

Decisions taken by the Cabinet on Tuesday, 13 April 2021

Agenda Item No	Topic	Decision
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Part A – Items considered in public

<p>A4</p>	<p>Review of the private rented sector specifically 3 and 4-person small houses in multiple occupation in Salford</p>	<p>SALFORD CITY COUNCIL - RECORD OF DECISION (CABINET)</p> <p>I Paul Dennett, City Mayor, in exercise of the powers contained within the City Council Constitution do hereby approve:</p> <ol style="list-style-type: none"> 1. Authorises the designation of an additional licensing scheme for 3 and 4 person Houses in Multiple Occupation (HMOs), under Part 2 of the Housing Act 2004 in Salford having regard to the evidence base contained within Annex 1, the consultation responses contained within Annex 2, the legislative requirements and non-statutory guidance. 2. Authorises the proposed fee structure for the additional licensing scheme for 3 and 4 person Houses in Multiple Occupation (HMOs) as detailed in section 5 of this report; 3. Authorises the proposed Licence Conditions for the additional licensing scheme for 3 and 4 person Houses in Multiple Occupation (HMOs) as detailed in Annex 3 attached to this report; 4. Authorises officers to carry out all necessary actions to publicise the designation for additional licensing scheme for 3 and 4 person Houses in Multiple Occupation (HMOs) to comply with the requirements of the Housing Act 2004. 5. Acknowledges that approval of the designation will require additional resources to deliver the scheme and authorises officers to submit a further report for approval of resources to deliver the scheme. <p><i>The Reasons are:</i></p> <p>Having considered all of the available evidence and the representations made in accordance with the</p>
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		<p>public consultation (and not withdrawn) I am satisfied a significant proportion of 3 and 4 person HMOs across the city are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public; and that making a designation will, when combined with other measures taken in the area by the local housing authority, or by persons together with the local housing authority, contribute to the improvement of the social or economic conditions in the area.</p> <p>I have considered whether there are any other courses of action available to the local housing authority that might provide an effective method of achieving the objective that the designation would be intended to achieve and consider that making the designation will significantly assist the local housing authority to achieve the objectives (whether or not they take any other course of action as well). It is considered that the scheme will complement the wider regeneration that Salford City Council is helping to deliver. Additional HMO licensing will address existing issues of poor property and tenancy management in privately rented accommodation. The scheme will also ensure that new landlords investing in the Salford understand what is expected of them and will sustain the strong community that the regeneration programmes have worked hard to establish.</p> <p><i>Options considered and rejected were:</i></p> <ul style="list-style-type: none"> • Take no action – this would be inconsistent with established Council policy and would fail to address the legitimate concerns of residents, local elected members and other stakeholders regarding the impact of the private rented sector on the local housing market. • Defer the introduction of additional HMO licensing in Salford – A review of current policy and available evidence identifies a significant increase HMO's, and the evidence suggests that a significant proportion of 3 and 4 person HMOs across the city are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

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		<p>Assessment of Risk:</p> <p>The risk is considered low.</p> <p>The Council believes it has made a robust case for the designation of an Additional HMO Licensing Scheme. The consultation shows that there is support for the scheme amongst local residents; and some local landlords.</p> <p>The majority of landlords and agents who responded to the consultation did not support the proposal. Any decision that the City Council makes with regards to this proposal could be subject to legal challenge.</p> <p>The source of funding is:</p> <ul style="list-style-type: none"> • Landlord Licensing is a self-financing scheme over its five-year life. If implemented in this area the costs for running the scheme will be recovered through revenue acquired from the licence fee chargeable to landlords. <p>Legal Advice obtained:</p> <p>Part 2 of the Housing Act 2004 makes provision for the designation of areas subject to additional licensing.</p> <ul style="list-style-type: none"> • In that regard, a local housing authority may designate either– <ul style="list-style-type: none"> (a) the area of their district, or (b) an area in their district, <p style="margin-left: 40px;">as subject to additional licensing in relation to a description of HMOs specified in the designation, if the requirements of section 56 are met.</p> • The authority must consider that a significant proportion of the HMOs of that description in the area are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

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		<ul style="list-style-type: none"> • Before making a designation, the authority must– <ul style="list-style-type: none"> (a) take reasonable steps to consult persons who are likely to be affected by the designation; and (b) consider any representations made in accordance with the consultation and not withdrawn. • The power to make a designation under this section may be exercised in such a way that this Part applies to all HMOs in the area in question. • In forming an opinion as to the matter mentioned in subsection (2), the authority must 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 in question. • Section 57 of the Housing Act 2004 also applies in respect of additional licensing schemes. In that regard, the authority must ensure that any exercise of the power is consistent with the authority's overall housing strategy. • The authority must also seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour affecting the private rented sector, both– <ul style="list-style-type: none"> (a) as regards combining licensing under this Part with other courses of action available to them, and (b) as regards combining such licensing with measures taken by other persons. • The authority must not make a particular designation under section 56 of the Act unless– <ul style="list-style-type: none"> (a) they have considered 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 (b) they consider that making the designation will significantly assist them to deal with the problem or problems (whether they take any other course of action as well). • The report updates decision makers regarding the outcome of the recent consultation exercise undertaken under section 56 of the Housing Act 2004 and makes a number of recommendations accordingly.

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		<ul style="list-style-type: none"> • When exercising public functions, the Council must ensure that it complies with the public sector equality duty as set out in section 149 of the Equality Act 2010. In that regard, an impact assessment measures and records compliance with this duty <p>Financial Advice obtained:</p> <p>Landlord Licensing is a self-financing scheme over its five-year life. If implemented in this area the costs for running the scheme will be recovered through revenue acquired from the licence fee chargeable to landlords</p> <p>Procurement Advice obtained:</p> <p>Not applicable.</p> <p>HR Advice obtained:</p> <ul style="list-style-type: none"> • The report refers to potential workforce implication if this was to be approved. The full staffing implications will be considered once approval for the scheme has been granted. • The positions that would be required to operate the scheme already exist on the structure therefore, approval for additional posts can be approved under delegated powers by the Strategic Director. • The appointment to the positions would be made in line with Salford City Council’s recruitment policy and would be subject to formal approval through the filling of vacant posts process. <p>Climate Change Advice obtained:</p> <ul style="list-style-type: none"> • As of 1 April 2018, there is a requirement for any properties rented out in the private rented sector to have a minimum energy performance rating of E on an Energy Performance Certificate (EPC). The regulations came into force initially for new lets and renewals but extended to existing tenancies on 1 April 2020.

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		<ul style="list-style-type: none"> As of now it is unlawful to rent a property which breaches the requirement to have at least an E rating, unless there is an applicable exemption. The proposed additional licensing scheme aims to improve property conditions, which could include excess cold and damp. Improving conditions such as this will support energy efficiency. <p><i>The following documents have been used to assist the decision process:</i></p> <p>Not applicable.</p> <p><i>Contact Officer: John Wooderson / Anne Arcus</i></p> <p><i>Telephone number: x 2623 / 2249</i></p> <ul style="list-style-type: none"> The appropriate scrutiny committee to call-in the decision is the Community and Neighbourhoods Scrutiny Panel. <p>Signed: <u>Paul Dennett</u> Dated: <u>13.04.21</u> City Mayor</p> <hr/> <p><i>For Democratic Services use only</i></p> <p>This decision was published on 13.04.21</p>

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		<p>This decision will come in force at 4.00 p.m. on 20.04.21 in accordance with the Decision Making Process Rules. unless it is called-in</p>
A1		
A2		