b>	£202
A2 –	New	One	failed to make new application within 6 weeks of expiry	<b>£750</b>	N/A
B –	New	One	standard new application	<b>£625</b>	£85
C	Renewal	One	standard renewal application	<b>£333</b>	£75
D	Renewal	One	non – compliant renewal	<b>£541</b>	£50
E -	Renewal	Two	two year renewal	<b>£371</b>	£87
F	Renewal	Five	Five year renewal	<b>£413</b>	£6

# Appendix 3

## Appendix 3: Risk Register

					Date Raised	Owner	Gross		Current		Residual		Comments	Controls				
Title	Risk description	Opp/ threat	Cause	Consequence			I	P	I	P	I	P		Control description	Due date	Status	Progress %	Action Owner
Insufficient evidence base	The consultation project does not provide sufficient evidence to support an approach for the future of the scheme or is undertaken in an unrealistic timeframe.	Opp and Threat	Lack of interest; insufficeint marketing, promotion, inaccurate targeting of audience. Affected by COVID -19 pandemic	Consultation uneven, incomplete, insufficient for decision making process, suspend decision/ outcome	Mar 2020	Gail Siddall	3	3	3	2	2	2		Ensure that statutory consultation period is satisfied and undertaken at an appropriate time. Independent				
Recommendations not approved  157	The recommendations of the report are not approved	Threat	Insufficient support from members to proceed with statutory consultation	The scheme will expire which will result in a reduction in resource to tackle HMOs in the city	Mar 2020	Gail Siddall	3	2	3	2	2	2		Review and implement appropriate consultation project and ensure requirements of legislation fulfilled.				
Legal challenge	A legal challenge to the proposals is put forward as a judicial review	Opp and Threat	Statutory requirements not met. Insufficient resources provided to fulfill requirements. Insufficient evidence base. Lack of wider consultation	Scheme will expire and result in a reduced service to tackle issues across the city as a whole	Mar 2020	Gail Siddall	3	3	3	2	2	2		Ensure that statutory requirements for proving the case for licensing of HMOs is robust and are met and that sufficient resources provided to undertake comprehensive consultation.				

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# Appendix 4



## Form to be used for the Full Equalities Impact Assessment

159

<b>Service Area:</b> Regulatory Services and Community Safety		<b>Section:</b> HMO Enforcement Team	<b>Date of Initial assessment:</b> 6 <sup>th</sup> April 2020	<b>Key Person responsible for assessment:</b> Gail Siddall	<b>Date assessment commenced:</b>	
<b>Name of Policy to be assessed:</b>			Review of Additional HMO licensing scheme			
<b>1. In what area are there concerns that the policy could have a differential impact</b>			<b>Race</b>		<b>Disability</b>	
			<b>Gender reassignment</b>		<b>Religion or Belief</b>	
<b>Other strategic/ equalities considerations</b>			<b>Safeguarding/ Welfare of Children and vulnerable adults</b>		<b>Mental Wellbeing/ Community Resilience</b>	
<b>2. Background:</b>  Give the background information to the policy and the perceived problems with the policy which are the reason for the Impact			Licensing of all HMOs in Oxford has been in operation since 2011 and following a review of the current scheme the aim is to undertake a consultation with all relevant parties on the proposal to renew the scheme for a further 5 years. A statutory consultation exercise of a minimum of 10 weeks must be undertaken before the scheme can be renewed. The current scheme expires in January 2021 and failure to make a new designation will result in some parts of the sector being regulated and some not which could put			

# Appendix 4

Assessment.	occupiers at risk.
<p><b>3. Methodology and Sources of Data:</b></p> <p>The methods used to collect data and what sources of data</p>	<p>Data held on the Council's systems has been used to identify those HMOs that would not require a licence if the scheme was not renewed. With the affordability of housing in Oxford continuing to rise, the private rented sector and HMOs in particular are the often the only viable option, with home ownership being unachievable for a large part of the resident population.</p>
<p><b>4. Consultation</b></p> <p>This section should outline all the consultation that has taken place on the EIA. It should include the following.</p> <ul style="list-style-type: none"> <li>• Why you carried out the consultation.</li> <li>• Details about how you went about it.</li> <li>• A summary of the replies you received from people you consulted.</li> <li>• An assessment of your proposed policy (or policy options) in the light of the responses you received.</li> <li>• A statement of what you plan to do next</li> </ul>	<p>If Cabinet approve the recommendations to consult upon renewing the scheme, consultation will be carried out for a minimum of 10 weeks – this consultation will be widespread and will include consultation with key stakeholders. It is proposed that the consultation is carried independently from the council. Consultation on the impact assessment has not been carried out as the proposals are still subject to approval by Cabinet.</p>

160

# Appendix 4

161

<p><b>5. Assessment of Impact:</b> Provide details of the assessment of the policy on the six primary equality strands. There may have been other groups or individuals that you considered. Please also consider whether the policy, strategy or spending decisions could have an impact on safeguarding and / or the welfare of children and vulnerable adults</p>	<p>The project is based on the need to fulfil national legislative requirements. The consultation must be widespread and aims to reach all those who are likely to be affected by the renewal of the scheme. Any representations will be considered and taken into account where appropriate. Data gathered as part of the consultation exercise will assist in informing the potential impacts on target groups such as landlords from BME groups, tenants, students and migrants. Impacts will vary across each group with young people likely to access HMOs and an increase in families and those in vulnerable groups living in HMOs, as well as an estimated 25% of landlords operating HMOs in the city being from BME groups being the key considerations.</p>
<p><b>6. Consideration of Measures:</b>  This section should explain in detail all the consideration of alternative approaches/mitigation of adverse impact of the policy</p>	<p>The groups most likely to be affected by these proposals have been identified and a draft consultation plan has been prepared, this will be finalised before the cabinet meeting. The consultation exercise if approved, will be undertaken in accordance with the agreed plan.</p>
<p><b>6a. Monitoring Arrangements:</b>  Outline systems which will be put in place to monitor for adverse impact in the future and this should include all relevant timetables. In addition it could include a summary and assessment of your monitoring, making clear whether you found any evidence of discrimination.</p>	<p>The council reviews the fees and charges in relation to HMO licensing to ensure the scheme is operating at a cost neutral position and to consider impacts on HMO landlords generally. The flexible design of the fee structure ensures that changes can be recommended to address any impacts that are identified. Enforcement activity is reviewed in each case by senior officers and by Law and Governance to ensure that the council is being fair, consistent and proportionate in its responses as well as acting in the public interest.</p>

# Appendix 4

<b>7. Date reported and signed off by Cabinet:</b>					
<b>8. Conclusions:</b>  What are your conclusions drawn from the results in terms of the policy impact					
<b>9. Are there implications for the Service Plans?</b>	YES/NO	<b>10. Date the Service Plans will be updated</b>		<b>11. Date copy sent to Equalities Lead Officer</b>	
<b>13. Date reported to Scrutiny and Cabinet</b>		<b>14. Date reported to Cabinet</b>		<b>12. The date the report on EqlA will be published</b>	

162

Signed (completing officer)

Signed (Lead Officer)

**Please list the team members and service areas that were involved in this process:**

Equalities Lead Officer  
 Service Manager  
 Legal Services Manager