

# Landlord Licensing Newsletter

Issue 1 • March 2005

## Welcome!

This is the first edition of Salford City Council's Landlord Licensing newsletter, which will provide you with up-to-date information about mandatory and selective licensing, which is being introduced as part of the Housing Act 2004.

What can you expect from our newsletter?

- Up-to-date information about Landlord Licensing developments
- Useful links to find further information about landlord licensing and other topics of interest to private landlords
- A spotlight feature, which will include details of services provided by Salford City Council
- Details of forthcoming events including landlord forums
- Your questions answered.

## So, what is Landlord Licensing?

The Housing Act 2004 gives local authorities the power to licence privately rented dwellings in three categories:

- Mandatory licensing of Houses in Multiple Occupation with 3 or more storeys, 5 or more people and 2 or more households
- Additional licensing of HMOs excluded from the above
- Selective licensing of other private dwellings where the local authority considers it will benefit tenants and communities, in areas of low demand and/or where there are problems with anti-social behaviour.

## Mandatory Licensing

The mandatory licensing for Houses In Multiple Occupation will include those defined as: 3 or more storeys and with 5 or more residents who are of more than one household.

Where other types of HMOs are sufficiently badly managed as to give rise to particular problems either for tenants or the public in certain areas, authorities will be given discretionary powers within the Housing Act to implement an additional licensing scheme. Such schemes will need central government approval and would allow authorities to apply licensing to relevant types of HMOs in particular areas.

## Selective Licensing

In areas where selective licensing is applied, all landlords will be required to hold a license in order to rent out property. To qualify for a license a landlord must be able to demonstrate that they are acting within the law and taking adequate steps to manage their properties and keep them safe. In addition, a 'fit and proper' person test will be applied to test the landlord's suitability to manage a tenancy.

In order to be able to introduce selective licensing, the local



authority must demonstrate one of two conditions within the area to be designated:

### **i) Low Demand**

- a]** If an area is, or is likely to become, an area of low housing demand and
- b]** When the local authority believes a designation will, when combined with other measures, contribute to the improvement of social or economic conditions in the area.

### **And/or**

### **ii) Anti-social Behaviour**

- a]** If an area is experiencing a significant and persistent problem caused by anti-social behaviour and
- b]** Some or all of the private sector landlords which have let premises in the area are failing to take appropriate action to combat the problem and
- c]** When the local authority believes that making a designation will, combined with other measures, lead to a reduction of the problem.

Spotlight Feature:

## Houses In Multiple Occupation

The Enforcement Team with Housing Market Support is responsible for policing housing standards within the private rented sector and this includes Houses in Multiple Occupation (HMO)

The Housing Act 2004 has recently redefined what constitutes a HMO. Essentially a HMO is a property where the occupants do not form a single household. This may include converted flats, bedsits and shared houses. Statistically the risk of death from fire in houses converted to bedsits is six times higher than an ordinary family house and where such bedsits are contained in properties with 3 or more storeys the risk is sixteen times higher.

In recognition of this Salford has had, for a number of years, a proactive programme of risk assessment based inspection of such properties and a Registration Scheme for HMOs across the city. Currently the Enforcement Team is in the process of ensuring that the 300 plus HMOs across the city which will be subject to mandatory licensing (three storey, five or more occupants) meet the required standard to ensure that tenants are not exposed to unacceptable risks to their health and safety. We are working closely with Manchester City Council to ensure we can quickly and consistently implement the licensing regime for HMOs when licensing becomes available as a legal power in December 2005.

For more information please contact Martyn Stanney on 0161 603 4243 or email [martyn.stanney@salford.gov.uk](mailto:martyn.stanney@salford.gov.uk)

[www.odpm.gov.uk](http://www.odpm.gov.uk)  
[www.salford.gov.uk](http://www.salford.gov.uk)  
[www.manchester.gov.uk/housing/privatesector](http://www.manchester.gov.uk/housing/privatesector)

## Frequently Asked Questions:

This is where we answer your questions about Landlord Licensing. If you have any questions, which you would like us to answer, please email them to [landlord.licensing@salford.gov.uk](mailto:landlord.licensing@salford.gov.uk) and we will try to answer them.

### Q: How will landlord licensing benefit landlords?

**A:** Landlords will be provided with support and training by Salford City Council in order to ensure that they are able to meet the conditions of their license. In the longer term, licensing is intended to raise management standards in the private rented sector and therefore could have a positive effect on rent levels and capital values.

### Q: What sanctions can be imposed against landlords?

**A:** If the landlord of a property, which is liable to be licensed, does not have a licence, or allows an HMO to be occupied by more than the specified number of people in the licence, he commits an offence, which may be punishable by a fine of up to £20,000. If the landlord breaches the conditions of the license, he also commits an offence and may be liable of a fine of upto £5,000.

### Q: How can landlords get involved in developing the scheme?

**A:** Salford City Council has built up a close working relationship with responsible landlords in Salford through the Landlord Accreditation Scheme and we want to involve landlords in the development of the licensing scheme. Our Landlord Licensing Working Group has been set up and meets regularly in order to give landlords the chance to have their say. The first meeting took place on 25 November 2004 and the next meeting is expected to take place in March 2005, in partnership with Manchester City Council.

If you would like to be involved in the working group, or you would like more information about Landlord Licensing, or you have any other comments or questions, please telephone Zoë Whiteside - Principal Officer (Market Support) on **0161 603 4240** or email [landlord.licensing@salford.gov.uk](mailto:landlord.licensing@salford.gov.uk).

## Stop Press...

Forthcoming events news and important diary dates

- 08/3/05 Salford's first landlord forum is to be held at the Digital World Centre
- 25/07/05 The Local Housing Allowance will be introduced across Salford

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