



Lewisham

Landlord Forum Presentation

2nd March 2022

Introductions

Welcome:

- Fenella Beckman: Director of Housing Services
 - Sean Longley: Licensing and Housing Enforcement Manager
 - Julia Brennan: Consultant at Cadence InnoVA
 - Helena Cawley: Consultant at Cadence InnoVA
 - Marie Williams: Consultant at Cadence InnoVA
-
- Meeting about Lewisham's Private Rented Property Licensing scheme proposals

Purpose

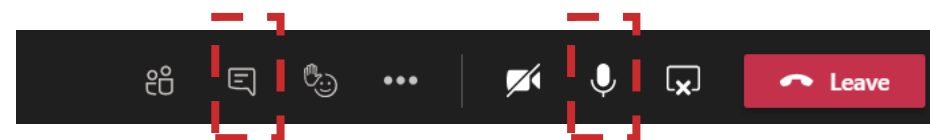
- This is part of the consultation on Private Rented Property Licensing in Lewisham .
- The focus of this meeting is the proposed selective licensing schemes.
- The online survey and all the backup documentation can be found at the end of the presentation
- We would like everyone to fill in the questionnaire so that your individual experiences are recorded.
- There will be time for questions at the end of the session and we will respond to any unanswered questions by email after the event.
- If you have any questions about a particular property please email us
- We will provide a copy of this presentation on request.

Agenda

1. Proposed property licensing scheme
2. Fees and discounts
3. Question time

Housekeeping rules

- Please keep yourself on mute.
- Feel free to ask questions at the end of each section using the MS Teams chat



Property Licensing Schemes

The Housing Act (2004) allows local authorities to license private rented properties within a designated area and put in place mandatory and additional licence conditions for licence holders.

Selective Licensing

- Applies to properties let to single family household or two sharers
- Area designated by the council
- Large schemes need approval by the Secretary of State



Additional HMO Licensing

- Applies to HMOs not covered by the Mandatory HMO Licensing scheme
- Applies to houses and flats in multiple occupation (HMOs) let to 3 or 4 unrelated people, forming 2 or more households who share amenities such as a kitchen or bathroom.
- Area designated by the council



Mandatory HMO Licensing

- Applies to large HMOs, let to 5 or more unrelated people, forming 2 or more households who share amenities such as a kitchen or bathroom.
- National scheme



How Private Rented Sector Licensing Supports Communities



Tenants

- Sets standards for the management and condition of homes
- Improves the health and safety of homes for tenants
- Gives councils the power to enforce against landlords that do not meet licence conditions
- Generates revenue through enforcement to improve PRS



Landlords

- Creates a level playing field, so decent landlords are not undercut
- Poorly performing landlords receive support and training
- Improves reputation of private landlords
- Support is given to landlords dealing with problem tenants



Residents

- Better community cohesion
- Better tenancy management helps increase tenure length and reduces unplanned moves
- Anti-social behaviour connected to private rented property can be proactively managed

Private Rented Sector in Lewisham

Population growth, a limited supply of new homes and a huge increase in house prices has caused profound shifts in the private rented sector.

There has been a 38% increase in the number of households living in private rented properties over the last ten years, including a growing number of families with children.

Lewisham's PRS is now calculated to make up 31% of housing stock¹. This compares to 24.3% of households in 2011 (ONS). There are a total of 128,798 residential dwellings in Lewisham, an estimated 39,674 of which are now privately rented.



Figure 1 Tenure profile from 2001 to 2021 (Source: ONS & Metastreet)

The proposed selective licensing designations

- The Council has evidence to suggest that there are high rates of poor property conditions in twelve wards. In addition, there is deprivation and evidence of antisocial behaviour across a number of other wards.
- There are 8,995 private rented properties in Lewisham that are likely to have at least 1 serious housing hazard (Category 1, HHSRS)⁷. This represents 22.7% of the PRS stock. PRS properties with serious hazards are distributed across the borough.

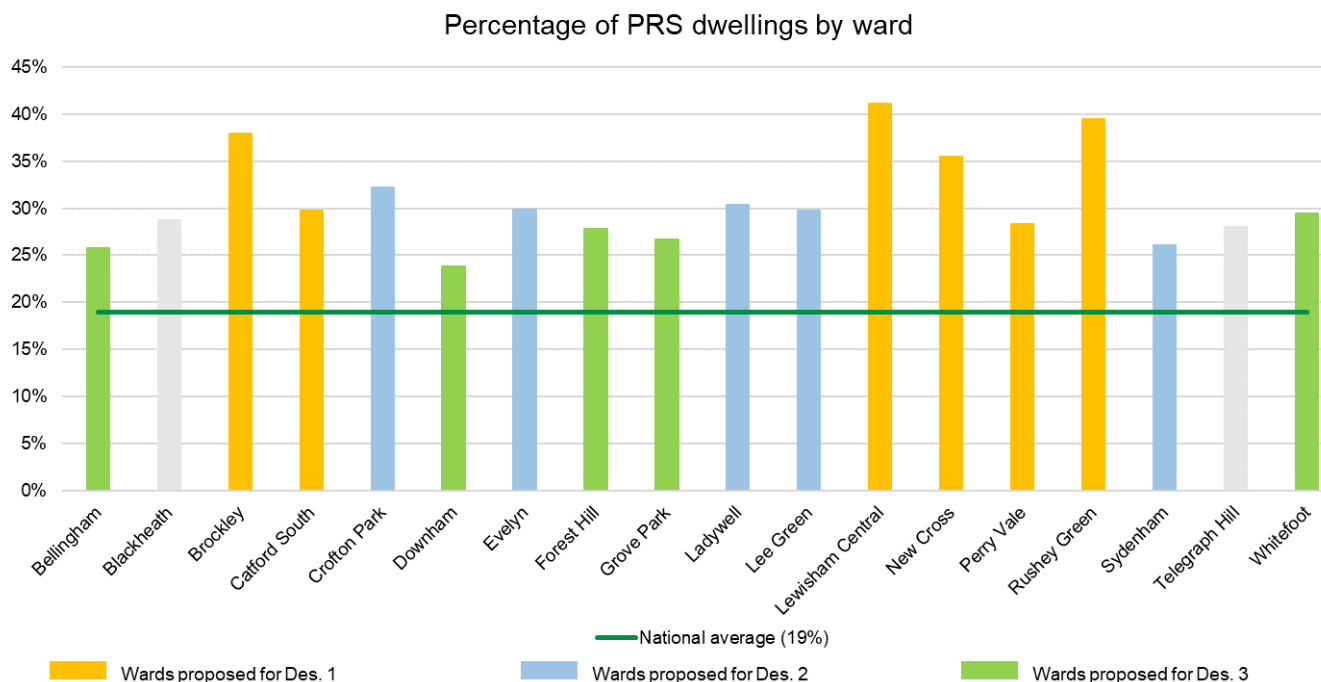
Designation 1	Designation 2	Designation 3
High Repeat ASB and Poor Housing Conditions	Poor Housing Conditions	Deprivation
Rushey Green, Brockley, New Cross, Catford South, Lewisham Central and Perry Vale	Evelyn, Ladywell, Lee Green, Crofton Park and Sydenham.	Downham, Bellingham, Whitefoot, Forest Hill and Grove Park.



Percentage of Private Rented Sector dwellings by each ward

In order for a selective licensing scheme to be considered, the area must contain a high proportion of properties in the private rented sector.

The percentage of PRS properties in each ward ranges from between 41.1% (Lewisham Central) to 23.8% (Downham) (Figure 2). Therefore, all of Lewisham’s wards have a higher percentage PRS than the national average of 19%.

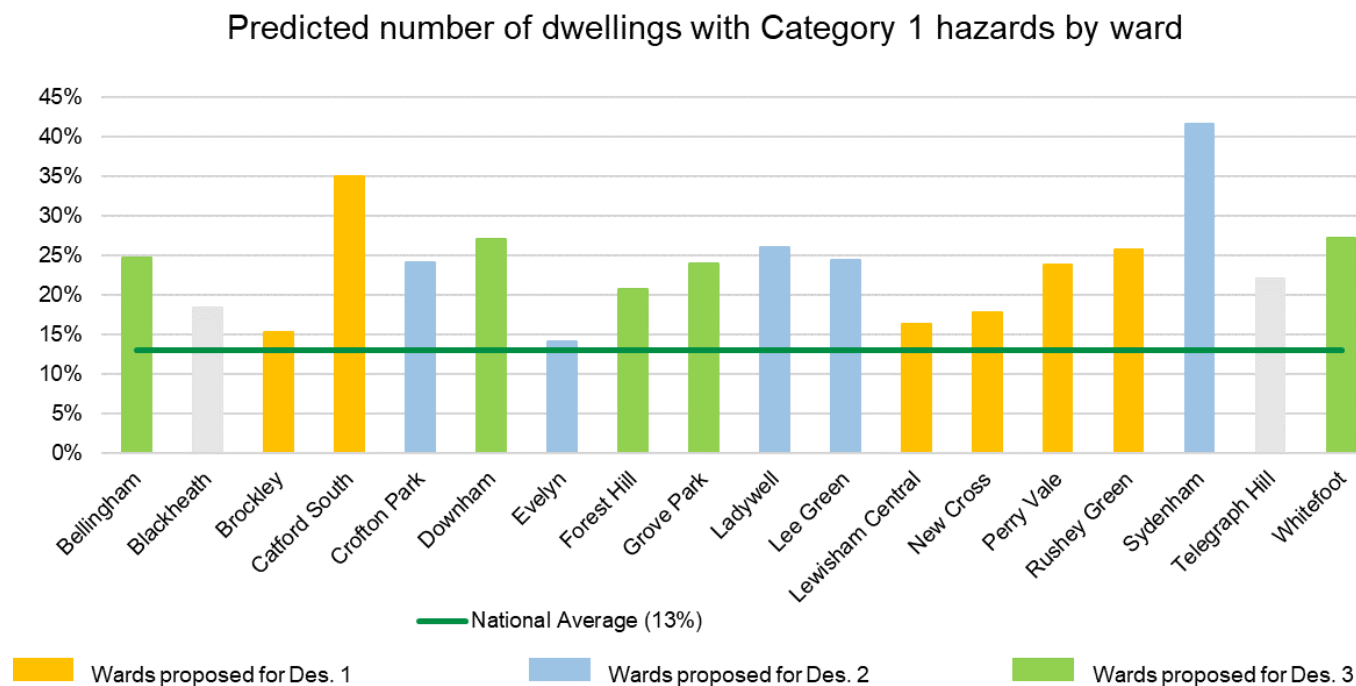


(Source Ti 2021).

The proposed Selective Licensing designations

An area must also meet at least one other criteria – migration, deprivation, low housing demand, high crime, poor property conditions, ASB.

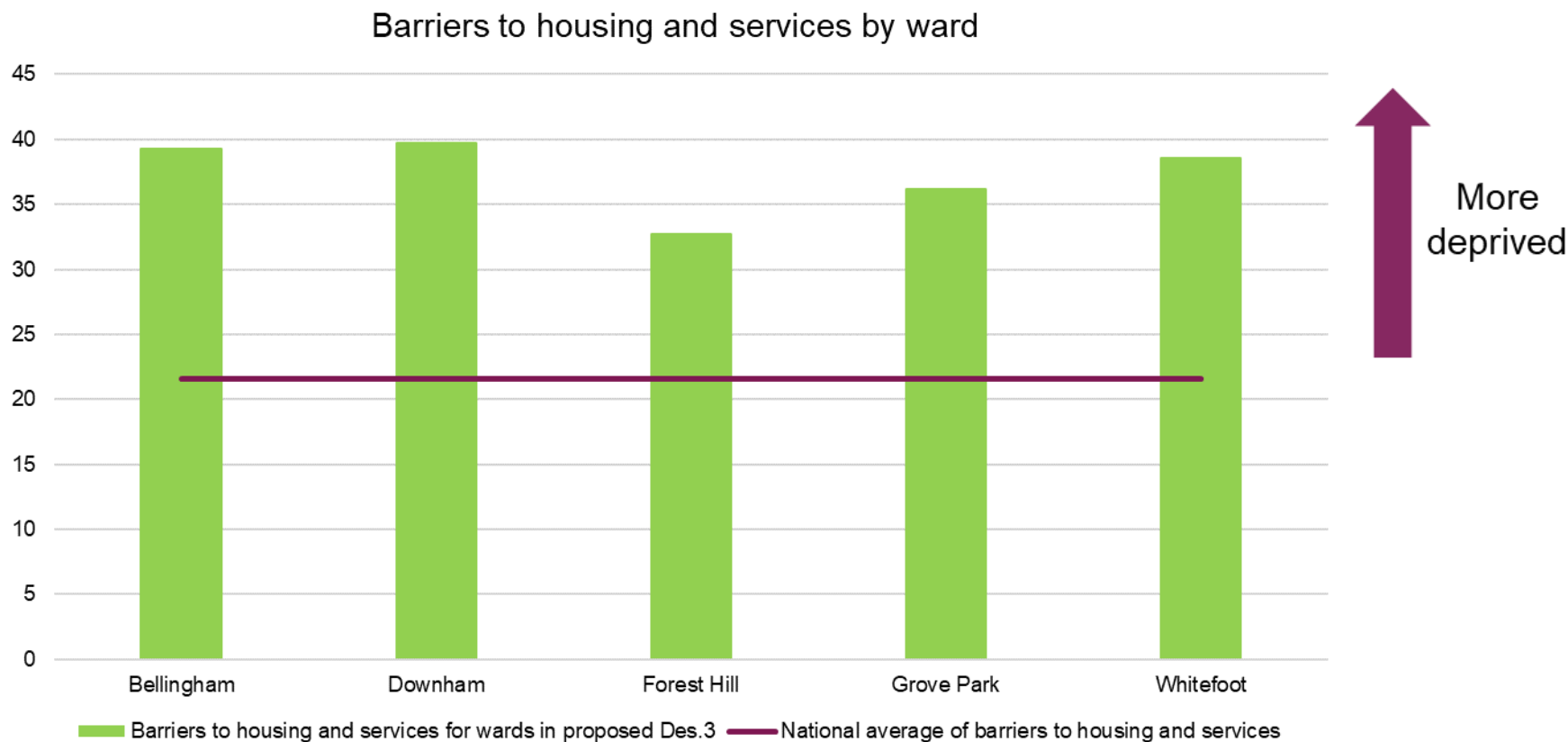
The Council has evidence to suggest that there are high rates of poor property conditions in twelve wards. In addition, there is deprivation and evidence of antisocial behaviour across a further wards.



(Source: Ti 2021)

The proposed Selective licensing Designations

In addition, there is strong evidence that a number of wards have deprivation which is significantly higher than the national average.



(Source: Ti 2021)

Proposed Selective Licensing Scheme

Proposed Designation 1 : ASB and poor property conditions

- Brockley, Catford South, Lewisham Central, New Cross, Rushey Green and Perry Vale are the 6 wards included in this designation
- These wards have the highest levels of ASB connected to the PRS compared to all other wards in the borough.



Proposed Selective Licensing Scheme

Proposed Designation 2 : Poor Housing Conditions

- Evelyn, Ladywell, Lee Green, Crofton Park and Sydenham.
- These wards are predicted to have more cat 1 hazards in the PRS than the national average of 13%⁹.
- The five wards in designation 2 have a level of PRS properties with cat 1 hazards that is higher than the national average. Sydenham in particular has very high levels of predicted cat 1 hazards.



Proposed Selective Licensing Scheme

Proposed Designation 3: Deprivation

- Downham, Bellingham, Whitefoot, Forest Hill and Grove Park.
- These five wards are all in the bottom 50% of deprived wards in the country. The government uses a range of measures to produce Indices of Multiple Deprivation. This allows areas to be ranked nationally between 0.1 as the most deprived and 10.0 as the least deprived.
- These five wards sit between 2.3 and 5.0 and are some of the most deprived in the borough.

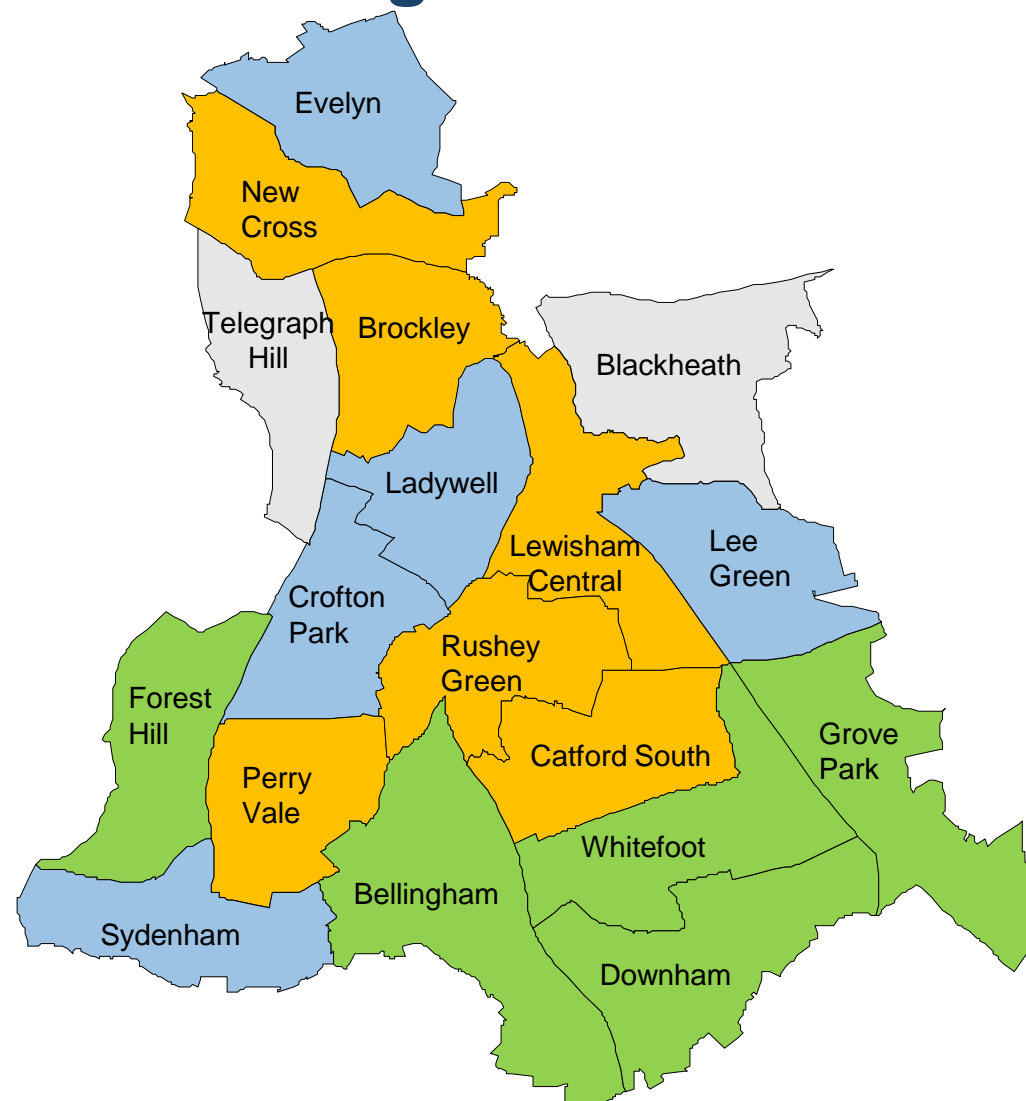


Why are some wards not included in the licensing Scheme?

There are two wards that are not included in any of the designations.

This is due to either a lack of evidence for the criteria and/ or a low level of PRS in the ward.

- Blackheath
- Telegraph Hill



Proposed Licence Conditions

1 Property Management



2 Repairs and improvements



3 Tenancy Management



4 Anti Social Behaviour and Waste Management



5 Housing Conditions



6 Health and Safety



Proposed Scheme objectives

- 1

Deliver homes that Lewisham needs


- 2

Prevent homelessness and meet housing needs in Lewisham


- 3

Improve the quality, safety and standard of homes in Lewisham.


- 4

Support residents to live safe and active lives.


- 5

Strengthen communities and embrace diversity



Common worries about selective licensing

“Is Licensing just a way for Councils to make money?”

No, This is not the case any income generated from licensing fees can only be used to fund the running costs of the scheme. The Council are not allowed to make any surplus on the scheme to be used for any other purpose.



“Licensing makes it more difficult for law abiding landlords and many will just stop letting their properties altogether”

Property licensing helps to create a level playing field to stop good landlords being undercut by those who break the law. There is no evidence that landlords cease to let out properties as a result of new property licensing schemes and in fact the private rented sector continues to grow across England including in areas subject to selective and additional licensing.

Common worries about selective licensing

“Why don’t the council just use the powers they already have instead of introducing licensing?”

The council have considered alternatives to licensing, but do not believe they are as effective in dealing with poor property conditions and ASB. The current powers the council has do not require landlords to declare themselves. This means there is no obligation for landlords to make their properties known to the council or to be proactive in improving conditions.

“My tenants are happy living in the property in its current condition”

There are standards for property conditions for private rented properties that fall within a selective licensing designation, and it is against the law to let out rooms that are in breach of these. This protects tenants from living in properties that are detrimental their health and well being or even dangerous.



Proposed Selective Licensing Fees

The Council is required to split the fee into two parts and the fees have been calculated on the cost of running the scheme.

Part 1: The initial part of the fee is charged to cover the processing of the application.

19

Part 2: If the application for a licence is successful, a further fee will be charged before the full licence is issued. This second fee is to cover the cost to the council for enforcement of the licence.



The proposed fee is: **£640 -£128 per year**

Part 1 is **£160**

Part 2 is **£480**



Proposed License Fee Discounts

Fee Element	Discount	Part 2 payment	Total payment
Part 2 early bird	£128	£352	£512
Part 2 – accredited landlord	£128	£352	£512
Part 2 eligible charities	£320	£160	£320



Any more questions



Please take part in the Selective Licensing consultation



<https://lewisham.gov.uk/>

Licensing Schemes in Lewisham

- Licensing schemes require landlords letting privately rented properties in the designated areas to hold a licence and comply with the licence conditions. The council has worked collaboratively with landlords to make sure these requirements are met. The council has carried out enforcement actions when needed to raise standards.
- The London Borough of Lewisham has not previously adopted selective licensing.
- An Additional Licensing scheme started in February 2017 and continues for five years until 10 February 2022. A new Additional Scheme will come into force on Tuesday 5 April 2022 and will apply to any HMO property in Lewisham that is not captured by the national Mandatory Scheme or is specifically excluded from Licensing.
- The national Mandatory HMO licensing scheme came into operation since April 2006 when the council was required to run it by law.