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# NOTICE OF MEETING

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## CABINET

**TUESDAY, 22 NOVEMBER 2022 AT 12.00 PM**

**COUNCIL CHAMBER - THE GUILDHALL, PORTSMOUTH**

Telephone enquiries to Anna Martyn - Tel 023 9283 4870

Email: [Democratic@portsmouthcc.gov.uk](mailto:Democratic@portsmouthcc.gov.uk)

### **Public health guidance for staff and the public due to Winter coughs, colds and viruses, including Covid-19**

- Following the government announcement 'Living with Covid-19' made on 21 February and the end of universal free testing from 1 April, attendees are no longer required to undertake any asymptomatic/ lateral flow test within 48 hours of the meeting; however, we still encourage attendees to follow the public health precautions we have followed over the last two years to protect themselves and others including vaccination and taking a lateral flow test should they wish.
- We strongly recommend that attendees should be double vaccinated and have received any boosters they are eligible for.
- If unwell we encourage you not to attend the meeting but to stay at home. Updated government guidance from 1 April advises people with a respiratory infection, a high temperature and who feel unwell, to stay at home and avoid contact with other people, until they feel well enough to resume normal activities and they no longer have a high temperature. From 1 April, anyone with a positive Covid-19 test result is still being advised to follow this guidance for five days, which is the period when you are most infectious.
- We encourage all attendees to wear a face covering while moving around crowded areas of the Guildhall.
- Although not a legal requirement, attendees are strongly encouraged to keep a social distance and take opportunities to prevent the spread of infection by following the 'hands, face, space' and 'catch it, kill it, bin it' advice that protects us from coughs, colds and winter viruses, including Covid-19.
- Hand sanitiser is provided at the entrance and throughout the Guildhall. All attendees are encouraged to make use of hand sanitiser on entry to the Guildhall.
- Those not participating in the meeting and wish to view proceedings are encouraged to do so remotely via the livestream link.

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## Membership

Councillor Gerald Vernon-Jackson CBE (Chair)

Councillor Suzy Horton (Vice-Chair)

Councillor Chris Attwell

Councillor Kimberly Barrett

Councillor Darren Sanders

Councillor Jason Fazackarley

Councillor Lee Hunt

Councillor Steve Pitt

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(NB This agenda should be retained for future reference with the minutes of this meeting.)

Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: [www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

**Deputations by members of the public may be made on any item where a decision is going to be taken. The request should be made in writing to the contact officer (above) by 12 noon of the working day before the meeting, and must include the purpose of the deputation (for example, for or against the recommendations). Email requests are accepted.**

## **A G E N D A**

### **Apologies for Absence**

### **Declarations of Interests**

### **UK Shared Prosperity Fund Spend (Pages 9 - 38)**

#### Purpose

To consider the spend of the UK Shared Prosperity Fund.

Appendix 3 to follow.

### **Crowdfunder Portsmouth Platform Funding (Pages 39 - 80)**

#### Purpose

1. To review the impact of the crowdfunding platform 'Crowdfund Portsmouth' on the city since its inception on 30 November 2019, and the funding requirements for the scheme to continue beyond 30 November 2022.
2. To consider the proposal to continue using Crowdfunder UK as the crowdfunding platform for Portsmouth City Council, thereby extending the existing their contract for a further year from end of November 2022. The paper also highlights that a continuation of using Crowdfunder UK would provide a seamless support to contribute to economic growth and inclusive community amenities in the city and provide value for money.
3. To identify and allocate an additional spend to support the ongoing development of the Crowdfunder platform to support Portsmouth businesses for a period of 10 months in year 4 of:

Crowdfunder platform and support	£28,200
Grant funding for businesses	£40,000
Total investment	<b><u>£68,200</u></b>

Please note the platform can also continue to use CIL (community infrastructure levy) funds and allocate that using the same profile and increasing reach for this funding. CIL is a separate project and unrelated to this central work.

**RECOMMENDED that the Cabinet**

- 1. Supports an extension of the contract with Crowdfunder UK at a cost of £28,200 for 1 year (10 months of delivery) and looks to seek a self-service model for any further delivery (removing Crowdfunder support) if this finds approval to reduce costs in subsequent years.**
- 2. Supports a further top-up of £40,000 to the Small Business Fund to enable further business creation and growth, which will support a minimum of 8 match funded projects.**
- 3. Approves that recommendations 1) and 2) are funded by the Council's 2022/23 share of the UK Shared Prosperity Fund.**

**Exclusion of Press and Public**

**“That, under the provisions of Section 100A of the Local Government Act, 1972 as amended by the Local Government (Access to Information) Act, 1985, the press and public be excluded for the consideration of the following item on the grounds that the report(s) contain information defined as exempt in Part 1 of Schedule 12A to the Local Government Act, 1972”.**

**The public interest in maintaining the exemption must outweigh the public interest in disclosing the information.**

**Under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) England Regulations 2012, regulation 5, the reasons for exemption of the listed item is shown below.**

**Members of the public may make representation as to why the item should be held in open session. A statement of the Council’s response to representations received will be given at the meeting so that this can be taken into account when members decide whether or not to deal with the item under exempt business.**

**(NB The exempt/confidential committee papers on the agenda will contain information which is commercially, legally or personally sensitive and should not be divulged to third parties. Members are reminded of standing order restrictions on the disclosure of exempt information and are invited to return their exempt documentation to the Local Democracy Officer at the conclusion of the meeting for shredding.)**

<b>Item</b>	<b>Paragraph</b>
<b>Potential Disposal of Middle Street Units (Appendix B)</b>	

**Appendix B - Information relating to the financial or business affairs of any particular person (including the authority holding that information).**

**Potential Disposal of Middle Street Units (Pages 81 - 96)**

Purpose

To seek the approval of the Leader of the Council as Portfolio holder to dispose of the above properties shown on the plan at Appendix A, subject to the existing long leaseholds listed in Appendix B (Exempt).

**RECOMMENDED that the Cabinet Delegate to the Director of Regeneration and the City Solicitor authorisation to negotiate and finalise terms for the disposal of the site known as 32,34,42,56,58 & 60 Middle Street, Portsmouth to PV1 Developments, subject to the long leases currently in place in accordance with the schedule of interests as attached in Appendix B.**

### **Ocean Recovery Declaration - Update of Progress (Pages 97 - 108)**

#### Purpose

To provide an update on progress since the Ocean Recovery Declaration.

### **Review of Clean Air Zone Mitigation Measures (Pages 109 - 130)**

#### Purpose

To approve recommendations on how the Clean Air Zone (CAZ) mitigation packages should look moving forwards, almost a year after CAZ delivery.

### **RECOMMENDED that the Cabinet**

- 1. Approves delegated authority to the Director of Regeneration to withdraw unspent Clean Air Fund (CAF) grants with a view to redistributing unspent funds, and ultimately close the CAF;**
- 2. Approves a six-week period for remaining CAF applicants to provide clear proof of intent to upgrade their vehicles;**
- 3. Approves that non-compliant vehicles purchased after 5<sup>th</sup> April 2023 not be granted an exemption from the Portsmouth Clean Air Zone - specifically with regards to:**
  - i. Specialist Heavy Vehicles, and**
  - ii. The Stop-Gap Exemption.**

### **Annual Adoption Agency Activity report April 2021 to March 2022 (Pages 131 - 142)**

#### Purpose

1. To update the Cabinet on the activity of the Portsmouth Adoption Service for the period from 1 April 2021 to 31 March 2022, as required by the Adoption regulations
2. The Portsmouth Adoption Service is provided directly by the Adoption Team within the Council. The team is responsible for the work with children who have a plan of adoption and works with the Regional Adoption Agency (RAA) who find, assess, and support adopters.
3. To describe the work of the in-house adoption team and the RAA and provide data of the outcomes achieved in the last 12 months

4. To provide an update on changes in the service due to a recent legal case known as the 'Somerset Judgement'
5. To provide an outline of the priorities for the coming year.

### **Social Value progress report**

Report to follow

### **Additional Licensing of Houses in Multiple Occupation (Pages 143 - 430)**

#### Purpose

1. To summarise the findings of the recent consultation on the proposal to introduce Additional Licensing for Houses in Multiple Occupation (HMOs) across the city.
2. To outline the proposed additional licensing scheme in Portsmouth, having taken into account the consultation feedback, for Cabinet to decide if they wish to proceed with the formal introduction of such a scheme.
3. To present the updated Private Sector Housing Enforcement Policy, and Private Sector Housing Space and Amenity standards for HMOs, for Cabinet to decide on their adoption.

#### **RECOMMENDED that the Cabinet**

- 1.1 **That the Cabinet have regard to all the responses to the statutory consultation and the evidence base previously presented to Cabinet on 22<sup>nd</sup> March 2022 together with the matters set out in this report and consider whether an additional licensing scheme for HMOs in the City should be introduced. If the Cabinet does not decide to proceed with the scheme, they should not approve recommendation 1.2 below but should still review recommendations 1.3 and 1.4 below.**
- 1.2. **Subject to recommendation 1.1, That Cabinet approves:**
  - 1.2.1 **To designate the whole of the city as subject to additional licensing under section 56(1)(a) of the Housing Act 2004 in relation to every class of HMO, but only including those section 257 HMOs that are mainly or wholly tenanted, including those with resident landlords.**
    - 1.2.1.1. **That the designation set out in recommendation (2.2.1) above, shall come into force on 1st September 2023 for a period of 5 years.**
    - 1.2.1.2. **That delegated authority be given to the Director for Housing, Neighbourhoods and Building Services to sign the 'Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2022' (as attached at Appendix 10) in accordance with the provisions set out in the Scheme of Delegations in the Council's Constitution.**
  - 1.2.2. **The Licence Conditions contained in Appendix 7.**
  - 1.2.3. **That Cabinet consider the options outlined in Appendix 5 for Licensing Model and Appendix 6 for Fee Structure and agree to proceed with either;**

**1.2.3.1. Option A: Standard 5-year licence term issued to all licence applicants, with the exception of those where planning permission is required but not yet granted; where a 1 year licence would be issued to allow time for the planning process to be fulfilled. If Model A is preferred; cabinet approve the adoption of the proposed fees and charges structure (as attached at Appendix 6) outlined for Model A and instruct officers to bring a further report to Cabinet reviewing the fees before the commencement of the scheme, and annually throughout the scheme to ensure they remain reasonable and proportionate and address any issues relating to surpluses or deficits in accordance with case law and the EU Services Directive.**

**Or;**

**1.2.3.2. Option B: a tiered structure for Licence terms based on the compliance and competence of the licence holder. This model would also include issuing 1-year licences where planning permission is required, as with Model A above. If Model B is preferred; cabinet approve the adoption of the proposed fees and charges structure (as attached at Appendix 6) outlined for Model B and instruct officers to bring a further report to Cabinet reviewing the fees before the commencement of the scheme, and annually throughout the scheme to ensure they remain reasonable and proportionate and address any issues relating to surpluses or deficits in accordance with case law and the EU Services Directive.**

**1.2.3.2.1. That if Option B is preferred, Cabinet approves the Policy for Landlord Accreditation contained in Appendix 8, and agrees to cease operating an in-house landlord accreditation scheme in favour of working with local and national landlord and agent accreditation schemes.**

**1.2.3.2.2. That if Option B is preferred; to instructs officers to present a further report to Cabinet before September 2023 with proposals to alter the Mandatory HMO Licensing model, fee structure and Licence conditions to create consistency between Mandatory and Additional Licensing of HMOs.**

**1.3. That Cabinet approve the updated Private Sector Housing Enforcement Policy contained in Appendix 3, and agree its implementation from 1<sup>st</sup> December 2022.**

**1.4. That Cabinet approve the updated Private Sector Housing HMO Space and Amenity standards document contained in Appendix 4, and agree its implementation from 1st December 2022.**

## **Treasury Management Mid-Year Review 2022/2023 (Pages 431 - 440)**

### Purpose

To inform members and the wider community of the Council's Treasury Management position, i.e. its borrowing and cash investments at 30 September 2022 and of the risks attached to that position.

### **RECOMMENDED that the Cabinet note**

- 1. That the Council's Treasury Management activities have remained within the Treasury Management Policy 2022/23 in the period up to 30 September 2022.**
- 2. That the actual Treasury Management indicators as at 30 September 2022 set out in Appendix A be noted.**

## **Revenue Budget Monitoring 2022/2023 (Second Quarter)**

Report to follow

Members of the public are permitted to use both audio visual recording devices and social media during this meeting, on the understanding that it neither disrupts the meeting nor records those stating explicitly that they do not wish to be recorded. Guidance on the use of devices at meetings open to the public is available on the Council's website and posters on the wall of the meeting's venue.

Whilst every effort is made to webcast this meeting, should technical or other difficulties occur, the meeting will continue without being webcast via the Council's website.

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# Agenda Item 3



## **THIS ITEM IS FOR INFORMATION ONLY**

**(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)**

<b>Title of meeting:</b>	Full Cabinet
<b>Subject:</b>	UK Shared Prosperity Fund Spend
<b>Date of meeting:</b>	22 November 2022
<b>Report by:</b>	Tristan Samuels Director of Regeneration
<b>Authored by:</b>	Jane Lamer Head of Economic Development and Skills
<b>Wards affected:</b>	All

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### **1. Requested by**

Portfolio holder for Culture, Leisure and Economic Development and Deputy Leader (Portfolio holder for Children, Families & Education) to consider the spend of the UK Shared Prosperity Fund (UKSPF).

### **2. Purpose**

The UK Shared Prosperity Fund was launched in April 2022 and succeeds the old EU structural funds and was promoted as the central pillar of the UK governments Levelling Up agenda. It provides £2.6 billion of new funding for local investment by March 2025 via a funding formula rather than competition. It is designed to help the UK deliver enhanced outcomes through local interventions.

The UKSPF will support the UK government's wider commitment to level up all parts of the UK by delivering on each of the levelling up objectives:

- Boost productivity, pay, jobs and living standards by growing the private sector, especially in those places where they are lagging
- Spread opportunities and improve public services, especially in those places where they are weakest
- Restore a sense of community, local pride and belonging, especially in those places where they have been lost
- Empower local leaders and communities, especially in those places lacking local agency

## **THIS ITEM IS FOR INFORMATION ONLY**

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The primary goal of the UKSPF is to build pride in place and increase life chances across the UK. This aligns with Levelling Up White Paper missions, particularly: 'By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between the top performing and other areas closing.'

Further information can be found in the UKSPF prospectus [UK Shared Prosperity Fund: prospectus - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/108422/ukspfprospectus.pdf)

The aim of the paper is to inform decision making of the UKSPF funding. At the time of writing, we do not have approval to spend awaiting government confirmation but once received the first-year allocation must be spent in full within the current financial year.

In mid-2022 Portsmouth received an allocation of **£1,423,433** over the 3-year delivery period. Full allocations can be found here [UKSPF allocations - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/108422/ukspfprospectus.pdf)

Community Renewal Fund allocation for 2021/22 (part of the governments pilot work on replacing European social funding) allocated Portsmouth £1,591,015 for a 1 year spend period. This report notes that the final 3-year allocation of UKSPF was significantly less than the 1-year pilot.

To receive funding the local authority were required in July 22 to submit a strategic spending plan (which was created against the City Vision 2040) and an indicative spending plan against short timescales. The UK Shared Prosperity Fund document was shared with councillors and partners in July 2022 (Appendix 1)

In this financial year we will need to allocate and spend the initial allocation of £172,747

Any allocation should be considered in relation to year 2 and 3 allocations of:

2023/24 (April 23 to March 24 £345,493)

2024/25 (April 24 to March 25 £905,193)

UKSPF replaces funding sources which previously funded projects in and around the city. Further details of these projects are found in Appendix 2

### **3. Information Requested**

In July 2022 officers submitted an indicative investment plan to suggest the potential spend of the three-year allocation of £1.4M against our corporate priorities and the City Vision 2040.

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In any spend a minimum of 10% must allocated to capital in each year - this is currently allocated as

2022/23	£20,000
2023/24	£40,000
2024/25	£75,000

More can be allocated to capital but the minimum must be met.

Although councils can draw up their own intervention titles on their Investment Plan the decision was made by officers to use the 41 suggested interventions to save time and to prevent Government clarification. The 41 suggested interventions broadly met the Council's key priorities. It should also be noted that timescales for submission were tight and against two other significant funding submissions (Levelling Up and Multiply)

Funding is allocated against 3 investment priorities

- 1) Communities & Place
- 2) Local Business
- 3) People and skills (funded only in 2024/25)

Allocations are for financial years and cannot be moved between years (although audit requirements are not confirmed). They can be moved between interventions if the Council has a need subject to central government sign off.

**Year 1 allocation £172,747**

Spend required by 31/3/23

Community allocation on indicative agreement £55,000 in year 1

E1 Improvements to town centres & high streets	£10,000
E5 Built & landscape environment to "design out crime"	£10,000
E6 Local arts, cultural, heritage and cultural activities	£ 5,000
E13 Community measures to reduce the cost of living	£30,000

Local business allocation on indicative agreement £117,747 in year 1

E16 Open markets & town centre retail & service sector	£10,000
E24 Training hubs, business support, incubators & accelerators	£57,747
E29 Supporting decarbonisation & improving natural environment	£20,000
E32 Business support measures to drive employment and growth	£30,000

**Current priorities for year 1 include:**

Community allocation on indicative agreement £55,000 in year 1

Examples could be:-

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- Activities and events to promote high street footfall
- Support for cost-of-living work - including supporting helplines and producing appropriate collateral and engagement materials and hosting warm spaces

Local business allocation on indicative agreement £117,747 in year 1

Examples could include:

- Crowdfunder support for 22/23 - £68,200
- Wider business support activities related to start up and sustaining businesses business support around decarbonisation

Any change in allocation lines (will be subject to Government approval - noting PCC have not yet received formal approval of the proposal documents). Any spend or allocation in advance of approval is at our risk.

In year 2/3 the indicative spend is currently (the Council will have an opportunity to formally review its Investment Plan each year)

	<b>Year 2</b>	<b>Year 3</b>
Community & Place	£85,000	£95,000
Local business	£260,493	£560,193
Skills & People	NA	£259,00
<b>Allocations</b>	<b>£345,493</b>	<b>£905,193</b>

**Identified funding priorities for year 2 and 3 (which we recommend review in Jan 2)3 to reflect changing external factors include:**

	<b>Year 2</b>	<b>Year 3</b>
<b>Community &amp; Place</b>	<b>£85,000</b>	<b>£95,000</b>

One cost of living priority seeking funding over this period is our current Switched on Portsmouth helpline:

	<b>Year 2</b>	<b>Year 3</b>
	£45,000	£45,000

*This service for residents is funded to March 23 and will then close without additional funding*

<b>Local business</b>	£260,493	£560,193
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Apprenticeship and skills advice

	£30,000	£65,000
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Business Support	£230,493	£495,193
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<b>Skills &amp; People</b>	NA	£259,00
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Youth and business IAG (information, advice and guidance)  
Local skills needs and training (not funded by other routes) including green skills

.....  
Signed by (Director)

**Appendices:**

1	UK Shared Prosperity Fund document (PCC)
2	Examples of previous funding spend in Portsmouth
3	PCC UKSPF deliverables spreadsheet (indicative spend)

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
Imagine Portsmouth	<a href="#">The Vision - Imagine Portsmouth</a>
Portsmouth City Council - Our aims and priorities	<a href="#">Our council aims and priorities - Portsmouth City Council</a>
	<a href="#">UK Shared Prosperity Fund: prospectus - GOV.UK (www.gov.uk)</a>

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**Appendix 2**

Examples of previous spend, now unsupported by any funding sources:

European Social Funding (ESF) which were regionally and nationally administered (including through Solent LEP)

UK Community Renewal Fund (UKCRF)

*UKCRF was the pilot to the UKSPF and Portsmouth secure just under £1.6M for 3 pilot projects detailed below. It was intended to last six months but was extended to nine.*

Current UKCRF projects (and examples of themed spend included:

**Highbury College (now City of Portsmouth College) Decarbonisation skills support scheme £330,990**

A collaborative approach with PCC to address skills gaps, whilst also creating employment opportunities and supporting local businesses. Aimed at the construction industry to adopt cleaner technologies to support the national and global decarbonisation targets. Highbury are upskilling and retraining individuals in Portsmouth and the wider area to ensure the community is well-equipped to thrive in the 'clean growth' landscape. Their training focuses on some key areas, including insulation, solar PV, battery storage, heat pumps and electric vehicles, alongside supporting learners with the essential digital skills required to work efficiently. The Highbury training centre is essentially self-sufficient now.

Output Name	Output target	Output delivered (to end June 2022)	Output delivered %	Forecast Output (to project end date)
People - Unemployed	10	0		10
People - Employed	10	25	250%	25
Businesses - Small	20	23	115%	23
Businesses - Medium	5	6	120%	6
Organisations - Public	1	1	100%	1
Organisations - Private	3	11	367%	11
Organisations - Voluntary Sector	10	10	100%	10

**University of Portsmouth Enabling XR Enterprise (eXRe) £628,139.**

Creating skills, boosting communities, and benefitting visitor and cultural economy. Working with over 100 businesses in order to support innovation in a variety of ways - focusing upon the Heritage and Visitor Attraction sectors. To enable the local community to benefit from the world-class facilities the University are developing and to support the local economy, which is intrinsically linked to these key sectors. Opening their facilities and

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expertise to the city to provide a huge boost to businesses and organisations and help to raise aspirations and inspire future generations to engage with technology.

Outputs:

Output Name	Output target	Output delivered (to end June 2022)	Output delivered %	Forecast Output (to project end date)
People - Employed	126	50	40%	126
Businesses - Small	80	16	20%	80
Businesses - Medium	15	1	7%	15
Businesses - Large	5	0		5
Organisations - Public	2	2	100%	2
Organisations - Private	2	2	100%	2
Organisations - Voluntary Sector	2	2	100%	2

**YTKO Portsmouth Start and Grow £631,886**

Business Grants. To continue with their start-up and growth support to businesses in Portsmouth. Their support tailored to help entrepreneurs and businesses navigate the barriers and challenges they face and ensure they gain the skills and knowledge they need to boost their productivity and growth potential.

Outputs:

Output Name	Output target	Output delivered (to end June 2022)	Output delivered %	Forecast Output (to project end date)
People - Unemployed	21	21	100%	30
People - Employed	49	52	106%	60
Businesses - Small	50	60	120%	65

Other ESF (European Social Funded) projects (not administered by PCC) include:

Solent Apprenticeship and skills hub (business support and advice around Apprenticeships and training completed Dec 2023) currently extended to include LoCase delivery business support

YTKO - business support and grants (completes June 2023)

Business support (activities, peer networks, mentoring and start up support)

Capital grants for college and university projects (including refurbishment, technical skills centre development)

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UK SHARED PROSPERITY FUND

# **PORTSMOUTH – THE CITY AND WHAT IT WANTS TO ACHIEVE**



# About Portsmouth

Portsmouth is located on the south coast of England. The Portsmouth unitary authority area covers the whole of Portsea Island and a wider suburban area of the mainland from Paulsgrove to Farlington. It is bordered by Portsdown Hill to the north, surrounded by the Solent to the south and set between Langstone and Portsmouth Harbours to the east and west respectively.

Portsmouth's growth and character has been influenced and shaped over time by its geographical location and relationship to the sea. Today the city of Portsmouth covers only 40.1 sq. km. With a population density higher than some areas of London, with a growing population of 214,900 (as of 2019). The city currently has a relatively young population, as typically found in cities and which is boosted by the student population attending the University of Portsmouth.

Portsmouth has the title of being the UK's only 'island city' (in the main) and is very flat and low lying. The city is characterised by rows of artisan terraces set out in a grid pattern, originally built to house the dockyard workers and seafarers' families. Over time, the western side of the city has become more dominated by commercial development and infrastructure with the city centre, dockyard, continental ferry port and the motorway (M275). The eastern side of the city has larger open spaces looking over Langstone Harbour with less densely developed residential areas and industrial estates, and open spaces founded

on reclaimed land. The southern part of the city is defined by its seafront, historic fortifications and Victorian residential development. The northern extent of the city lies on the mainland and is characterised by residential areas with larger semi-detached housing dating from the 1930s.

Portsmouth's relatively compact size lends itself to walking and cycling and it is well connected to the wider region and to London and Europe by rail, ferry and road. Portsmouth, despite its dense urban environment and industrial heritage, benefits from a rich diversity of flora and fauna in its coastal, harbour and chalk grassland environments. Over 30% is covered by statutory nature conservation designations in recognition of its value to international, national and local biodiversity. The impacts of new development can cumulatively disturb and pollute these environments, potentially affecting key species and the quality of the water environment in the Solent.

Portsmouth's association with the Royal Navy stretches back almost a thousand years. The legacy of this is some of the greatest concentrations of historic military architecture in Europe, not only in the number of Grade I and II\* listed buildings found within the Historic Dockyard, but also in the diverse range of Listed and Scheduled forts and castles that ring the city. Today Portsmouth is still Her Majesty's (HM) Naval Base for almost two thirds of the Navy's surface ships. The city's maritime heritage and historic

waterfront, as well as its literary associations has fostered a range of tourist attractions. These include the Historic Dockyard (home of The Mary Rose, HMS Victory and HMS Warrior), the D-Day Story, Charles Dickens Museum, Gunwharf Quays designer retail outlet and the iconic Spinnaker Tower. There have also been more recent enhancements to the historic environment, including the Hotwalls art studios in Old Portsmouth, a creative re-use of part of the original military seafront defences.

In the early 19th century, the southern part of Portsea Island (Southsea) began to develop as a picturesque satellite settlement with miles of seafront promenade and common. The city's other registered historic parks were established in this era; Victoria Park in the city centre (1878) and Kingston Cemetery in North End (1856). Fratton Park in Milton (1898), constructed late in this period, is still home to Portsmouth Football Club today. Many of the city's 23 conservation areas protect Victorian and Georgian features stemming from this period.

Moving into the 20th century, Portsmouth was one of the most heavily bombed cities in Britain during the Second World War, destroying over 6,000 buildings and damaging many more. Gradual clearance of the worst affected areas, and their subsequent reconstruction, took place between the late 1940s and 1970s in the form of Portsmouth City Council housing estates in Paulsgrove, Landport, Somerstown, Buckland and Portsea, as well as the development of Leigh Park in Havant.

Today, Portsmouth has a total housing stock of 89,800 homes (May 2021). This consists

of 52,882 (58.9%) owner occupied homes, 19,738 (22%) privately rented, 10,080 (11.2%) are council rented and 7,100 (7.9%) are Housing Association homes.

Portsmouth International Port opened in 1976; England's largest municipal port, with the commercial quay serving over 300 ships per year and total imports and exports of 985,000 tonnes in 2019. It deals with over 2 million passengers and 600,000 vehicles a year and is the second busiest cross-channel ferry port and is a key western channel route. The opening of a new terminal in 2011 increased the Port's attractiveness of the Port as a cruise ship destination, and growth of the Port continues with further development of the cruise offer funded by £11.25m Levelling Up Fund Round 1

Today much of the city's key economic sectors in defence, aerospace, advanced manufacturing and technology, and as well as the tourism, digital and creative industries, stem from the city's marine and maritime legacy. These activities are supported and strengthened by links to the University of Portsmouth, an award winning, world-class university, which has recently received international acclaim for its enzyme-enabled solutions for the circular recycling of plastics. The University plays a key role in supporting local businesses and in contributing to the vibrancy of life in the city. In the first, and so far only, national assessment of teaching quality in 2017 (the Teaching Excellence Framework [TEF]) the University got the highest rating available – Gold.

In the recent Research Excellence Framework (REF2021) – the national assessment of university research quality

– 77 per cent of research submitted by the University was ranked in the highest categories – world-leading and internationally excellent.

In the Times Higher Education REF rankings – based on REF2021 results – Portsmouth was ranked 6th of all UK universities for Physics.

As a city, Portsmouth enjoys excellent partnership working with other local authorities and with colleagues in health, including the Clinical Commissioning Group (CCG), Solent NHS Trust, Portsmouth Hospitals University Trust, the police, probation, fire service, University of Portsmouth and with business – through Shaping Portsmouth. HIVE Portsmouth is a critical strategic partner and link to the voluntary and community sector in the city. All partners worked together throughout 2019 and 2020 through the “Imagine Portsmouth” exercise, which brought together around 2,500 people representing residents, businesses and organisations who live and work in Portsmouth to talk about their hopes and dreams for their city.

# A vision for Portsmouth

Through workshops, focus groups and city-wide consultation, we heard everyone's ideas about what sort of city Portsmouth should be, and took everyone's ambitions for Portsmouth to create a vision for Portsmouth's future that everyone can get behind and work towards.

Our vision for Portsmouth in 2040 is that we are very proud of Portsmouth, how we behave towards each other and how it feels to live here. Portsmouth people will have strong beliefs and values:

**We believe in collaboration** – We will all take responsibility for our city and we enjoy working together for the common good, across neighbourhoods, communities, organisations, sectors and businesses

**We believe in our equality** – We will be a fair and equal city where everyone has the opportunity to succeed, enjoy and

thrive in the life they want to live, and so we welcome and support each other without discrimination

**We believe in respect** – In 2040 we know every person in Portsmouth has a valuable contribution to make, whether we live, work, study or visit here, so we respect each other's differences, and make sure everyone feels included and safe

**We believe in our innovation** – We are ambitious and action-oriented, welcoming new ideas and embracing changes that improve people's lives

**We believe in our community** – We will be so proud of our strong and friendly community spirit, how we all take care of each other, keep each other safe, help each other out, and make sure we all feel we belong

## We will be:

**A healthy and happy city** – We do everything we can to enhance wellbeing for everyone in our city by offering the education, care and support that every individual needs for their physical and mental health. All our residents and communities live in good homes where they feel safe, feel like they belong, and can thrive.

**A city rich in culture and creativity** – People in Portsmouth enjoy a vibrant cultural scene that makes the most of our location,

our heritage and our creative energy. We are full of things to do and places to be, welcoming locals and visitors with diverse events, attractions and venues that positively benefit our people and our city. We are known locally, regionally and internationally as a great waterfront and city destination that brings people together.

**A city with a thriving economy** – Portsmouth supercharges local businesses and entrepreneurs and attracts investment



nationally and internationally from businesses of all sizes. We build strong partnerships between employers and people to develop an excellent skills base and offer brilliant career opportunities to young people, students and adults, growing a better future for us all.

**A city of lifelong learning** – Our young people are encouraged to develop high, positive aspirations, and are fully invested in to make the most of their talent and potential. Adults have a wide range of education opportunities to choose from at every stage of life that empower them and enrich their lives.

**A green city** – We have excellent air quality because of our green spaces and sustainable transport, and this means our people live healthy and active lives. We are carbon neutral, use renewable energy and actively work to address climate change. We protect and enhance both our land and maritime environment for future generations.

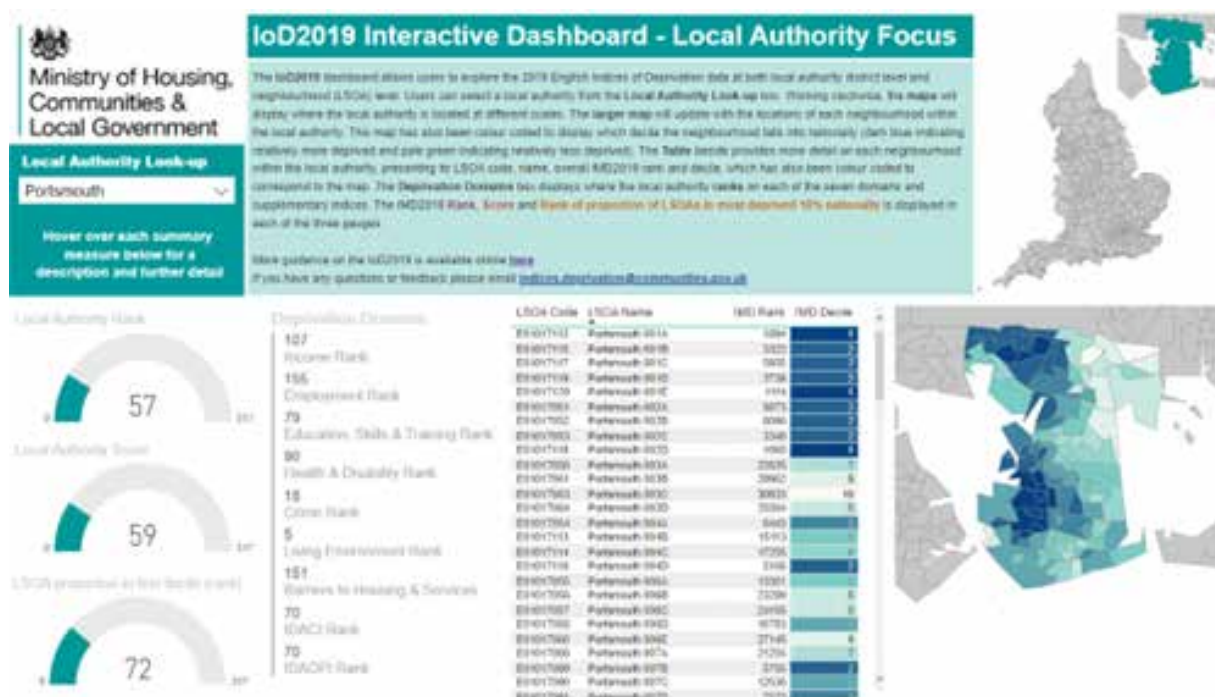
**A city with easy travel** – Fewer journeys are made by car because we have excellent public transport connections between bus, train, cycling and walking routes, making it easier and more enjoyable to be out and about. We encourage and support more walking and cycling, and we make it easy for people to travel regionally, nationally and internationally for work and pleasure.

# Key issues in Portsmouth

## Deprivation

The Index of Multiple Deprivation (IMD) is the official measure of relative deprivation. Portsmouth (along with Southampton) ranks as significantly more deprived than any other district within Hampshire and Isle of Wight. Of 317 LA districts in England, Portsmouth is the 57th most deprived by the average rank of each LSOA, the 59th most deprived by average score of LSOA, and 72nd most deprived by the proportion of its LSOAs that are in the most deprived 10% nationally. With only 2 LSOAs in the least deprived 10% nationally, and 15 in the most deprived 10%, Portsmouth has pockets of affluence rather than pockets of deprivation.

- 6,500 (16.5%) children under 16 in Portsmouth are in absolute low-income families (before housing costs, 2019/20)
- 8,000 (20%) children under 16 are in relative low income families (before housing costs, 2019/20)
- 6,500 (17%) of over 60s live in income deprivation (IDAOP1, 2015/16).
- 21,000 (25%) households in Portsmouth are below 60% of the median income after housing costs (ONS 2013/14 estimates), rising to 45% in more deprived areas of the city.
- In 2021, the median average weekly earnings in Portsmouth was £468, which is than the England average (£496) and Southampton (£521.40); and significantly lower than the South East (£530.40).





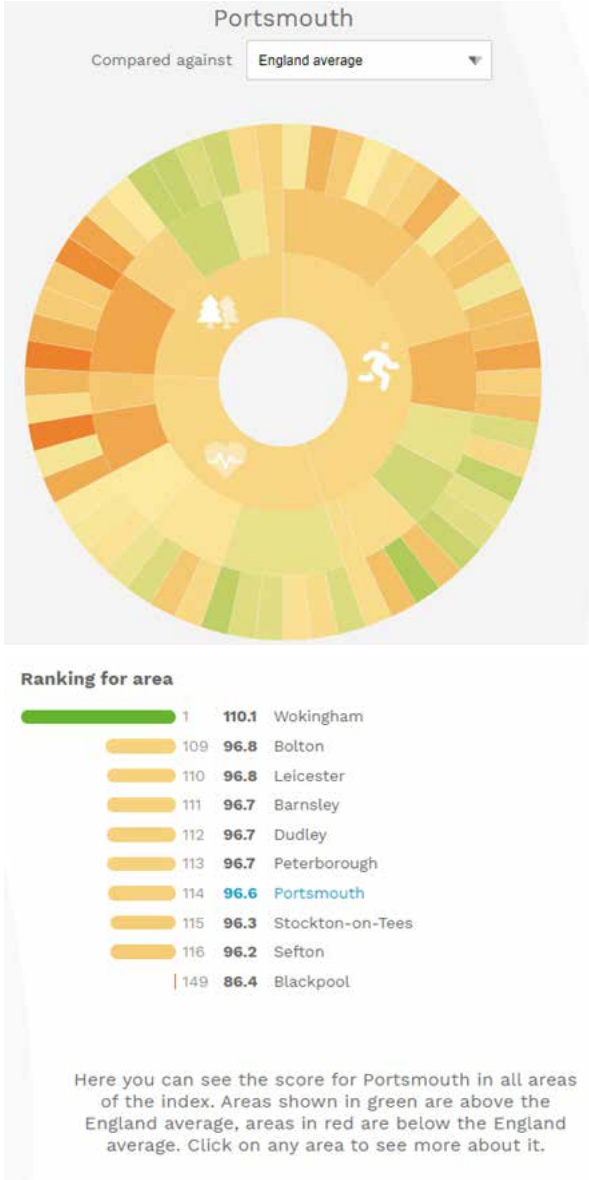
# Health inequalities

Health outcomes in the city reflect the levels of deprivation. In 2018, then Chief Medical Officer, Dame Sally Davies, proposed a Health Index “that reflects the multi-faceted determinants of the population’s health”. The Office of National Statistics (ONS) launched the draft Health Index in December 2020, with an updated version due to be published in March 2022. It provides “a single headline indicator of health that is transparent in its construction, can be compared over time, can be compared at different geographical levels, and can be broken down into the effects that drive changes”. The Health Index aligns with the World Health Organization’s definition of health, that health “is a state of complete physical, mental and social wellbeing, and not merely the absence of disease or infirmity”

The index is broken down into three domains, each with a number of sub-domains:

- healthy people – health outcomes, ensuring representation of the population as a whole
- healthy lives – health-related behaviours and personal circumstances
- healthy places – wider determinants of health, environmental factors.

The Index is scaled to a base of 100 for England in 2015. Values above 100 indicate better health than England in 2015, below 100 indicates worse health. Data for Portsmouth in 2018 showed that health was worse than the England average in 2015, and that the city’s relative position has worsened in the years since. Portsmouth’s position has worsened in relation to health outcomes and



wider determinants, and improved in relation to health-related behaviours. Portsmouth is not an outlier in terms of its overall score. It sits within a pattern in which more deprived areas have less healthy populations.

Exploring sub-domains within the Health Index suggested a number of areas where outcomes are much worse in Portsmouth than in England. For example, out of 149 local authorities, where 1 is the best, Portsmouth ranks 98th for child poverty,

112th for household income, 113th for children's social, emotional and mental health, 133rd for GCSE achievement, 135th for air quality, 139th for self-harm, 141st for pupil absence, and 145th for road traffic

volume. Many of these areas will have been significantly impacted by Covid-19 and existing disparities are likely to have been exacerbated

## Educational Attainment

The education that people receive is an important preparation for the rest of their lives, equipping them with many of the things they need to go on and lead successful lives. Attainment can be an important factor in the opportunities people can take up in later life, and in turn, these opportunities can be important determining factors for physical, mental and emotional health.

In many key measures of educational attainment, Portsmouth is ranked lower than other cities. There is a paradox in that the city is strong in terms of Ofsted judgements, with 92% of inspected schools and 96% of early years settings assessed to be good or better, but the city has weak outcomes in terms of educational outcomes, particularly at the end of Key Stage 2, when children finish their primary school years and Key Stage 4, when they finish secondary schooling.

Portsmouth prides itself on being an inclusive city, and received a very positive

report from Ofsted in 2019 on the response for children with special educational needs and disability, and yet relative to other places we see poor outcomes for disadvantaged pupils, pupils on SEN support and children who are looked after.

The city has leaned into the academisation agenda and focused clearly on school improvement, and yet a step change in outcomes has not been achieved. On the last comparable data (before the pandemic struck), at Key Stage 2, 58% of children achieved the expected standard across Reading, Writing and Maths, compared with 65% of their peers nationally. At Key Stage 4, 35% achieved a strong pass in both English and Maths compared to 43% nationally, and 56% achieved a standard pass in these subjects compared to 65% nationally. For children meeting the expected standard in reading at KS2, the city ranks 148th out of 152 local authority areas; and 147th for the average Attainment 8 score at KS4.

## Skills and labour market

These outcomes have implications for achievement at further and higher education. The most recent statistics show that the proportion of young people not in education, employment or training has risen to 5.2%. There is also concern about the number of young people leaving post-16 without a positive destination.

Despite being a university city, Portsmouth has relatively few people with degree level skills; this poses a challenge for residents looking to obtain highly paid work. Portsmouth also has a higher proportion of residents with no skills (6.9%) compared to the average for the south east (5.6%), though this remains lower than the national average (8.0%).

Many higher paid and higher skilled jobs are taken by employees commuting into Portsmouth and not by residents. Resident salaries are lower than the national average despite city workplace wages being higher – this indicates the lower skills level of the local workforce.

The employment rate in Portsmouth increased to 76.7% in the year to September 2021, above the UK average rate (74.5%). However, at 5.5% the unemployment rate in Portsmouth is also higher than the UK average, although this had decreased on the previous quarter. In the 12 months to September 2021, the youth unemployment rate in Portsmouth decreased to 12.8%, lower than the UK average (13.3%).

The overall rate of Portsmouth economic inactivity rate decreased to 18.9% in the year to September 2021, and is lower than the UK average rate (21.7%).

Following a seasonal slowdown, hiring intentions (online job postings) in Portsmouth bounced back in February by 8% after falling in January (-8%) and stood 23% above pre-pandemic levels (February 2020). By early March, online labour demand in Portsmouth was 52% higher than in March last year (Emsi), suggesting a buoyant labour market.



## City economy

Portsmouth is an important centre for work within the sub-region; home to two-thirds of the UK's naval fleet and an internationally recognised university. The Solent Local Enterprise Partnership (LEP) predicts that Portsmouth will be one of the key drivers of growth within the sub-region during the plan period.

The city is key to the Solent's growing marine and maritime sector; Portsmouth benefits from the presence of International Port, HM Naval Base and a number of waterfront access sites (including Trafalgar Wharf, Port Solent and The Camber). Portsmouth City Council is one of the city's major employers alongside the Naval Base, the University of Portsmouth, Airbus Defence and Space, BAE systems and Pall Europe. Lakeside North Harbour Business Park in Cosham offers a premier office, research and development space which draws businesses from across the sub-region, while the city's well-occupied industrial estates in Hilsea support a range of sectors. The city's economy is also boosted by its tourism and cultural offer stemming largely from its Naval Heritage and coastal environment. The University of Portsmouth contributed around £1.1. Billion Gross Value Added (GVA) to the British economy in 2015/16, of which £476m GVA was to the direct benefit of the Portsmouth economy.

The presence of the University helps support local businesses and adds to the vibrancy

of the city. The University's activities, which include running business incubators and innovation centres, research and consultancy services, training, student placements and open days, all provide further support to the Portsmouth economy.

However, there is notable under-representation in Portsmouth in some high value-added and knowledge related sectors including finance, insurance and business services and the professional, scientific and technical sub-sector, compared to the national average.

There have been significant net losses in office space in Portsmouth in recent years, particularly in the city centre, largely due to the redevelopment of key sites to hotel and student accommodation as well as office to residential conversions under permitted development rights. While these losses may be reflective of market trends and other factors during this period, providing accessible, high quality office space remains essential for supporting the city's economic development and regenerations aims. New office floorspace is therefore required to meet both the existing undersupply and future demand. Growth in industrial land (mixed industrial and distribution uses) in Portsmouth has been comparatively buoyant in recent years however, and may see demand continue within particular sectors.

## Land availability

Planning for the future development of Portsmouth is considered in a much wider context than just the boundaries of the city, in part due to its geographical constraints as a coastal city. Development in Portsmouth can have wider impacts across the sub-region. Equally, development in south Hampshire can affect Portsmouth. For example, Portsmouth forms part of a wider housing market sub-area within which evidence suggests people move home to live and work. The city has a wider draw as a major cultural, commercial and tourism centre for the sub-region. Large volumes of people and goods flow in and out of the city every day, by road, rail, ferry services, cycle routes, the Port and other import wharves.

As a result of its activities, the city has an environmental impact which goes beyond the city boundaries, and is in turn affected by development and activity in other areas. This includes potential impact of traffic in and out of the city, the supply, treatment and the disposal of water, and the pressure on the open spaces for development both within the city and in the surrounding countryside. The Council works effectively with colleagues across the South Hampshire area, through the Partnership for South Hampshire (PFSH) to help plan this development collaboratively.

Portsmouth is known for being one of the UK's most densely populated cities, a trend that is continuing with increases in the average density of new build development since 2012. Building density levels in Portsmouth have always been relatively high, in part due to the historic development of the city, with the rows of artisan terraces built for the Naval Dockyard workers and their families, as well as the island geography constraints on developable land.

Key opportunities for future development are likely to be centred in five strategic development areas:

- **City Centre**
- **Tipner**
- **Fratton Park and the Pompey centre**
- **St James' Hospital and Langstone Campus**
- **Cosham**
- **Lakeside Northarbour**

Balancing the demands for housing space, employment space and preserving the local environment is particularly difficult in a city that is already densely developed, has significant constraints but also significant demands.

## Environment

Portsmouth has a rich natural environment; bound to the north by Portsdown Hill and surrounded by the Solent to the south and Langstone and Portsmouth Harbours to the east and west. These habitats support a wide variety of important plant and animal species. In addition, 900 hectares of green space provide for recreation uses. 4.74 Portsmouth being a coastal city has a rich diversity of flora and fauna. There are many protected areas including those of European importance. Diverse habitats include Portsdown Hill to the north of the city to European protected mudflats in the Solent Maritime Special Area of Conservation (Langstone Harbour). Other internationally important sites include Portsmouth Harbour Special Protection Area, Chichester and Langstone Harbour Special Protection Area (both of which are Ramsar sites and Sites of Special Scientific Interest). There is a challenge for the city to protect and enhance the rich biodiversity and habitats in the city whilst providing proposed levels of development, and responding to the challenge of climate change.

Parts of the city are characterised by a highly urban environment dominated by traffic and corresponding high levels of air and noise pollution. Portsmouth has five Air Quality Management Areas (AQMAs) within the city; with traffic-related emissions (mainly nitrogen dioxide) being the main contributing factor for their poor air quality. Four of the five AQMAs are located along the western corridor, and the Clean Air Zone introduced in November 2021 seeks to mitigate this impact. Our challenge is to reduce reliance

on cars and encourage other modes of transport around the city and ensure suitable infrastructure is provided in conjunction with development.

Portsmouth, being a coastal city, has a higher flood risk than many areas and mitigation through flood defences is needed. Approximately 47% of the city's land area is within Flood Zones 2 and 3 (the areas of highest risk). The coastal frontages of Portsmouth are almost entirely defended from either wave overtopping or tidal flooding by some form of coastal defence and further flood defences are planned. The city is vulnerable from rising sea levels, extreme weather events and consequent flooding from the sea and groundwater.

The Portsea Island Coastal Strategy provides a long term strategic approach to the coastline of Portsea Island. New defences identified in the Portsea Island Coastal Strategy have begun to be put in place, with the major Southsea scheme now underway. The city has received funding from the Environment Agency to support this vital work.

The city also declared a climate emergency in 2019, pledging to reduce the city's carbon emissions. This is a further factor to be considered as options for growth and development are considered. Responses could include locating housing close to jobs and services to minimise the need to travel, and improving the energy efficiency of new and existing buildings, and promoting use of low carbon energy.

## City centre and retail areas

Portsmouth's town centres provide an essential network of accessible shops, services and community facilities. This includes Portsmouth City Centre (inc. Gunwharf Quays), Southsea, Cosham, North End, Fratton and Albert Road and Elm Grove as well as number of smaller Local Centres distributed throughout the city. There are also some significant 'out-of-centre' developments in Portsmouth offering a mix of outlet and warehouse retail, leisure and entertainment facilities. Notable sites include Port Solent, Portsmouth Retail Park at North Harbour, Ocean Park in Copnor and the Pompey Centre in Fratton.

Over the last decade, retail occupation in Portsmouth centres has largely reflected the trends seen in the retail sector nationally; declines in the face of competition from online shopping, out-of-centre stores and the shift to other more 'experience' focused pastimes. Since the start of the COVID-19

pandemic, town centres have experienced rapid change, including an accelerated shift to online sales. The larger centres have been particularly affected, due to the combination of continued home working, restrictions on domestic and international tourism and the need for continued social distancing.

Local centres are hugely important in terms of the amenity they provide for those living close to them, and the sense of community and identity they bring to their neighbourhoods. The larger retail areas, particularly the city centre, perform a similar function for the whole city, and are vitally important to the sense of city identity and esteem. The relatively recent loss of large anchor department stores in the city, and the increase in vacant units, have created significant challenges that need to be addressed through creative thinking around the use of buildings and public realm.

## Cultural landscape

Culture – from services like libraries and museums, to art galleries and theatres, to community groups and creative business – is unique in being a sector that brings together local government, business and voluntary and community sectors with residents and communities in a voluntary way – for the purpose of enrichment rather than compulsory service delivery. Cultural activity in the city therefore provides a unique platform for groups to come together for enjoyment, but also for change, growth and regeneration.

Portsmouth's unique heritage and coastal environment, together with sporting, arts and music events, offer a distinct cultural setting for the city.

Portsmouth has a wealth of attractions, including:

- Southsea seafront and common; Victorian seaside resort with everchanging sea views across the Solent, family attractions and activities.
- Over 800 years of maritime, defence and literary heritage found at sites across the city;
- Gunwharf Quays Designer Outlet; waterfront shopping and restaurants overlooking the harbour. • Spinnaker Tower; a landmark tower with magnificent views of Portsmouth Harbour, the Solent and the city.

- A growing programme of high-quality national and international events; such as Victorious Festival, the Great South Run, Americas Cup World Series and various food and drink festivals and markets.
- A wealth of cultural attractions and connections; theatre and performance venues (The Guildhall, The Kings Theatre, the New Theatre Royal) and a number of art galleries (including the Hotwalls Studios) and arts communities.
- Portsmouth Football Club at Fratton Park.
- A marina and boardwalk style development at Port Solent with shops, restaurants and leisure facilities.
- An eclectic range of independent eateries clustered in Southsea Town Centre and Albert Road / Elm Grove.

There is a body of research to support the idea that cultural assets and heritage can help to generate a 'sense of place' and belonging and counter feelings of social isolation. Culture is linked to 42% of inbound-tourism related expenditure and with over 550 companies working across the Creative Industries in Portsmouth and a visitor economy worth £600m per annum, supporting 13,000 jobs, culture is integral to the lifeblood of the city. The creative and cultural industries are one of the fastest growing sectors in the city and will be integral to our wider development aspirations, including the regeneration of the city centre.



# Portsmouth's UK Shared Prosperity Fund investment themes

In this context, there are specific challenges and opportunities relevant to the investment priorities of the UK Shared Prosperity Fund:

## Communities and place investment priority

### Challenges

Our key challenges are:

- Arrest and reverse the decline in the city centre, as a gateway to the city and a critical part of the city's identity – create opportunities for collaborative working and building a shared vision
- Address and reverse the decline in other retail and local centres, to ensure that they are vibrant and serve their localities, providing a strong offer and creating a sense of community
- Strengthen the approach to heritage in the city, moving away from an approach dominated by the maritime identity and addressing heritage assets in decline.
- Tackle environmental challenges including Air Quality and the very urban environment

### Opportunities

Our key opportunities are:

- Work that has been undertaken through the Future High Streets Fund, and to develop a masterplan for the city centre – this includes adjusting the road layouts for the city centre and developing a greater mix of residential use, and an urban park.
- Build on the strengths identified in the approach to the city centre, including the pedestrianised public realm, proximity to the park and Guildhall and good transport connections (connected to the Levelling Up Fund Round 2 bid)
- Build on the strengths and depths of the creative industries in the city and use these to revitalise areas
- Revitalise the Hilsea Lido
- Work in partnership with Portsmouth Football Club to improve access to the grounds
- Take forward a new heritage strategy that will drive an approach around creative reuse of assets and looking at the intangible heritage of the city.

# Local Business Investment priority

## Challenges

Our key challenges are:

- The lack of suitable space for business in the city
- The relatively low business survival rate
- Skills gaps in the workforce that deter businesses from investing in Portsmouth

Ensuring that there is clarity around the relationship between growing the local economy and being environmentally responsible

## Opportunities

Our key opportunities are:

- Redevelopment of high street areas and the opportunity to consider changes to space usage to address business demand
- Development of strategic sites to take account of demands for employment space, particularly where there are unique features such as deep water access.
- Portsmouth is an enterprising city with a high number of start-ups
- Home to leading university, key marine and maritime businesses, advanced manufacture, international port, freeport site and naval base, supported by access to water and deep channel water
- Advanced agenda for the city environment, including the Clean Air Zone and Climate Emergency, leading to innovative work in green growth and skills

# People and skills investment

## Challenges

Our key challenges are:

- High levels of deprivation, particularly concentrated in some wards in the city; multi-generational hardship
- Poor outcomes for residents particularly in relation to health, including mental health, and education
- Relatively low levels of skills in the resident workforce

## Opportunities

Our key opportunities are:

- Strong approach to supporting employment for people experiencing barriers
- Strong partnerships around skills and employment pathways, and effective programmes
- Developing approach to youth support in the city

The table set out as Appendix 1 highlights how interventions funded by the UK Shared Prosperity Fund will support us in tackling our identified challenges, amplifying the opportunities for the city and driving improved outcomes.

# Appendix 1

## UK shared prosperity fund – preferred interventions

### Investment Priority – Communities and Place

### Linked Levelling Up Fund Mission/s – Healthy Life Expectancy, Wellbeing and Crime

### City Vision Link – Imagine a happy and healthy city

Challenge/opportunity area	Policy links	Existing projects to align to	Example projects	Potential outcomes and impacts
High street and retail area regeneration	Local plan City Centre Masterplan and development strategy	Future High Streets £6.9m (Fratton and Commercial Road) City Centre North scheme Guildhall Walk scheme Safer Streets District centres work	Investment in community / social projects Well designed, safe public realm	Pride of place and sense of community Better quality of life for population More attractive place to live and work Increased sense of safety and security Enhanced perception of Portsmouth as a place to live, work and visit More expenditure towards the local economy
Approach to heritage	Heritage Strategy	Hilsea Lido regeneration as part of Linear Park LUF1 project	The development, restoration or refurbishment of local natural, cultural and heritage assets and sites The delivery of outreach, engagement and participatory programmes for these local assets and sites Unlock existing buildings for economic use	Increased visitor numbers Increased footfall Improved perception of facilities/ amenities Improved perceived/experienced accessibility
Environmental challenges, including reducing carbon, improving air quality and supporting biodiversity	Climate Strategy & Carbon Action Plan Air Quality Strategy Local Plan	Greening strategy implementation Clean Air Zone Local Cycling and Walking Improvement Plan Southsea and Cosham Travel Hubs Future Transport Zone Zero Emission Buses EV charging Lakeside energy efficiency works Portsmouth International Port energy efficiency works	Accessible public transport methods e.g. cycle and pedestrian routes Encouraged use of greenspace through community activities, sports facilities	High quality, well designed transportation networks Improved air quality Improved quality and use of public realm Reduced carbon impact
Develop support for the city's creative and cultural industries	Economic Development and Regeneration Strategy Arts Council Priority Place status	Cultural projects building on literary assets	Creation of new tourism and leisure activities including events Support for cultural infrastructure in the city	Increased employment opportunities in cultural and creative sector Boosted economic performance of cultural and creative sector Improved attraction for cultural and creative businesses to locate in Portsmouth Cultural and creative industries using suitable premises

## Local Business Investment

Challenge/opportunity area	Policy links	Existing projects to align to	Example projects	Potential outcomes and impacts
Develop suitable spaces for business, including promoting value of unique locations at strategic sites and the opportunity of the freeport	Economic Development and Regeneration Strategy Freeport development Local Plan	Port Terminal Extension Freight Yard Freeport development Tipner redevelopment	Unlocking employment space to increase number of jobs	Enterprises using high quality, new commercial space Increased employment opportunities Improved diversification of employment offering Boosted economic performance Improved attraction for businesses to locate in Portsmouth Improved labour market
Support environmental responsibility in the local business community, including through research and innovation	Climate Strategy Air Quality Strategy	Greening strategy implementation Clean Air Zone Local Cycling and Walking Improvement Plan Southsea and Cosham Travel Hubs Future Transport Zone Zero Emission Buses – Bus Strategic Improvement Fund EV charging Lakeside energy efficiency works Portsmouth International Port energy efficiency works	Develop one-stop shop model for business support on environmental issues, including access to networks and peer support	Improved environmental performance in city businesses linked to reduction in carbon impact and improvements in other environmental outcomes. Reduced costs for businesses in long term from impact of interventions eg. energy costs
Increase business support to improve survival and growth rates	Economic Development and Regeneration Strategy	Business support offer Crowdfunder scheme	Business support activity for entrepreneurs Support for starting businesses Funding for start-ups and new companies locating in Portsmouth Strengthening local entrepreneurial ecosystems and connecting businesses to wider support on, for example, innovation, trade and skills Increasing private sector investment in growth enhancing activities, through targeted support for small and medium sized businesses to undertake new-to-firm innovation, adopt productivity enhancing technologies and techniques, and start or grow their exports	Businesses attracted to Gosport due to survival rates More jobs created New businesses created Reduced vacancy rates Improved perception of markets Increased business sustainability

## People and skills

Challenge/opportunity area	Policy links	Existing projects to align to	Example projects	Potential outcomes and impacts
Tackle issues around education and skills as a route out of poverty	Health and Wellbeing Strategy Skills and Labour Market Strategy Portsmouth Education Partnership Multiply	Net Zero Skills Hub	Implementation of skills and education programmes for children and adults Adult learning classes/activities Increased awareness of higher education opportunities Businesses working with local schools offering internships etc.	Increased skillset of population Reduced social and health issues Increased economic activity Decreased public spending on health and social care Population gaining qualifications, licences and skills Upskilling of the population Increased number of people with basic skills (English, maths, digital and ESOL) Wider participation in higher education
Strengthen support for people experiencing barriers to work	Skills and Labour Market Strategy SEND strategy		Diversify employment offering Supplement provision available through national employment and skills programmes	Fewer people facing structural barriers into employment and into skills provision
Develop the approach to youth support in the city	Youth Investment Fund approach	DWP Youth Hub	Improved offer of services targeted at younger ages	Improved outcomes for young people and families across domains including wellbeing, education, employment and interaction with criminal justice system.



# Agenda Item 4



**Portsmouth**  
CITY COUNCIL

**Title of meeting:** Cabinet

**Date of meeting:** 22 November 2022

**Subject:** Crowdfunder Portsmouth Platform funding

**Report by:** Tristan Samuels  
Director of Regeneration

**Author:** Jane Lamer  
Head of Economic Development and Skills

**Wards affected:** All

**Key decision:** Yes/No

**Full Council decision:** Yes/No

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## 1. Purpose of report

- 1.1. To review the impact of the crowdfunding platform 'Crowdfund Portsmouth' on the city since its inception on 30 November 2019, and the funding requirements for the scheme to continue beyond 30 November 2022
- 1.2. To consider the proposal to continue using Crowdfunder UK as the crowdfunding platform for Portsmouth City Council, thereby extending the existing their contract for a further year from end of November 2022. The paper also highlights that a continuation of using Crowdfunder UK would provide a seamless support to contribute to economic growth and inclusive community amenities in the city and provide value for money.
- 1.3. To identify and allocate an additional spend to support the ongoing development of the Crowdfunder platform to support Portsmouth businesses for a period of 10 months\* in year 4 of:

Crowdfunder platform and support	£28,200
Grant funding for businesses	£40,000
Total investment	<b><u>£68,200</u></b>

Please note the platform can also continue to use CIL (community infrastructure levy) funds and allocate that using the same profile and increasing reach for this funding. CIL is a separate project and unrelated to this central work.

\*Procuring 10 months for year 4 of delivery saves the council £3,960 (£3,300 plus VAT) and pauses delivery in July and August which are traditionally slow months of interest.

## **2. Recommendations**

- (i) That the Council supports an extension of the contract with Crowdfunder UK at a cost of £28,200 for 1 year (10 months of delivery) and looks to seek a self-service model for any further delivery (removing Crowdfunder support) if this finds approval to reduce costs in subsequent years.
- (ii) That the Council supports a further top-up of £40,000 to the Small Business Fund to enable further business creation and growth, which will support a minimum of 8 match funded projects.
- (iii) That recommendations 2 (i) and 2 (ii) are funded by the Council's 2022/23 share of the UK Shared Prosperity Fund

## **3. Background**

- 3.1 In the report October 2019, £30,000 was approved by the council to provide the city with a new bespoke and enhanced service from Crowdfunder UK. This £30,000 paid for a three-year contract with Crowdfunder UK to establish and maintain the platform.
- 3.2 An additional £40,000 was approved at the same time to provide council's match funding for a business grant scheme called 'Small Business Fund'. The aim of the scheme is to support business start-ups and business growth that deliver outcomes in support of the council's Economic Development and Regeneration Strategy 2019 - 2036. Scheme guidance and criteria for the Small Business Fund, along with information on Portsmouth business crowdfunding activities are detailed on this website link <https://www.crowdfunder.co.uk/funds/crowdfund-portsmouth>
- 3.3 The scheme also had a top-up of further £30,000 in July 2020 to support the 'Pay It Forward' campaign which was designed to help businesses who have been adversely affected by COVID-19 to receive the help they needed, particularly those who have not been supported with government funding packages. The scheme therefore aims to help small eligible businesses to access immediate alternative revenue stream, and a local community of business support.
- 3.4 To date, Crowdfunder Portsmouth has supported 34 projects with a total of £105,730 pledged from Portsmouth City Council (3 grant streams, including CIL) with a further £212,068 from the crowd. The projects supported have been across a range of sectors from food retail to cultural and creative industries. The scheme also leveraged £20,000 from external sources. £105,730 of council funds has levered in £20,000 of other funds. Information on this can be found in Appendix 2, *Crowdfunder Portsmouth Review 2022*.
- 3.5 The CIL Transformation Fund (CTF) has been formally active for 1 year and as such to date the scheme has supported 3 projects with a total of £7,000 pledged



from Ward CIL (community infrastructure levy) with a further £7,460 from the crowd. It should also be noted that a further project has recently been approved and a pledge of £1,500 has been made towards the project. In addition, a further match funding application is currently pending and is on the Council's Members Information Service to secure a £2,500 match funding from the CTF.

- 3.6 The projects supported have been across a range of sectors from greening projects, sport/leisure facilities, infrastructure to support the running and provision for community centres to cultural and creative projects.
- 3.7 Prior to the CTF being added to the platform, Ward CIL pledged funds through the platform as 'offline pledges' towards the 'Bring Back the Southsea Dinosaur' (£5,000) and the Orchard Park Project (£17,000), to which three ward contributions were secured. The pledges were added manually so are not included in the formal totals. In addition, the Orchard Park Project also leveraged £10,000 from an external source (Sports England).
- 3.8 The Economic Development team has seen great benefits of working closely with Crowdfunder UK through the regular drop-in sessions with the business community, particularly those who are previously hard to reach businesses and community groups. A series of case studies have also been produced and promoted which helped to increase the awareness of a local council business grants scheme.
- 3.9 In [March 2021 Cabinet approved](#) the commissioning of a city wide CIL Neighbourhood crowdfunding scheme, known as the CIL Transformation Fund (CTF). An earmarked reserve of £50,000 was approved to provide funding of up to 50% of the total project cost, up to the maximum of £5,000 per project to support schemes that comply with the requirements of [CIL Regulations 59F](#) to deliver outcome in support of the provision, improvement, replacement, operation or maintenance of infrastructure within the city.
- 3.10 Community orientated projects could be eligible for match funding through the Councils Neighbourhood Community Infrastructure Levy (CIL) process through its CIL scheme on the platform. The grants for CIL will be specifically for community led projects and therefore need to follow separate procedures and recognise specific national regulations.
- 3.11 Match funding, if awarded, will only be released if the project meets its fundraising target from the crowd. The Crowdfunder UK manages and supports fundraisers to do an effective fundraising campaign, as well as helping to navigate and identify other relevant funders to maximise their success rate.
- 3.12 Appendix 2 details a summary of all projects supported since 1 December 2019, including additional funds leveraged from the crowd and external funding sources.

#### **4. Reasons for recommendations**

- 4.1.1 The estimated costs of continuing to manage the Crowdfunder UK platform would be a further £28,200 for part of 1 years as full service. This will pay for



Crowdfunder UK to continue to deliver a specialised support package including the following:

- Manage the digital funding campaign - communicating the high level aims and objectives of the campaign the funding and coaching opportunities available, detailing the fund criteria and linking through to an application form
- The Fund match platform - this is a digital platform providing the tools needed to make informed decisions on projects to support, ensure the validity of those projects, verification process, and securely transfer funds to those projects.
- Applications and Reports - simple online applications, completed as part of the process of creating a crowdfunding campaign will be used to gather eligibility information and enable the decision-making process.
- Dashboard - a dashboard will be provided, enabling the commissioning team to make live pledges on projects they want to support.
- Fund Wallets - wallets enable funds to be deposited and live pledges to be made, which are distributed once the project has successfully hit their target, and relevant checks completed.
- Fund matching enabling - managing an automated system for when a relevant project registers with site, and fills in relevant information, it will be alerted to the funding available for them and signposted to these pages to fill in the simple application form.
- Market and coaching support - to maximise the opportunity for potential projects to be made aware of the funding and support opportunities to help them build skills and capacity so they can raise the funds they need.
- Accelerator program - deliver three accelerator programs in each year which ensures projects have access to peer support as well as guidance and support from the crowdfunding provider's own coaches.
- Evaluation process - to supply analytical and evaluation reports as part of measuring the effectiveness of the platform.

4.2.1.1 The Small Business Fund currently has a balance of £11,770, and so a further £40,000 is required to top-up the Small Business Fund so that it could continue to support more businesses over the next year.

## **5. Integrated impact assessment**

No identified concerns - inclusive funding stream

## **6. Legal implications**

6.1 Legal Services can advise and assist with the documentation of the proposed extension to the existing Crowdfunder contract having regard to the Council's Contract Procedure Rules.

6.2 The potential risk concerning the availability of the UKSPF funding is noted but it is understood that this is not considered to be substantial.



**7. Director of Finance's comments**

- 7.1 The report requested that £68,500 is funded from the Council's allocation for the UK Shared Prosperity fund. This is appropriate use of the grant funding and is affordable as set out in the Council's UKSPF investment case
- 7.2 There is a small risk that the investment case will not be approved by the Department for levelling up. If the investment case is not accepted and the funds do not come to Portsmouth, then an alternative funding source is identified by the Portfolio holder.

.....  
Signed by: Tristan Samuels  
Director of Regeneration

**Appendices:**

**Background list of documents: Section 100D of the Local Government Act 1972**

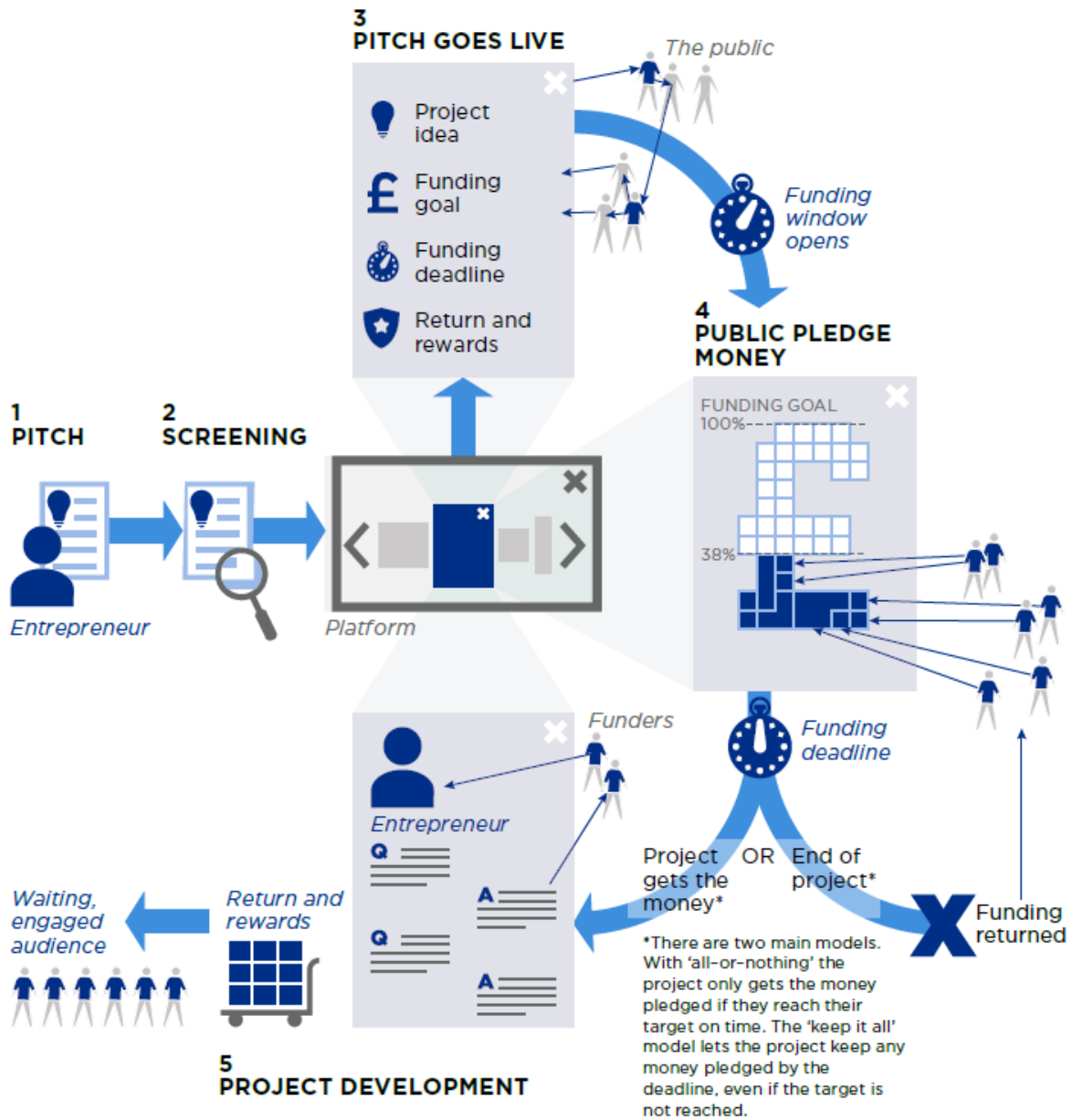
The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
Crowdfund Portsmouth Proposal	Appendix 1
Crowdfunder Portsmouth Review	Appendix 2
Example Crowdfunder process	Appendix 3 (below)

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:

**Appendix 3: Example crowdfunding process**



(Source: Crowdfunding Good Causes, NESTA, June 2016)

## **Crowdfund Portsmouth**

### **Eligibility**

The Council is only able to match fund projects that are being delivered by constituted organisations. This includes businesses, community groups, social enterprises, residents or traders associations, local charities, schools, and neighbourhood forums. This is because individuals are not able to be recipients of public money.

### **Criteria**

Match funding pledges from the Council are awarded on the basis that projects can demonstrate that they are in line with CIL Transformation Fund (CTF) criteria

### **Further Essential criteria**

- The project must be local to the PO1 to PO6 postcode and benefit local businesses, people who live or work in it
- The project must have regard to equalities and diversity. It must therefore be inclusive and accessible to everyone.
- The project must have strong local support, shown through a vibrant crowdfunding campaign.

### **Key process (to be delivered by the crowdfunding provider)**

1. Crowdfunder UK will carry out a verification process which takes place before a project is given the green light to post onto the platform, should ensure that proscribed organisations do not have the opportunity to go live with their fundraising. In addition, the Council will be alerted to projects before they go live so will be able to raise an alarm on anything suspicious at a very early stage and the much higher visibility on the website once a project does go live means that the “eyes of the crowd” offer an additional level of scrutiny for suspicious groups/activities.  
Verification is all about finding and rectifying weaknesses and problems before any fundraising is done and finding the points of failure before a project starts rather than afterwards which reduces risk for investors and significantly improves project deliverability.
2. Fundraising process commences and a project delivery contract is agreed and when their funding target is reached, council officers will assess suitable funding bids against the CIL criteria and process and send on to Cabinet Member for decision making.
3. Project delivery commences and payment is transferred to applicant. The project delivery contract is legally bound to ensure the funds raised are spent delivering the project as set out on the platform, and if not due to negligence or fraud, or if the delivered project is 'substantially different' from that originally promoted to the funders, the applicant would be liable and could be taken to court by either Crowdfunder UK or any of the project funders.
4. Evaluation process carried out by Crowdfunder UK.



Page 47

# Crowdfund Portsmouth

## Proposal

July 2022

Su Johnston



# Crowdfunder at a glance

# £260m

Total raised on platform from  
a crowd of more than 2m,  
unlocking tens of millions more  
from partners

## 43,000

'Projects' funded  
across the UK

## 250+

Projects  
added daily

## 25K+

Charities live  
on our platform

## £5.7m

+Extra funding  
live now

## 50

Active funders

## 2m

Supporters  
To date





# Supercharged giving for communities, charities, social enterprises, businesses and individuals

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## Nectar Donate

Enable supporters to donate Nectar points to your charity



## +Extra Funding\*

+Extra funding may be available to help you raise more funds



## Fundraisers

Can be created towards both your projects and charity as a whole



## Regular Donations

Supporters can back you with a donation each month



## Donations

Accept donations on your projects from supporters



## Rewards

Offer a range of rewards for supporters to choose from



## Prize Draws

Raise money by offering something amazing in return



## Expert Support

We're on hand with advice to how best champion your cause

\* Extra and Live Match funding is dependent on eligibility criteria.

# All time summary

This summary shows the all time cumulative results of the programme from -

Page 50  
34 Projects backed

3,473 Supporters

£61 Average crowd pledge

£105,730

Pledged by Crowdfund Portsmouth

31.3%

£20,000

Pledged by other Crowdfunder PARTNERS

5.9%

£337,798  
Raised by projects to support your community

62.8%

£212,068

Pledged by THE CROWD

- Crowd
- Other partner funding
- Crowdfund Portsmouth

£2.19

£1

**NB:** This summary does not include the projects supported by the Solent LEP.

For every £1 pledged by Crowdfund Portsmouth projects received an additional £2.19

## An updated fund for the next two years

Over the last three years Crowdfund Portsmouth has made a strong start - we've seen a good range of projects from the arts projects for schools (Theatre Arts Starburst Performers - £2,120 with 27 supporters) to My Dog Sighs who taught us all that you can Crowdfund for a secret project if you have a following strong enough! (£54,737 with 734 supporters in 28 days).

We've also seen projects leverage the campaign and secure partner funding without a pledge from the council - the Pitt Street Skatepark secured a £10k pledge from Sport England.

We would of course very much like to continue the partnership and build on the foundations. We are confident that the CIL fund has made a good start and there is a pipeline of projects, but we also believe it's important to keep the awareness of the campaign up. That will depend on continued comms from the council team and the wider network such as Shaping Portsmouth and the Hive.

This proposal is for a two year extension to crowdfund Portsmouth and is presented as a discussion document in the expectation that we will hone the campaign and the proposal based on our learnings so far.

# Elements of the Crowdfunder approach



## Branded page

A branded page, sitting on a dedicated url, that will promote the match fund, host applications, live projects and content.



## Match Funding Distribution

Crowdfunder manages the applications process based on eligibility criteria.

Every project supported by the fund is backed by the wider Crowdfunder community amplifying the overall raise.

The online escrow account makes fund distribution easy and secure. Crowdfunder provides Due Diligence and Know Your Customer checks.



## Education and Skills

Crowdfunder provides a range of support to help projects succeed and build skills along the way:

- Live webinars and drop in sessions

- Online learning and guides

- Knowledge Hub

- Tailored email advice

- Customer support team

- Help centre

- Live project dashboard



## Communications support

Crowdfunder provides marcomms support and resources to help you reach potential applicants for the Match Fund including

- Launch announcement email to our database

- Inclusion of the Fund in Crowdfunder's ongoing "Extra Funding" campaign.

- "Extra Funding" assets for use on your social media channels.



## Powerful Data & Reporting

A dedicated dashboard brings together all data and reports on fund distribution and fundraising activity.

By bringing all data and reports into a single platform you can see where funds are being distributed, view and report on participation volume, funds raised, project success and impact delivered.

# Education & Skills - a different approach

## What support does Crowdfunder offer?

Crowdfunding can be daunting, we understand that, which is why Crowdfunder offers support to help projects succeed.



### Live sessions

Our team regularly host live and interactive sessions to share all the tips and know-how you need to be successful on Crowdfunder.



### Drop in sessions

We host weekly drop in sessions to give people a chance to ask their questions directly to one of the Crowdfunder team.



### The Help Centre

We run an online Help Centre to help answer FAQs in addition to our Support team who are on hand to help.



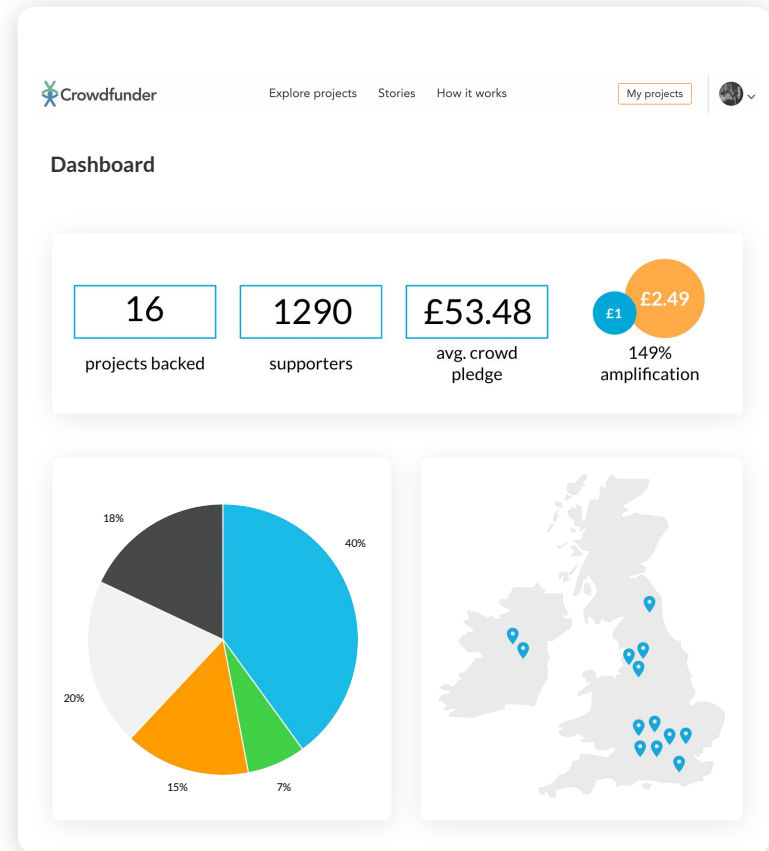
# Data and Reporting

## Monitor progress, measure impact and share your success with the world

- Crowdfunder Connect makes sure you have all the information to make your campaign as success at your fingertips.

Page 54 Your dedicated dashboard brings together all your vital data and reports on fund distribution and fundraising activity.

- By bringing all your data and reports into a single platform we've made it a lot simpler to report on the positive impact your organisation is making in your community.
- Clearly see where funds are being distributed and which projects are resonating with your community.
- View and report on participation volume, funds raised, project success and impact delivered.



# The money bit

- Fees - £26,817+ VAT
- 2 year £49,452

Project Fees - Project owners will pay variable fees, based on the project and organisation type. Full details available here: <https://www.crowdfunder.co.uk/fees>

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ITEM	Total annual cost
Platform (Design, Campaign page, Application form, Dashboard)	£1,391.51
Education	£2,297.10
Applicant Support	£3,675.36
Marketing	£7,485.52
Reporting	£2,672.59
Account Management & Helpdesk Support	£9,295.68

# Appendices

Some additional ideas:

- Benefits to Projects
- Benefits to Partners





# Benefits to our partners



## Stretches funds further

As a partner we can guarantee that the crowd will amplify your funding, which may be further leveraged with other private and public partnerships.



## Targeting

Funds can be promoted to a wide audience, projects filtered and then targeted effectively to those communities who most need the support or whose projects closely align with identified plans for an area and its people



## Lower cost

Because of the nature of Crowdfunding and particularly the digital platform/technology, distribution costs can be much lower than traditional channels (due to speed and automation) without compromising on security or increasing risk



## Measurable social impact

Beyond the pure cash support, Crowdfunding projects can deliver many Social Impact benefits, such as job creation, increased wellbeing, connectivity and inclusion, and building skills capacity in the community.

# Benefits to the projects



## Validation for their idea

Groups gather feedback from real people on their idea, and gain confidence from the positive comments left by Pledgers.



## Awareness of their project

Crowdfunding can be a powerful part of the marketing of a new enterprise.

It's an opportunity to test different ways of getting their message out.



## Advocates

Rewards offered are a great way to create long term relationships with supporters, either through pre-sales or the opportunity to engage with the organisation.



## +Extra funding and skills

Crowdfunding can support growth, along with creating a case for further investment.

Groups gain skills in using social media, fundraising, video making.

# Crowdfund Portsmouth Review

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*Where ideas happen.*

# All time summary

This summary shows the all time cumulative results of the programme from -

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£212,068

Pledged by THE CROWD

- Crowd
- Other partner funding
- Crowdfund Portsmouth

£2.19

£1

**NB:** This summary does not include the projects supported by the LEP. Linked [here](#).

For every £1 pledged by Crowdfund Portsmouth projects received an additional £2.19

# Collaborative funding from our other Partners

£20,000 pledged by  
Crowdfunder partners

Crowdfunder  
Prison officers need your support #HiddenHeroes

Help me to help others  
Gethin Jones

Crowdfunder  
Squidmoor | Planet Friendly Products

We did it  
June 2020 we successfully raised £10,000 with 110 supporters in 28 days  
You can help me reduce the pressure on my mental health by creating content that will help me and help them to recover  
by Gethin Jones in Portsmouth, England



Crowdfunder  
Southsea Community Cinema & Art Centre

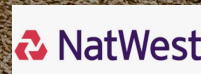
We did it  
On 28th August 2020 we successfully raised £16,130 with 142 supporters  
Aiming to make Portsmouth greener and cleaner by using reusable items to combat plastic pollution  
by Squidmoor in Southsea

£29,523 raised so far  
148 supporters  
Donate  
To show films, involve and inspire lots of different groups of people in Arts and contribute to the regeneration of Southsea shopping centre  
by Southsea Community Cinema in Portsmouth

+ £5,000 match from



+ £5,000 match from

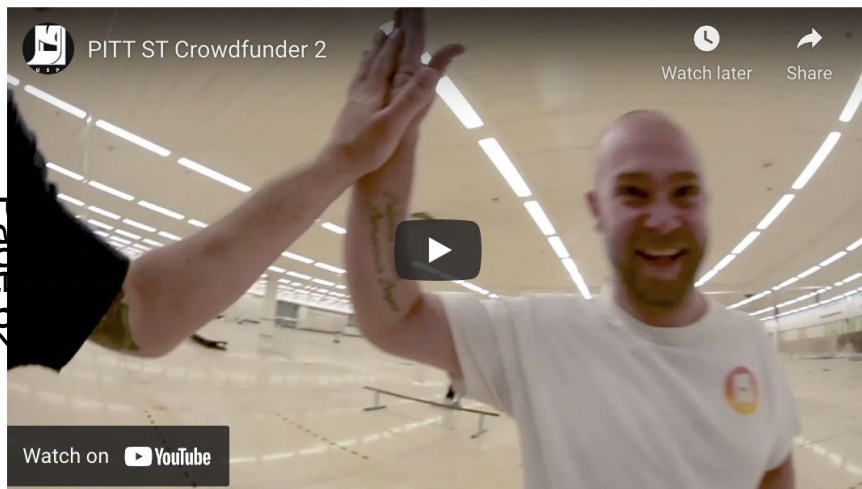


+ £10,000 match from



# Pitt St - An Undercover Skatepark Project

by [Jacob Skinner](#) in [Portsmouth](#), Portsmouth, United Kingdom



[Project Facebook](#) [undercover skatepark project](#)

[Sports, Leisure](#)

The Undercover Skatepark Project presents Pitt St. A community project aimed at bringing an indoor wheeled sports facility to Portsmouth.

**We did it**

On 17th December 2021 we successfully raised £31,970 with 523 supporters in 40 days

Share [Facebook](#) 157 [Twitter](#) [LinkedIn](#) [WhatsApp](#)

The Pitt Street Skatepark will be supported with CIL funding but not on the Crowdfunder Platform - as such its numbers do not appear as part of this report

[Overview](#) [Updates](#) **7** [Comments](#) **185** [Supporters](#) **523** [Contact project](#)

£10,000 pledged by



**Sport England: Active Together has provided £10,000 of funding**

Match funding to help the sport and physical activity sector through the ongoing coronavirus crisis.

# Crowdfunding in your area - what's the opportunity?



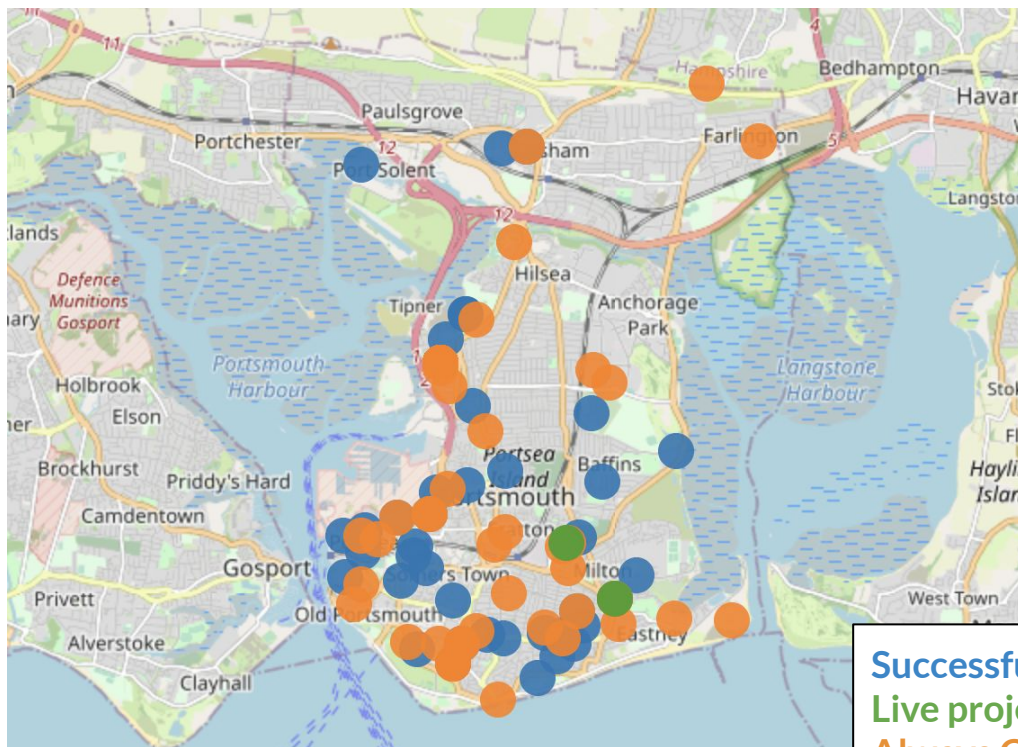
These projects may lie outside of your fund criteria, but are leveraging the investment you are making into Crowdfunding in your area. This includes all projects which closed between (01/11/2019 - 06/07/2022)

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**318**  
Projects created

**£867,722**  
Raised in total  
from these  
projects

**11,142**  
Supporters



**Successful projects**  
**Live projects**  
**Always On projects**

# Annual Reports

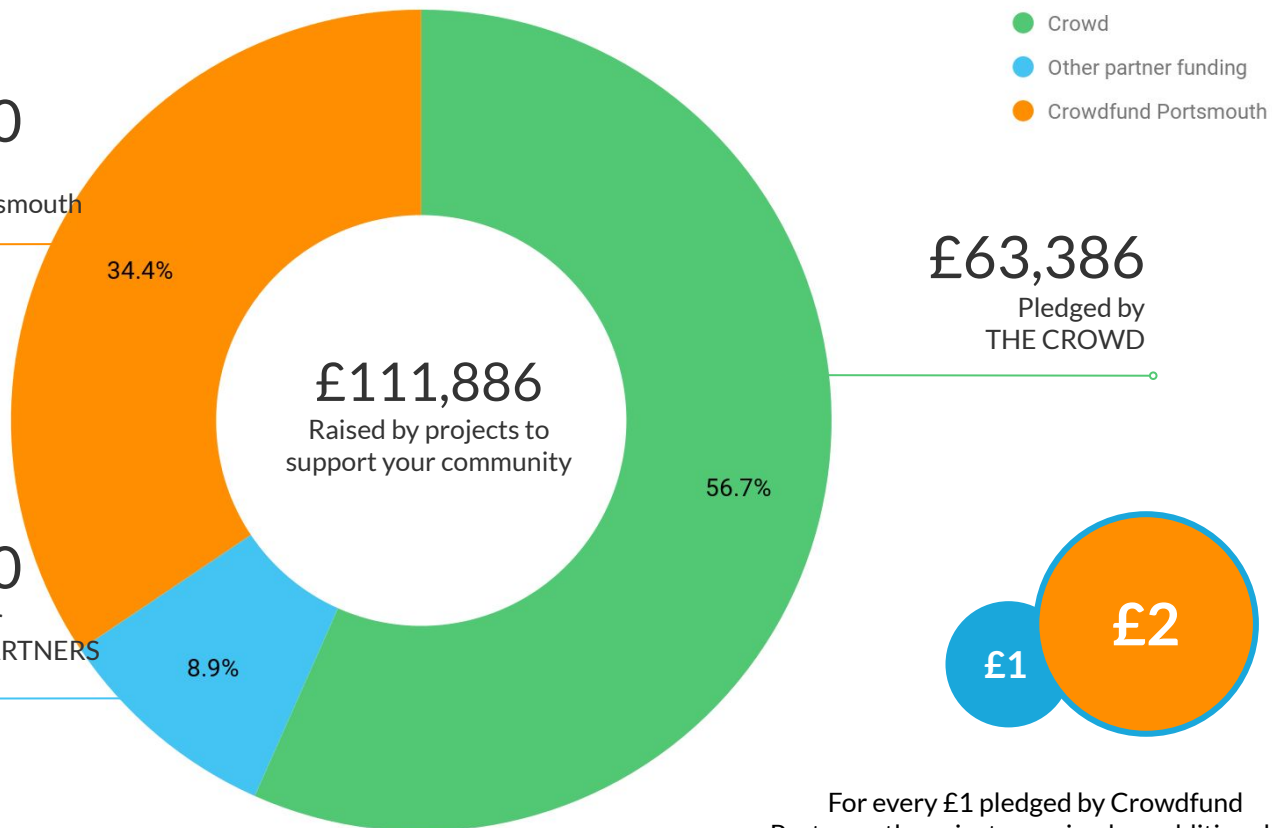






# Overall campaign summary 2021-2022

This summary is specific to the funds available under the Crowdfund Portsmouth programme. The data is for projects that closed between 13/11/2021 - 06/07/2022



**10**  
Projects backed

**810**  
Supporters

**£78**  
Average crowd pledge

Page 65

# All Year 3 projects (to date)



Closing date	Project title	Total raised (£)	Partner pledge (£)	Supporters
15/11/2021	Draw Me A Tree - #BackTheFuture Climate Challenge	10,355	5,000 (CIL)	51
19/11/2021	Portsmouth Diverse City Trail	10,350	5,000 (Climate)	35
15/11/2021	Natty's Jerk Shack	22,750	5,000 (SME)	200
19/11/2021	Education, Environment & the EcoHub	10,075	5,000 (Climate)	68
17/12/2021	Help us buy a new Boxing Ring/improve centre items	5,120	2,500 (CIL)	41
15/11/2021	Community E-Cargo Bike Hire Scheme	5,366	2,500 (Climate)	103
29/04/2022	Manor Green Oasis	6,160	3,000 (CIL)	54
05/05/2022	NEW PLANT BASED EATERY - SOUTHSEA, PORTSMOUTH	9,077	4,000 (SME)	70
12/04/2022	Southsea Community Cinema & Art Centre	29,453	5,000 (SME)	145
04/07/2022	Get Growing in Wymering' community garden	3,180	1,500 (CIL)	43

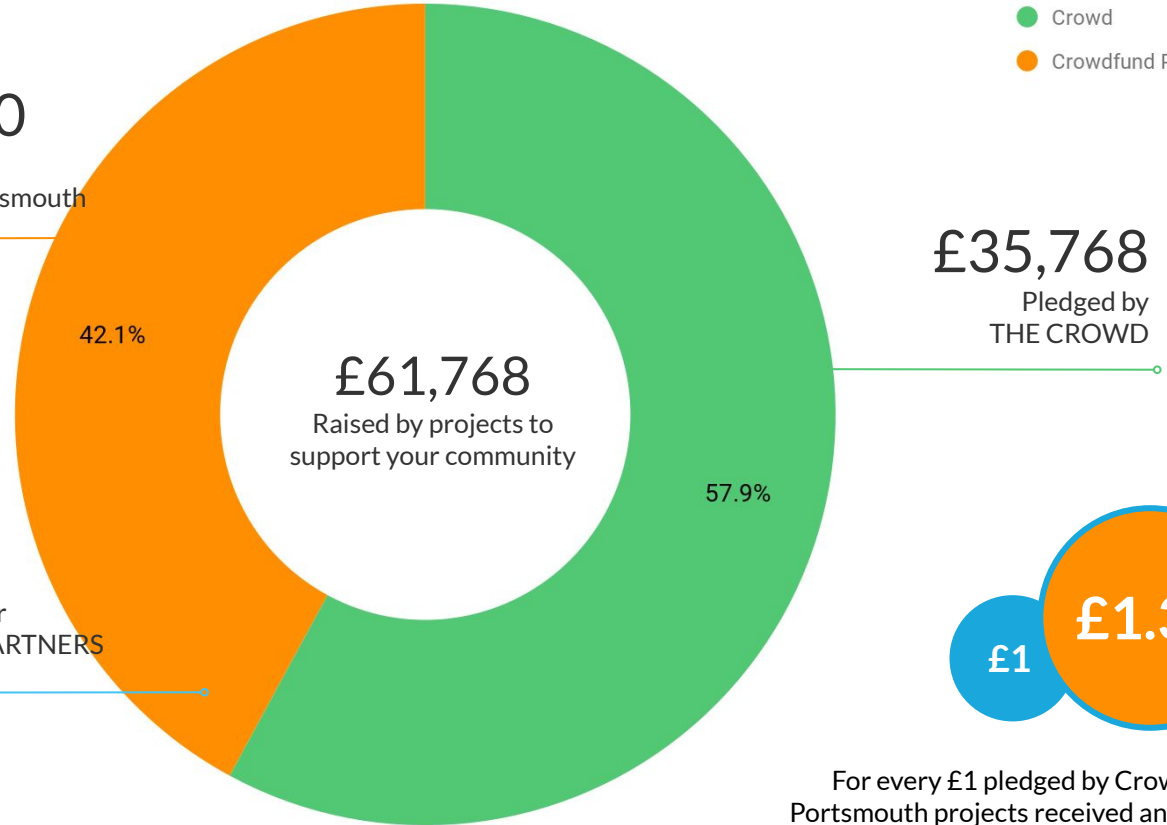
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# Overall campaign summary 2020-2021



This summary is specific to the funds available under the Crowdfund Portsmouth programme. The data is for projects that closed between 13/11/2020 - 13/11/2021

- Crowd
- Crowdfund Portsmouth



For every £1 pledged by Crowdfund Portsmouth projects received an additional £1.38

8

Projects backed

Page 67

853

Supporters

£42

Average crowd pledge

£26,000

Pledged by Crowdfund Portsmouth

42.1%

£35,768

Pledged by THE CROWD

57.9%

£61,768  
Raised by projects to support your community

0

Pledged by other Crowdfunder PARTNERS

# All Year 2 projects



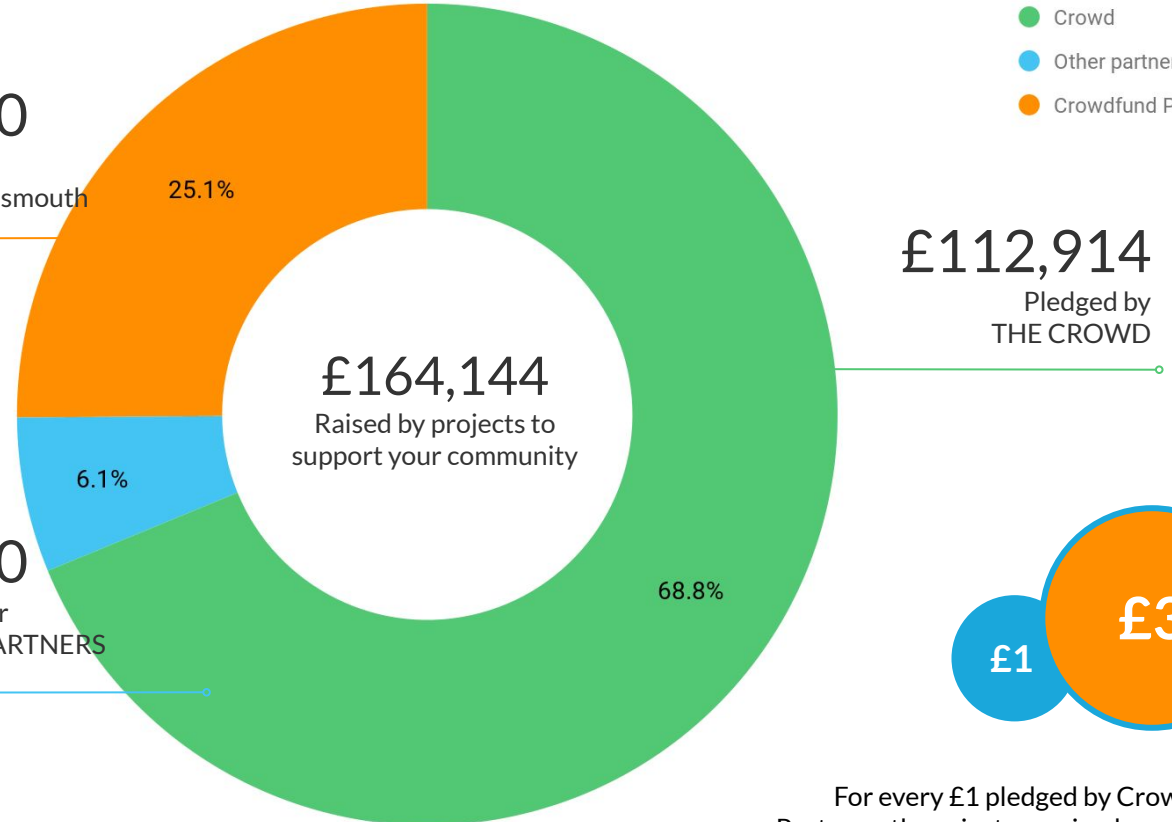
Closing date	Project title	Total raised (£)	Partner pledge (£)	Supporters
22/09/2021	Can you help keep us going during COVID-19 crisis?	4,133	2,000	40
22/09/2021	SSA 'Rediscover Football' Camps	4,905	2,000	56
24/08/2021	Theatre Arts Starburst Performers Project	2,120	1,000	27
19/12/2020	The Corner Collective - Artist Studios & Gallery	20,568	5,000	273
15/07/2021	Smart Pickers	5,146	3,000	39
21/07/2021	Squidmoo   WayCup Scheme	4,158	2,000	53
15/07/2021	Greening Bramble Infant School and Nursery	9,028	5,000	207
12/11/2021	Cumberland Infant School Community Wilding Project	11,710	6,000	158

# Overall campaign summary 2019-2020



This summary is specific to the funds available under the Crowdfund Portsmouth programme. The data is for projects that closed between 13/11/2019 - 13/11/2020

- Crowd
- Other partner funding
- Crowdfund Portsmouth



For every £1 pledged by Crowdfund Portsmouth projects received an additional £3

Page 69

**16**  
Projects backed

**1,808**  
Supporters

**£62**  
Average crowd pledge

# All Year 1 projects



Closing date	Project title	Total raised (£)	Partner pledge (£)	Supporters
14/08/2020	My Dog Sighs - The Secret Project	54,737	2,000	734
01/06/2020	Support Monday night Delight	2,542	1,000	72
09/05/2020	Princess to bring sparkle to Portsmouth Community	2,570	500	76
29/05/2020	The Meat Thief Needs You "Covid-19" Support	4,401	2,000	50
28/08/2020	Squidmoo   Planet Friendly Products	16,130	4,230	142
28/09/2020	Portsmouth Skate Academy - Skateboarding For All	2,070	1,000	33
05/06/2020	Join the Clipper Cru	10,730	5,000	15
04/06/2020	Help us to feed vulnerable people and save our app	4,300	2,000	53
02/06/2020	Prison officers need your support #HiddenHeroes	16,170	5,000	110
01/07/2020	Inspirational Women of Portsmouth Project	2,046	1,000	23

# All projects



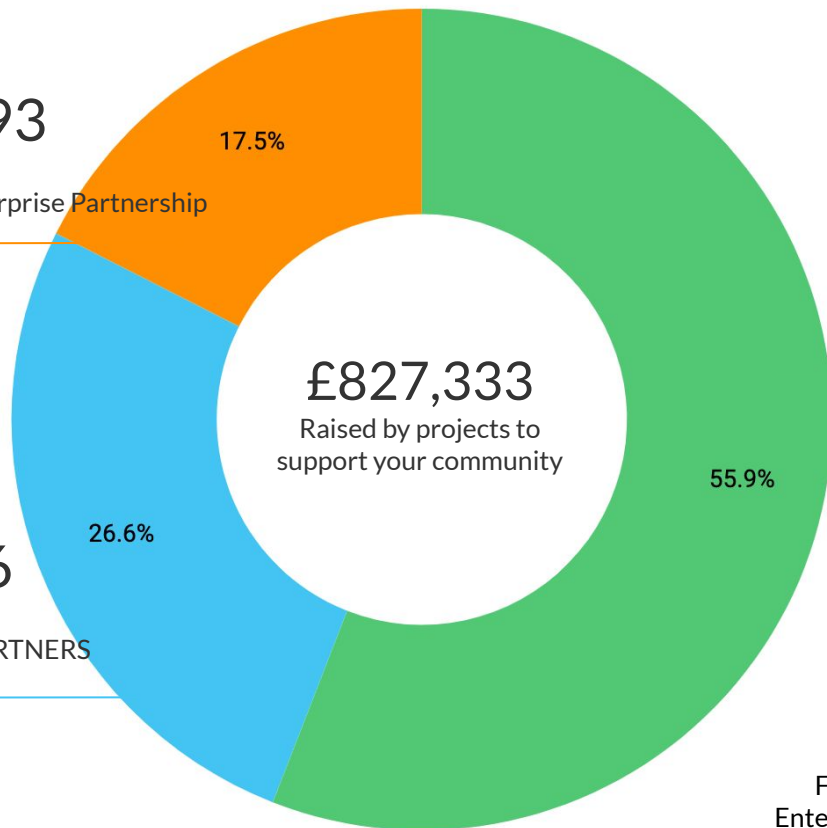
Closing date	Project title	Total raised (£)	Partner pledge (£)	Supporters
10/07/2020	The Parenting Network	5,030	2,500	30
11/07/2020	We Believe - supporting our local artists	10,610	5,000	102
07/10/2020	Crowd. Ship sails used to draw portraits of a city	15,233	2,000	121
09/07/2020	Help Kinetics Sports Massage Therapy	3,225	1,000	54
18/07/2020	Select Dream	4,060	2,000	46
13/09/2020	Bring Back the Southsea Dinosaur!	10,290	5,000	147



# Solent LEP Overall campaign summary 2019-2022

- Crowd
- Other partner funding
- Solent LEP

This summary is specific to the funds available under the Solent Local Enterprise Partnership programme. The data is for projects that closed between 13/11/2019 - 08/07/2022



**£228,993**

Pledged by Solent Local Enterprise Partnership

**£577,514**

Pledged by THE CROWD

**£827,333**

Raised by projects to support your community

**£20,826**

Pledged by other Crowdfunder PARTNERS



For every £1 pledged by Solent Local Enterprise Partnership projects received an additional £3

**99**  
Projects backed

**10,319**  
Supporters

**£56**  
Average crowd pledge

Page 72



# Individual Funds

*Progress report*

13/11/2021 - 06/07/2022





# #BackTheFuture Portsmouth Climate Challenge

This summary separates the individual funds. The data is for projects that closed between 13/11/2021 - 06/07/2022

- Crowd
- #BackTheFuture Portsmouth Climate Challenge

**£17,500**

Pledged by  
Crowdfund Portsmouth

9.7%

**£18,646**

Pledged by  
THE CROWD

**£36,146**

Raised by projects to  
support your community

90.3%

£1

£1

For every £1 pledged by #BackTheFuture Portsmouth Climate Challenge projects received an additional £1

**4**  
Projects backed

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**257**  
Supporters

**£73**  
Average crowd pledge



# Crowdfund Portsmouth: CIL Transformation Fund

● Crowd

● Crowdfund Portsmouth: CIL Transformation Fund

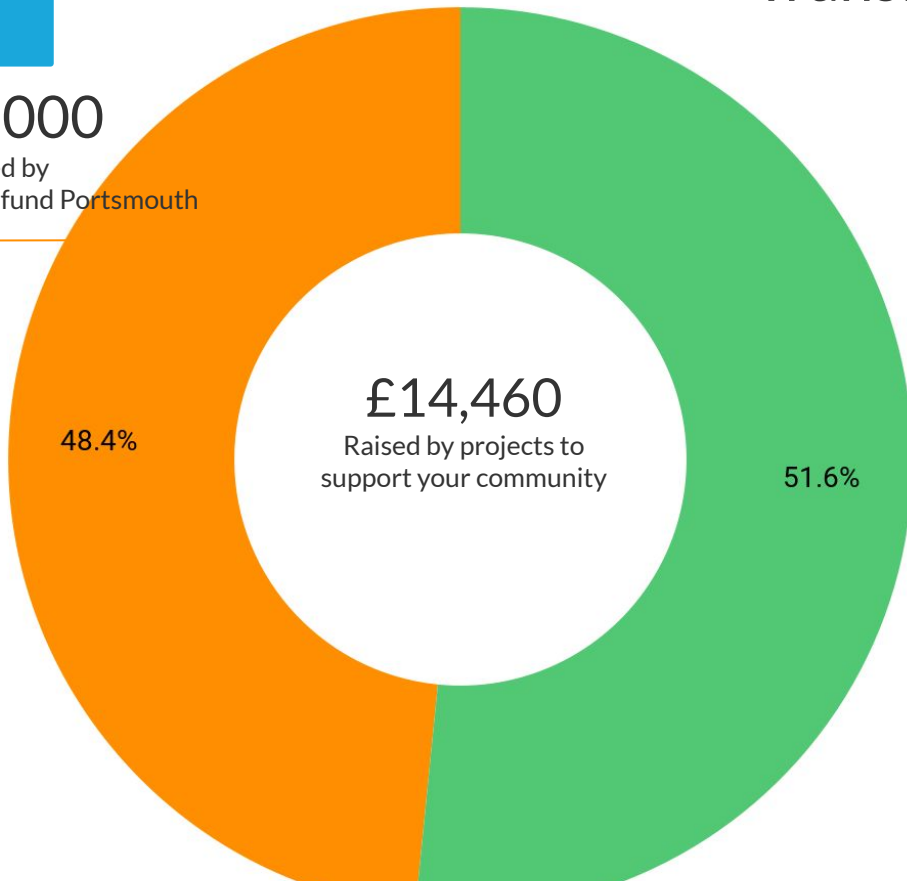
This summary separates the individual funds. The data is for projects that closed between 13/11/2021 - 06/07/2022

3 Projects backed

138 Supporters

£54 Average crowd pledge

£7,000 Pledged by Crowdfund Portsmouth



£14,460 Raised by projects to support your community

£7,460 Pledged by THE CROWD



For every £1 pledged by Crowdfund Portsmouth: CIL Transformation Fund projects received an additional £1

# Additional CIL backed project



The Orchard Park team ran two projects which secured CIL pledges through Crowdfunder - but these were just before we added the fund to the platform. The pledges were added manually so are not included in the totals

- + £5,000 match from Milton CIL
- + £6,000 match from Charles Dickens CIL
- + £6,000 match from Fratton CIL
- + £10,000 match from 



[crowdfunder.co.uk/p/orchard-park-project](https://crowdfunder.co.uk/p/orchard-park-project) and  
[crowdfunder.co.uk/p/orchard-park-artwork](https://crowdfunder.co.uk/p/orchard-park-artwork)

# Crowdfund Portsmouth: Small Business Fund



This summary separates the individual funds. The data is for projects that closed between 13/11/2021 - 06/07/2022

- Crowd
- Other partner funding
- Crowdfund Portsmouth: Small Business Fund

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**3**  
Projects backed

**415**  
Supporters

**£90**  
Average crowd pledge

**£14,000**

Pledged by  
Crowdfund Portsmouth

22.8%

**£37,280**

Pledged by  
THE CROWD

60.8%

**£61,280**  
Raised by projects to  
support your community

**£10,000**

Pledged by other  
Crowdfunder PARTNERS

16.3%



For every £1 pledged by Crowdfund Portsmouth: Small Business Fund projects received an additional £3

# Programme Recommendations



# Programme Recommendations



If there is approval to continue with the Crowdfund Portsmouth campaign we believe there is a very good opportunity to build on the momentum established and would recommend the following:

1. Increase the maximum pledge available: **The maximum available per project should appeal to the community.** We recommend a match fund pledge of 50% of the crowdfund target up to a maximum of £10,000 per project - this opens up incentive for larger projects to apply, whilst still providing an attractive incentive for smaller - medium sized projects. We are aware that there is already some provision with CIL funding to take this approach, subject to officer recommendation.
2. **Increase the speed of approvals,** in particular for the small business fund: **The decision making process should be kept simple** with a turn around time of maximum 5 working days (if this needs to be longer we do not recommend anything over 10 working days). Research has shown that pledges from funders can boost pledges from the crowd and crowdfunding happens often within a short 4 week period. It is important that decisions are made promptly to give projects the best chance of meeting their target.
3. **Continue to market the funds** widely and regularly. Crowdfunder run a number of monthly workshops and weekly Q&A sessions that can be promoted through your networks. Through 2021/22 we saw 32 Portsmouth project owners attend webinars or drop in sessions (29 joined webinars and 3 joined drop-in Q&A). Working together with Shaping Portsmouth and the Hive we would encourage participation in particular in the Q&As.

# Case Study - Natty's Jerk Shack + £5,000 match from Portsmouth City Council



## Natty's Jerk Shack: a Caribbean food experience

Raised £22,750 from 200 supporters

+£5,000 extra funding from Crowdfunder Portsmouth Small Business Fund

After finding the perfect home for Natty's Jerk Shack, the team set up a crowdfunding campaign to transform their new space and create an inclusive destination which offers a taste of the Caribbean.

Set up in 2019, Natty's Jerk Shack offers a delicious and immersive food experience to the people of Portsmouth. They use the delivery and presentation of their food to conjure an atmosphere filled with rich and exciting flavours, music, and conversation to transport their customers to the Caribbean.

Since they first opened they have only grown in popularity, expanding their business to a vintage van and a small kitchen vending spot in the Outside-In, Southsea's exclusive food court. Though when the pandemic struck they were forced to close their doors.

Like many businesses across the world, this put them in a precarious financial position, so they moved their services into the family home to operate as a takeaway. The support they received from their community was astounding and enabled them to support the business throughout the difficult time.

Day by day, the demand for their delicious food only grew, meaning they needed a bigger and more suitable kitchen to operate from. When they finally found a space in an ideal location on one of Southsea's main food and drink highways, they jumped at the chance. Though, unfortunately, they soon realised it wasn't in tune with their desires and had to continue the search.



After almost losing hope, they gained access to an area of land in the city with a semi-converted shipping container on its premises. It was perfect! Though to make it the dream location for Natty's Jerk Shack, they needed **£17,000 to transform the space which they hoped to raise through crowdfunding.**

When asked why they chose to crowdfund for the funding, Nathaniel Crutchfield told us, "To be honest we were forced into it! People kept telling us we had to crowdfund - that it was the thing to do. It was strange: the signs were all there - Crowdfunder's team was in Portsmouth and people just kept talking to us about crowdfunding! We didn't really know what to expect and we were really nervous. We weren't sure if we were doing the right thing but we had to give it our best shot."

He continued, "It was also a way to involve our community: a way for them to be a part of what we are doing and a way for them to help us to grow."

After 28 days the Natty's team had **smashed their initial target and their stretch target and went on to raise £22,750.** This included a boost of **£5,000 from Portsmouth City Council and Shaping Portsmouth's Small Business Fund** which supports new business start-ups and existing SMEs looking to grow, along with businesses impacted by COVID-19!

On the funding, Nathaniel said, "The pledge from **the council and Shaping Portsmouth** was what got us over the line - it meant that we hit the **£17,000 all-or-nothing target** and were then able to keep the money and aim for the stretch target. It was an encouragement, a bit of a crutch if you like, because we knew it was there and it helped us feel that the target was achievable. Although it took us a while to get it confirmed, as it came quite late in the day, it also meant that other people who pledged on our project had more confidence in us."

The money raised through the Crowdfunder would help them transform the barren area of land into a lively centralised dining hub, creating an inclusive destination point which offers a literal taste of diversity and culture.

"We're hoping the project will have a really good impact in a number of different ways. We'll employ people for a start. We'll also regenerate a part of Portsmouth that has been derelict for quite a few years and has been a bit of a black spot for criminal activity and drugs. Natty's will transform the area and bring football for all the right reasons. It will also give us a chance to deliver on Natty's core mission: using food to encourage cultural diversity and help bridge the gap between communities, helping us to understand one another."



As Nathaniel went on to explain, Natty's isn't just about good food, it's about culture, community, and heritage and there's a rich and varied history behind jerk that a lot of people don't know about.

"Food breaks down barriers and helps community cohesion. There's a rich and meaningful history to Jerk - it's not just about adding spice. It's quite a story: one that came about when Jamaica's indigenous pimento trees were cut down by Spanish and British settlers to make way for sugar plantations which were tended by slaves. The felled trees were then cast aside and set on fire, resulting in long lasting smouldering fires.

"Some of the slaves escaped, running into the mountains and joining with the Maroons (other escaped slaves). They had to eat but also had to hide and had to preserve the food they had. So the custom of adding spices and burying the meat in amongst the smouldering pimento logs - for hours on end - was born. Slave hunters and their dogs were thrown off the scent and the beautiful slow-roasted, perfectly cooked meat was sustenance shared by the escaped communities of the Jamaican mountains."

Needless to say, we cannot wait to see the incredible things that the Natty's team achieve in the future! After such a successful first experience of crowdfunding, we asked them if they had any advice for others out there thinking about raising money from the crowd. They said, "I wish we had added a video - it didn't stop us hitting the target but a video would have added a really nice touch and I regret not doing one.

"It's really **important to get a handle on the rewards.** We did really well with our rewards but lots of the questions we had along the way could have been avoided if we had been clearer about what was on offer. For example, what the terms of the offers were or the sizes of the t-shirts. Once someone pledges on a reward you can't edit it so it's important to get it right up front.

"It's also important to have a grip on how much the rewards will cost you to deliver. We had **237 pledges from 200 supporters**, 192 of which involved a reward. We did really well and worked with other organisations to make sure we could offer what we said we could, but I'd really advise others to think carefully about what rewards to offer and how much it will all cost."

Feeling inspired? Find out if you could be **eligible to unlock +£5,000 extra funding for your small business from Portsmouth City Council and Shaping Portsmouth's Small Business Fund!**



# Agenda Item 6



**Portsmouth**  
CITY COUNCIL

**Title of meeting:** Cabinet

**Date of meeting:** 22<sup>nd</sup> November 2022

**Subject:** 32,34,42,56,58 & 60 Middle Street, Portsmouth

**Report by:** Anne Cains, Head of Acquisition & Disposal

**Wards affected:** St. Thomas Ward

**Key decision:** No

**Full Council decision:** No

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## 1. Purpose of report

- 1.1 To seek the approval of the Leader of the Council as Portfolio holder to dispose of the above properties shown on the plan at Appendix A, subject to the existing long leaseholds listed in Appendix B (Exempt).

## 2. Recommendations

The Cabinet is asked to;

- 2.2 Delegate to the Director of Regeneration and the City Solicitor authorisation to negotiate and finalise terms for the disposal of the site known as 32,34,42,56,58 & 60 Middle Street, Portsmouth to PV1 Developments, subject to the long leases currently in place in accordance with the schedule of interests as attached in Appendix B.

## 3. Background

- 3.1 The premises are held in the general fund (leaders' portfolio) and were let post WW2 originally on long leaseholds at now nominal rents for industrial use, now with terms of a minimum of 33 years remaining. The buildings are out of date and the site would benefit redevelopment, as the area is no longer suitable for the industrial use specified in the original leases.
- 3.2 Whilst the Council would normally seek to retain income generating assets in this case the potential for a capital receipt outweighs the long term rental.
- 3.3 The premises are subject to separate leases with a number of tenants, see appendix B, all of whom have protected tenancies, meaning they have the



potential right to remain in occupation beyond expiry of their current lease. We understand the majority of the tenants have entered into agreements with the developer to sell their own leasehold interest to the developer.

- 3.4 The Council have reviewed its own ability to acquire and deliver a housing scheme on this site, whilst policy compliant it is not within the approved capital programme. Added to which the developer has a leasehold for two of the premises.
- 3.5 Ravelin Housing Ltd could engage with the scheme to mitigate the risk to PCC of losing the land interest in the event a development was not forthcoming but it is not part of the Ravelin Business plan and could not be delivered at the pace the developer requires.
- 3.6 The Council's planning department did recommended Council approve an application to redevelop the site to provide 163 residential units. Due to a legal technicality on ownership the developer was unable to satisfy the S106 agreement, as such the developer withdrew the application. (Now showing status as dismissed) .

#### **4. Reasons for recommendations**

- 4.1 The developer has an interest in the site, with existing freehold ownership at both ends of middle street, a leasehold interest of two units, and is believed to have the ability to deliver the scheme.
- 4.2 The proposal demonstrates the Council's ability to work with the community and private housing providers to find an equitable solution for delivery. As neither the Council nor the developer own all the interests required, further land assembly is required by either party to develop the site.
- 4.3 The existing interest based on income as it stands is of low value, but the site is significant in supporting the regeneration of the area. For both parties the value is in the sites potential redevelopment which cannot be recognised without the cooperation of both parties.
- 4.4 The Council will receive a Capital Sum, aware the time frames are not within either the Council's or the developer's control due to the existing long leasehold interests, therefore with no guarantee to ensure a redevelopment within the near future.

#### **5. Integrated impact assessment**

- 5.1 Appendix C

**6. Legal implications**

- 6.1 Under s123 of the Local Government Act 1972 the Council may dispose of any land in any manner it wishes provided it is for the best consideration that can reasonably be obtained. If the disposal is not for the best consideration then the consent of the Secretary of State will be required.
  
- 6.2 However, Secretary of State consent to the disposal would be required where the Local Authority considered that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any person resident or present in its area
  - (i) the promotion or improvement of economic well being
  - (ii) the promotion or improvement of social well being
  - (iii) the promotion or improvement of environmental well being
  
- 6.3 Corporate Assets would need to negotiate a premium for the grant of a long lease or a disposal of the freehold and assess whether it was the best consideration that can reasonably be obtained. If not, the Council would need to consider whether the disposal of the land falls into one of the categories listed in paragraph 6.2 above.

**7. Director of Finance's comments**

- 7.1 The current income from the Council's interest in this property is a small rent of less than £300 per annum.
  
- 7.2 The disposal will result in a capital receipt to the Council exceeding the capital value of the existing interest.

.....  
Signed by:

**Appendices:**

- Appendix A: Location Plan
- Appendix B: Schedule of interests (Exempt)
- Appendix C: Integrated Impact Assessment

**Background list of documents: Section 100D of the Local Government Act 1972**

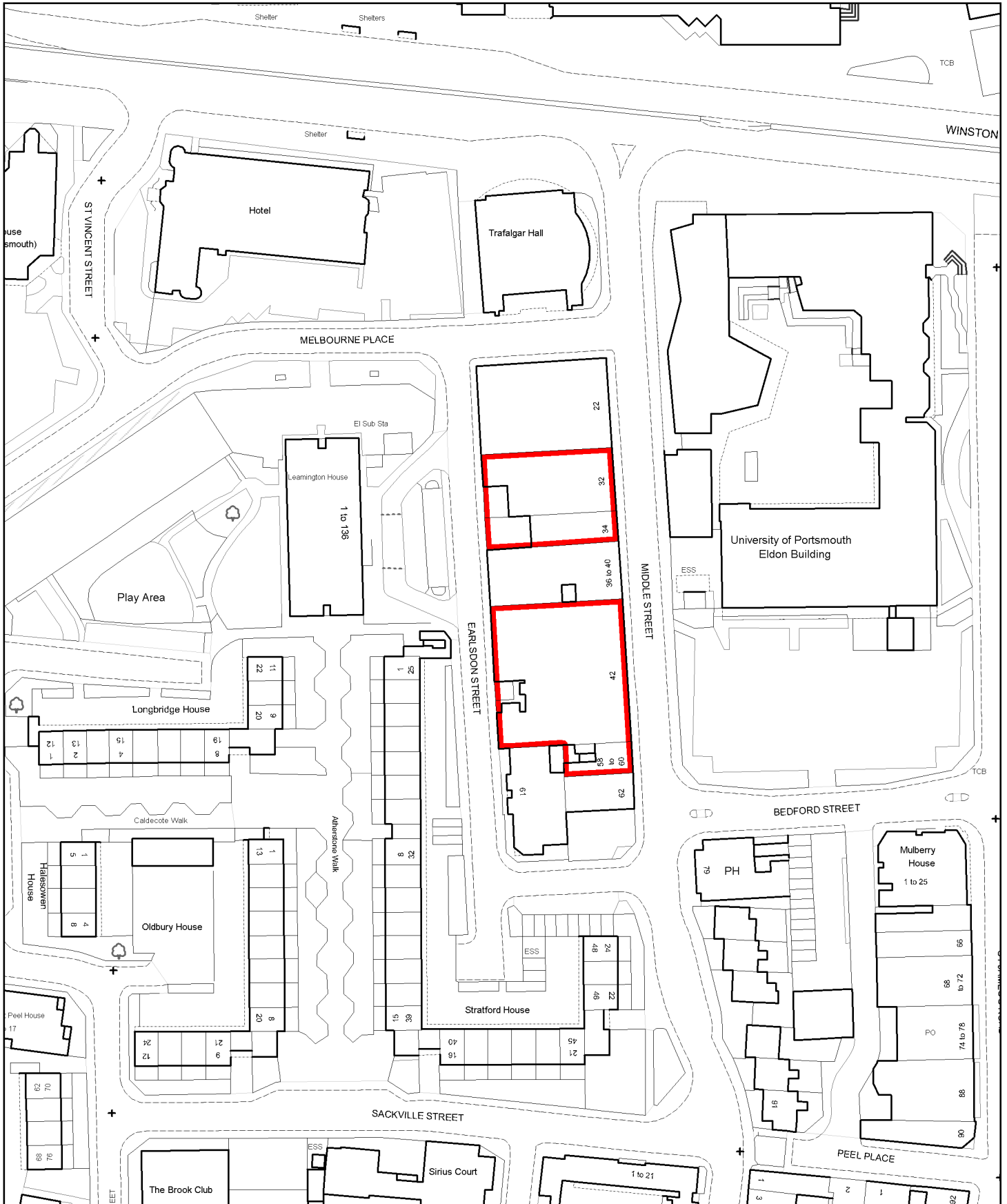
The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

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The recommendation(s) set out above were approved/ approved as amended/ deferred/  
rejected by ..... on .....

.....  
Signed by:



Title: **32, 34, 42 & 58-60 Middle Street,  
Portsmouth,  
PO5 4PB.**

Drg No:

Scale: 1:1250



**Portsmouth  
CITY COUNCIL**

Prepared for: **PCC Regeneration**

Prepared by: **Geographic Information Service**

Date: 29/09/2022

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# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Regeneration

**Service, function:**

Strategic Developments

**Title of policy, service, function, project or strategy (new or old) :**

Middle Street Disposal to enable a potential redevelopment opportunity.

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To dispose of the site to enable redevelopment, where the Council are unable to develop the site themselves.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

An independant assesment of the value of the site has been carried out to confirm officers understanding of the value of the proposed scheme.

## A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

### A1-Crime - Will it make our city safer?



In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the sites which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How will you measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

## A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

### A2-Housing - Will it provide good quality homes?



In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council's planning department did recommended Council approve an application to redevelop the site to provide 163 residential units.

Due to a legal technicality on ownership the developer was unable to satisfy the S106 agreement, as such the



developer withdrew the application.(Now showing status as dismissed) .

How are you going to measure/check the impact of your proposal?

The developer will be required to comply with all statutory regulations.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?

The developer will be required to comply with all statutory regulations..

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>  
<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the sites which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IA (this form)

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?



In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

There are no anticipated negative impacts on specific protected characteristics being reviewed. A This programme is not envisaged to negatively impact on the equality groups.

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?



In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?



In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

**B - Environment and climate change****Yes****No**

Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?



In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

**B - Environment and climate change****Yes****No**

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?



In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site, which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?



In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site, which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?

The developer will be required to comply with all statutory regulations.

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?



In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site, which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form). There will be a significant capital receipt.

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

As detailed above we will continue to work with others in order to measure the impact of our proposal.



**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?



In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The proposed redevelopment is mainly residential, with a potential for ground floor commercial use.

How are you going to measure/check the impact of your proposal?

## C - Regeneration of our city

Yes

No

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?



In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The Council are seeking to dispose of the site, which in turn will enable a redevelopment. The disposal itself will have no impact. The redevelopment of the site by a private developer will support the objectives of the Council and provide additional housing. An outline planning consent has been granted. The detailed application will provide clarity on the questions raised in the IIA (this form).

How are you going to measure/check the impact of your proposal?  
The developer will be required to comply with all statutory regulations.

## Q8 - Who was involved in the Integrated impact assessment?

Anne Cains - Head of Acquisition & Disposal

This IIA has been approved by: Tristan Samuels: Director ,Strategic Development, Regeneration

Contact number: 07775 012510

Date: 21/10/2022



# Agenda Item 7



## THIS ITEM IS FOR INFORMATION ONLY

(Please note that "Information Only" reports do not require Integrated Impact Assessments, Legal or Finance Comments as no decision is being taken)

<b>Title of meeting:</b>	Cabinet Full Council
<b>Subject:</b>	Ocean Recovery Declaration - Update of Progress
<b>Date of meeting:</b>	Cabinet, 22 <sup>nd</sup> November 2022 Council, 6 <sup>th</sup> December 2022
<b>Report by:</b>	
<b>Wards affected:</b>	All

### 1. Requested by

1.1 Full Council

### 2. Purpose

2.1 To provide an update on progress since the Ocean Recovery Declaration.

### Information Requested

- 3.1 On 17<sup>th</sup> May 2022, the Motion for the Ocean and Our Coastal Communities was carried with amendment at the Full Council meeting. This motion is attached as Appendix 1.
- 3.2 The Declaration contained 9 (nine) paragraphs of pledges, including pledge 1: "*Report to Full Council within 6 months on the actions and projects that will begin an ocean recovery in Portsmouth*" to which this Report pertains to. A summary of the status of these pledges are detailed within Table 1.

Table 1 Status of pledge items contained within the Ocean Recovery Declaration

	<b>Summary of Pledge</b>	<b>Status</b>
1	Request of six-month update report	This Report fulfils this pledge.
2	Alignment of ocean recovery into PCC decision-making	At present, marine and coastal recovery are aligned through a number of relevant processes and strategies, including: <ul style="list-style-type: none"><li>• The Integrated Impact Assessment process that is required to be undertaken for any PCC decisions that are made through Councillor Portfolios, Cabinet, and full Council. Specific mention is given to the Solent Recreation Mitigation Strategy (Bird Aware Solent) and the Portsmouth Plan.</li></ul>

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		<ul style="list-style-type: none"> <li>• The new Climate Change Strategy describes the natural environment as a strategic priority area for its implementation, drawing specific reference to the Ocean Recovery Declaration.</li> <li>• In July 2022, PCC Cabinet supported the recommendations from the Response to the Traffic, Environment and Community Safety Scrutiny Panel report on biodiversity. Within this report, it detailed the revised approach more connected environmental management that includes marine and coastal management.</li> <li>• PCC is currently trialling the 'Greenprint' framework for a green recovery led by a number of local authorities, institutions and the Partnership for South Hampshire. The framework encourages actions around priority areas including 'World Class Blue Environments'.</li> </ul>
3	Stronger links to Marine Organisation, Local Plan and Marine Plan	<ul style="list-style-type: none"> <li>• Portsmouth is covered by the MMOs Southern Marine Plan (inshore). The MMO are currently recruiting to a vacancy for a South Coastal Marine Planner position, and expect that once this position is filled, they will be in a position to engage with the local work more fully.</li> <li>• Further, Portsmouth is also covered by the Southern Inshore Fisheries &amp; Conservation Authority (IFCA). The Southern IFCA were not aware of the Ocean Recovery Declaration but engagement regarding a stronger relationship has begun.</li> <li>• The existing Local Plan (active period 2006 to 2027) specifically links marine and coastal quality to policy PCS9 'the seafront' which is a key policy to two objectives of the overall Local Plan.</li> <li>• PCC are in the process of creating a new Local Plan for 2020-2038, and there is a notable progression of linking planning to the marine and coastal environments with specific links within the proposed new policies:             <ul style="list-style-type: none"> <li>○ <b>Biodiversity (Policy G1)</b>, which notes our international, national, and local marine and coastal sites with nature designations, as well as further opportunities within Biodiversity Opportunity Areas and Nature Recovery Networks. Impacts to the marine and coastal environment from recreation, tall buildings and construction are also noted</li> <li>○ <b>Green Infrastructure (Policy G2)</b>, which includes 'blue' infrastructure</li> <li>○ <b>Water Quality (Nutrient Neutrality) (Policy G3)</b>, which directly links assessment of future developments with the water quality of the Solent</li> <li>○ <b>The Seafront (Policy S8)</b>, which states its great importance for local and national nature conservation</li> </ul> </li> <li>• Eastney Beach has its own Habitat Restoration and Management Plan.</li> </ul>

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		<ul style="list-style-type: none"> <li>Portsmouth is a test study site for Integrating Diverse Values into Marine Management, a project funded by the Sustainable Management of UK Marine Resources group. PCC are part of the Diverse Values Steering Group, aiming to develop local 'transdisciplinary marine management'.</li> </ul>
4	Local Nature Recovery Strategy	<p>Local Nature Recovery Strategies are established by the Environment Bill and currently being piloted. Portsmouth are included on a county-level LNRS being led by Hampshire County Council.</p> <p>PCC have been consulted on its development and have requested that its geographical boundary includes that below the tide line. PCC will continue this engagement and lobbying for more of the marine and coastal environment to be included in the LNRS</p>
5	Partners for sustainable and equitable marine industry	<ul style="list-style-type: none"> <li>PCC are already strongly involved in the marine industry as we own and operate Portsmouth International Port and Portico. Funded by the Clean Maritime Demonstration Call and led by the University of Portsmouth, we have partnered with a number of organisations to analyse and develop low carbon sustainable energy opportunities for the Port.</li> <li>PCC is also part of the newly created Solent Cluster aiming to become a leading centre for investment into low carbon technologies. Launched in November 2022, it is led by the Solent Local Enterprise Partnership and aims to attract investment into new low carbon industry. PCC will remain part of this cluster to learn how we can engage and support future-thinking marine industries in our region.</li> </ul>
6	Ocean literacy and marine citizenship, and equitable access	<p>We intend to increase ocean literacy, citizenship and access through:</p> <ul style="list-style-type: none"> <li>The Diverse Values Steering Group that PCC are a member, local studies are being undertaken in Portsmouth to evaluate the potential of ocean literacy to act as a policy tool. The local authority is looking to support researchers in their work in the city, and will work alongside the team to understand the findings and develop evidence-led responses.</li> <li>Developing a schools-focussed offering around World Ocean Day on 8<sup>th</sup> June 2023. This offering will be developed in line with available resources and with city partners</li> <li>We continue to develop messaging around associated areas such as water safety, particularly looking at hotspot areas such as the Hotwalls.</li> </ul>
7	Partners for higher and further education	<p>The University of Portsmouth and Portsmouth Colleges are currently engaging with discussions about developing city-wide ocean literacy in higher and further education. PCC are now linked into these discussions and seeking to develop a broader citywide approach.</p>
8	Online portal development	<p>In line with the recommendations from the Response to the Traffic, Environment and Community Safety Scrutiny Panel report on biodiversity, it is intended that further online local resources will be</p>

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		developed that support not just marine and coastal agendas, but other PCC work around carbon and climate, air quality, greening and the nature emergency, and energy reduction. Internal work has begun on reworking our online materials and guidance, including interactive mapping.
9	Letter to Government	Completed - attached as Appendix 2. At the time of writing, no response has been received.

3.3 There is recognition that Portsmouth's waterfront nature is a huge part of what makes it special as a city, and the declaration for the ocean is just one facet of the wider approach that is being taken in the city to ensure that city waters are:

- Clean - the regulator for the cleanliness of sea water, and water that is discharged into the sea, is the Environment Agency, but the local authority is obviously concerned about the issue. Not only does the quality of seawater impact on the natural environment, but there can be impacts on public health and the wider economy. In Portsmouth, our seafront is a huge attraction, and there is a significant impact if potential visitors avoid the area because they feel beaches are unclean, for example. There are also industries, such as seafood fishing, that can only flourish if the local waters are clean. Recognising these issues, the local authority is now part of a regular forum which includes Southern Water, partner authorities and members of parliament, as well as community representatives, to work together to solutions. We are also working to make information on water releases into the sea more accessible to the wider public.
- Safe - we continue to work with partners to ensure that areas of high risk around our waterfront are as safe as possible, with signage, safety equipment and where possible, outreach work put in place. The authority hosts a regular water safety forum, bringing together a wide range of partners to ensure safety is being addressed effectively. A key issue for us is to try and ensure that there is a high level of water confidence in the city, and we continue to offer free swimming for under 12s at Portsmouth City Council pools. We also continue to offer discounts on swimming activities through the Portsmouth Leisure Card, to ensure that income is not a barrier to participation.
- Active - we want our waterfront to be an active part of our city and so we continue to promote the economic benefits that the water brings us as a city, including the opportunity for sectors to develop here, taking advantage of features such as deep-water access. We also encourage water sport activity and events that make a feature of the water, such as the annual Portsmouth Regatta.

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.....  
Signed by:  
Paddy May  
Corporate Strategy Manager

**Appendices:**

Appendix 1 - Notice of Motion, 17<sup>th</sup> May 2022  
Appendix 2 - Letter to Government

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

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### **Appendix 1 - Motion for the ocean and our coastal communities**

It was therefore RESOLVED that Portsmouth City Council acknowledged that the health of our ocean is inextricably linked with our climate and with human health, wellbeing and prosperity. A healthy ocean is fundamental in regulating the global climate system and is an essential ally in our fight against climate change. The ocean absorbs more than 90% of the excess heat in the climate system as well as absorbing around 20% of annual carbon dioxide (CO<sub>2</sub>) emissions generated by human activity.

However, decades of irresponsible marine exploitation and pollution have led to significant levels of degradation, and this together with the detrimental impacts of our changing climate on marine ecosystems has led to national and global recognition that the world ocean is in crisis. An unhealthy ocean does not absorb or store carbon as effectively as a healthy one, further worsening the impacts of the climate crisis.

The UK government's recent Marine Strategy assessment confirms that our marine environment is not healthy. An ocean in crisis is not only bad news for our climate, but also for our local fishing and tourism industries and for the health, wellbeing and prosperity of our coastal communities.

In Portsmouth like the rest of planet, we are witnessing the ocean crisis first-hand. Fish stocks continue to collapse from permitted and illegal overfishing and poor water quality is impacting seafood and safe bathing. Our beaches are covered in litter with each tide, much of it plastic, though this is just the tip of the iceberg of the amount of litter in our oceans. Marine microplastics have been found in all marine environments and in the bodies of many species, including humans and the species of fish we regularly eat.

Our residents are on the frontline of climate change and are being disproportionately impacted relative to inland communities. The impact of the climate crisis on the ocean is profound, from rising water temperatures and changes in ocean chemistry, to sea level rise and increased storminess, including in our local waters. This is changing what seafood is caught locally, accelerating the erosion of our coastline - increasing the risk to infrastructure and properties, and increasing the risk of flooding and storm damage.

Urgent action is needed to halt these devastating changes and recover the health of our ocean to enable it to deliver the full range of benefits, including climate regulation, carbon storage in coastal and marine habitats, coastal protection, a thriving local economy, clean safe recreation and happy, healthy coastal communities. We must play our part in recovering the health of the ocean.

In Portsmouth, the ocean is at the heart of our heritage and economy. From the maritime and marine expertise around the Portsmouth Port, to the millions of visitors who come to the Portsmouth area to experience the sight, sound and feel of the ocean. The ocean can play a vital role in our economic recovery and we must strive to develop a sustainable and equitable

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blue economy that delivers both ocean recovery and local prosperity. We must ensure that ocean recovery is embedded in our relevant strategic decision-making, policymaking and budget-setting; as well as being considered in future strategies and plans, including those seeking to improve the health and wellbeing of our residents.

At present, not everyone has the opportunity or means to access and enjoy the ocean. Even within Portsmouth there are people of all ages who have never experienced the joy of our ocean. First-hand experience of the ocean is essential if people are to be motivated to play their part in protecting it, whether that is through disposing of their litter responsibly, recycling what they can or volunteering in ocean conservation with local organisations. Helping individuals develop their ocean literacy (understanding of the relationship between people and the ocean) is an essential part of this motion, as is individual and collective marine citizenship (promoting and demanding an ocean recovery through local, national and international policy changes).

Local authorities cannot solve the ocean crisis alone, but we can – and must – play our part.

This Council declares an urgent need for Ocean Recovery.

We recognise that we need ocean recovery to meet our net zero carbon targets, and we need net zero carbon to recover our ocean.

This Council pledges, through requesting Cabinet to:

1. Report to Full Council within 6 months on the actions and projects that will begin an ocean recovery in Portsmouth.
2. Consider ocean recovery in all strategic decisions, plans, budgets and approaches to decisions by the Council (particularly in planning, regeneration, skills and economic policy), aligning with climate change mitigation and adaptation requirements, and considering ocean-based solutions in our journey towards a carbon-neutral and climate-resilient future.
3. Promote closer working between the Portsmouth City Council and the Marine Organisation and embed strong links between the Local Plan and the Portsmouth City Council Marine Plan to support ocean recovery.
4. Ensure that the Local Nature Recovery Strategy strives to support ocean recovery.
5. Work with partners locally and nationally to deliver increased sustainability in marine industries and develop a sustainable and equitable blue economy that delivers ocean recovery and local prosperity.
6. Grow ocean literacy and marine citizenship in Portsmouth, including ensuring all pupils are given the opportunity to experience the ocean first-hand before leaving primary school-

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striving to include home-schooled children - and promote equitable access to the ocean through physical and digital experiences for all residents.

7. Work with Highbury and Portsmouth Colleges to continue to embed marine, maritime and blue carbon training at the heart of training provision as well as with technical / apprenticeship training providers where appropriate.
8. Create an online portal of the Council website to update on ocean recovery progress, signpost to ocean literacy development opportunities, and marine citizenship pledges.
9. Write to the Government asking them to put the ocean into net recovery by 2030 by
  - a. Ensuring Inshore Fisheries and Conservation Authorities and Natural England have the resources they need to effectively research and monitor our growing number of marine protected areas, and to set and enforce appropriate fishing levels that support local economies and deliver environmental sustainability.
  - b. Ensuring coastal communities have a meaningful say in the development of marine policy to ensure it delivers equitable and sustainable outcomes.
  - c. Appoint a dedicated Minister for Coastal Communities.
  - d. And by listening to marine scientific advice, including marine social science, to update the Marine Policy Statement and produce a national Ocean Recovery Strategy which will:
    - i. Enable the recovery of marine ecosystems rather than managing degraded or altered habitats in their reduced state.
    - ii. Consider levelling up, marine conservation, energy, industrial growth, flood and coastal erosion risk management, climate adaptation and fisheries policy holistically rather than as competing interests.
    - iii. Develop a smarter approach to managing the health of the entire ocean that moves beyond Marine Protected Areas and enables links to be made across sectors towards sustainability.
    - iv. Establish improved processes for understanding the benefits of ocean recovery, leaving no doubt the links between this and human lives, livelihoods, and wellbeing.
    - v. Stop plastic pollution at source by strengthening the regulations around single-use plastics and set standards for microfibre-catching filters to ensure that all new domestic and commercial washing machines are fitted with a filter that captures a high percentage of microfibres produced in the wash cycle.



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- vi. Placing a duty on water companies engaged in sewage disposal to ensure untreated sewage is not discharged from storm overflows into inland and coastal waters and to provide targets and timelines to ensure this change is achieved.

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Appendix 2 - Letter sent to Prime Minister, 9<sup>th</sup> June 2022

The Rt Hon Boris Johnson  
Prime Minister  
10 Downing Street  
SW1A 2AA

**Councillor Gerald Vernon-Jackson CBE  
Leader of Portsmouth City Council**

Executive Office  
Floor 3, Core 3-4, Civic Offices  
Guildhall Square  
Portsmouth  
PO1 2AL

Phone: 023 9283 4551

E-mail:

[cllr.gerald.vernon-jackson@portsmouthcc.gov.uk](mailto:cllr.gerald.vernon-jackson@portsmouthcc.gov.uk)

Our Ref: GVJOUT035

Date: 9<sup>th</sup> June 2022

Dear Prime Minister,

**Re: Ocean Net Recovery**

At the Council meeting on 17th May 2022 Portsmouth City Council unanimously resolved to declare an urgent need for Ocean Recovery. In Portsmouth, the ocean is at the heart of our heritage and economy. From the maritime and marine expertise around the Portsmouth Port, to the millions of visitors who come to the Portsmouth area to experience the sight, sound and feel of the ocean, the ocean can play a vital role in our economic recovery and we must strive to develop a sustainable and equitable blue economy that delivers both ocean recovery and local prosperity. Our residents are on the frontline of climate change and are being disproportionately impacted relative to inland communities. The impact of the climate crisis on the ocean is profound, from rising water temperatures and changes in ocean chemistry, to sea level rise and increased storminess, including in our local waters. This is changing what seafood is caught locally, accelerating the erosion of our coastline - increasing the risk to infrastructure and properties, and increasing the risk of flooding and storm damage.

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Ocean recovery cannot be delivered without national as well as local action. As the Leader of Portsmouth City Council I therefore ask the Government to support our work and agree to put the ocean into net recovery by 2030 by taking forward a series of related outcomes:

1. Ensuring Inshore Fisheries and Conservation Authorities, and Natural England have the resources they need to effectively research and monitor our growing number of marine protected areas, and to set and enforce appropriate fishing levels that support local economies and deliver environmental sustainability.
2. Ensuring coastal communities have a meaningful say in the development of marine policy to ensure it delivers equitable and sustainable outcomes.
3. Appoint a dedicated Minister for Coastal Communities.
4. And by listening to marine scientific advice, including marine social science, to update the Marine Policy Statement and produce a national Ocean Recovery Strategy which will:
  - a. Enable the recovery of marine ecosystems rather than managing degraded or altered habitats in their reduced state.
  - b. Consider levelling up, marine conservation, energy, industrial growth, flood and coastal erosion risk management, climate adaptation and fisheries policy holistically rather than as competing interests.
  - c. Develop a smarter approach to managing the health of the entire ocean that moves beyond Marine Protected Areas and enables links to be made across sectors towards sustainability.
  - d. Establish improved processes for understanding the benefits of ocean recovery, leaving no doubt the links between this and human lives, livelihoods, and wellbeing.
  - e. Stop plastic pollution at source by strengthening the regulations around single-use plastics and set standards for microfibre-catching filters to ensure that all new domestic and commercial washing machines are fitted with a filter that captures a high percentage of microfibres produced in the wash cycle.
  - f. Placing a duty on water companies engaged in sewage disposal to ensure untreated sewage is not discharged from storm overflows into inland and coastal waters and to provide targets and timelines to ensure this change is achieved.

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We are very proud of the marine and coastal work we are already delivering in and around Portsmouth that support our Climate and Nature Emergency declarations. I would be very pleased to share our learnings to date and discuss how we can accelerate our collection work towards an Ocean Recovery.

Yours sincerely

**Cllr Gerald Vernon-Jackson CBE**

Leader of the Council

CC: George Eustice  
Secretary of State for Environment, Food and Rural Affairs  
Seacole Building  
2 Marsham Street  
London  
SW1P 4DF

# Agenda Item 8



Portsmouth  
CITY COUNCIL

**Title of meeting:** Cabinet  
**Date of meeting:** 22<sup>nd</sup> November 2022  
**Subject:** Review of Clean Air Zone Mitigation Measures  
**Report by:** Tristan Samuels  
**Wards affected:**  
**Key decision:** Yes/No  
**Full Council decision:** Yes/No

---

## 1. Purpose of report

1.1. For Cabinet to approve recommendations on how the Clean Air Zone (CAZ) mitigation packages should look moving forwards, almost a year after CAZ delivery.

## 2. Recommendations:

**It is recommended that Cabinet:**

- 2.1. **Approves delegated authority to the Director of Regeneration to withdraw unspent Clean Air Fund (CAF) grants with a view to redistributing unspent funds, and ultimately close the CAF;**
- 2.2. **Approves a six-week period for remaining CAF applicants to provide clear proof of intent to upgrade their vehicles;**
- 2.3. **Approves that non-compliant vehicles purchased after 5<sup>th</sup> April 2023 not be granted an exemption from the Portsmouth Clean Air Zone - specifically with regards to:**

**Specialist Heavy Vehicles, and  
The Stop-Gap Exemption.**

## 3. Background

- 3.1. The Portsmouth Clean Air Zone (CAZ) launched on the 29<sup>th</sup> November 2021. The Class B charging CAZ charges older, more polluting heavy goods vehicles (HGVs), buses, coaches, taxis and private hire vehicles for entry into Portsmouth's City Centre.
- 3.2. In order to support the most affected businesses, a number of mitigation measures were put in place. The highest profile was the distribution of the Clean Air Fund (CAF); PCC initially secured £3.2 million from Central Government to help those most affected by the introduction of the CAZ to adapt their operations so to become compliant, with a further £320,000 provided when the HGV funding stream expired.
- 3.3. In addition to the CAF, PCC offered a number of exemptions and sunset periods from the CAZ, allowing certain vehicles to operate in the Zone without the requirement to pay the CAZ charge. Sunset periods are time limited exemptions and were intended to give vehicle owners slightly longer to upgrade, but with the expectation that they would do so in that time or be expected to pay the CAZ charge upon the termination of the sunset period.

#### **4. Clean Air Fund (CAF)**

- 4.1. The headline mitigation measure offered to businesses to help them avoid the CAZ charge was by supporting businesses through the CAF. PCC secured £3.52 million to help the most affected upgrade ahead of CAZ launch. Applications opened in March 2021 to high levels of demand.
- 4.2. To date, PCC have allocated 70 HGV grants, 58 to buses and coaches, and 170 to taxis and private hire vehicles. Engagement Officers for the project feel that the bus and coach and taxi and private hire fund have reached saturation, with few interested candidates remaining.
- 4.3. Currently £174,000 is allocated from grants for HGVs and buses and coaches, as well as approximately £90,000 in the taxi grants. There is also further funding that is yet to be allocated of approximately £250,000. This funding is ringfenced by Central Governments Joint Air Quality Unit (JAQU) for spending on measures that mitigate the impact of the CAZ, and so any redistribution of the funds would be dependent on their approval.

#### **5. Heavy Goods Vehicles**

- 5.1. Whilst there is no specific date by which Portsmouth City Council (PCC) need to have administered the CAF funding, there are 9 HGV applicants approved for a

CAF grant of £16,000 each, that have not yet upgraded their vehicles. These date back to early 2021.

- 5.2. The original application process for HGVs was competitive, and as a result there were some applicants that were not successful in securing funding for the full number of vehicles within their application.
- 5.3. Whilst the purpose of the CAF was to mitigate the impact of the CAZ on those businesses most impacted, the fact that some companies applied for grants and have not spent them indicates that they are able to operate without incurring the CAZ charge on a regular basis, and therefore are potentially not in need of the grant.
- 5.4. CAF grant letters give applicants 3 months to spend the grant, so PCC are not obliged to continue to offer the grants in perpetuity. However, given the current economic situation PCC have not strictly held to the 3 month timeline and have actively worked with applicants to help them upgrade their vehicles, many of them long past the 3 month period.
- 5.5. Staff resource to administer these grants is winding down, particularly with regards the business engagement officer resource.
- 5.6. It is therefore proposed that a roadmap is outlined for closing down the HGV CAF grants. It is recommended that Applicants could be given 6 weeks to demonstrate clear intent, through the production of proof of a deposit paid or order in place, to spend the grant amount. After this time the money could be redistributed to other projects, where approved by JAQU.

## **6. Buses and Coaches**

- 6.1. Of the 59 buses and coaches awarded funding, there are two vehicles across two applicants that have not yet upgraded their vehicles. These grants were approved in 2021 and amount to £15,000 each.
- 6.2. Conversations with small and medium sized bus and coach companies in Portsmouth suggest that the appetite for vehicle replacement grants has been exhausted. Figures from March 2022 suggested that on average there were only two chargeable buses and coaches entering the CAZ each day.
- 6.3. Whilst the purpose of the CAF was to mitigate the impact of the CAZ on those most affected, the fact that some companies applied for grants and have not spent the

funding indicates that they are able to operate without incurring the CAZ charge on a regular basis, and therefore are potentially not in need of funding.

6.4. CAF grant letters give applicants 3 months to spend the grant, and PCC is not obliged to continue to offer the grants in perpetuity. However, as outlined in section 5.4 of this report PCC have not strictly held to this timeframe and have actively worked with applicants to help them upgrade their vehicles, many of them long past the 3 month period.

6.5. In consistency with the HGV grants, it is proposed that a roadmap is developed for closing down the bus and coach CAF grants. Applicants could be given 6 weeks to demonstrate clear intent to spend the grant amount.

## **7. Taxis and Private Hire Vehicles**

7.1. PCC were successful in securing grant funding for 321 taxis and private hire vehicles - the number of non-compliant licensed vehicles at the time of the Full Business Case submission. Thus far 123 hackney carriage and private hire owners have claimed grants on their vehicles. This includes 29 Wheelchair Accessible Vehicles (WAVs), amounting to over 35% of the total WAV fleet.

7.2. 98% of Portsmouth licensed taxi and private hire fleet are now compliant. Of those that remain and are non-compliant, four have stop-gap exemptions due to supply chain issues with their compliant vehicles, and three are known to operate outside of the Portsmouth City Council boundary.

7.3. The Taxi CAF resource was funded from the JAQU air quality grant; again, this is winding down with resources being deployed elsewhere.

7.4. For consistency with the HGV and bus and coach applicants, it is proposed that vehicle owners be given 6 weeks to demonstrate clear intent to purchase compliant vehicles in line with the grant's terms and conditions. As it is easier to source replacement taxis than HGVs, buses or coaches, clear intent in this context could be the purchase or order (but not necessarily be in possession of) a new vehicle. This would give applicants time to purchase new vehicles and provide a mechanism by which the grant process can be closed down.

7.5. The Taxi fund is the only CAF fund still open. For new applicants after this Cabinet paper, but before the expiry of the 6 weeks period, they could be given the full 3 months to spend their grants, but with no possibility of extending this.



7.6. For those applicants that have placed an order for a vehicle before the 6 week window, PCC will honour the grants where the Council are satisfied it meets the CAF terms and conditions.

## **8. Exemptions**

8.1. A number of exemptions and sunset periods, known as the whitelist, were granted by PCC for local businesses and essential services to continue operating non-compliant vehicles in specific circumstances.

8.2. The specialist heavy vehicle local exemption has been important in supporting many businesses who cannot afford to upgrade their vehicles and require them to continue to operate. Currently, 43% of entries on the whitelist are specialist heavy vehicles. These include specialist vehicles such as cranes and recovery vehicles. Details of which vehicles this applies to can be found in Appendix A of this report.

8.3. It has also meant that an unnecessary burden is not placed on Portsmouth's emergency service vehicles. Currently, 48% of entries on the exemption whitelist are emergency service vehicles.

8.4. The remaining vehicles are a combination of home-to-school, horse transporters, statutory refuse collection vehicles, and stop-gap exemptions.

8.5. In recent months requests for exemptions have been received for non-compliant vehicles purchased after CAZ launch - particularly with respect to special heavy vehicles.

## **9. Offering a Local Exemption for vehicles purchased after CAZ launch**

9.1. The purpose of the CAZ is to drive turnover in vehicles so that older, more polluting vehicles are replaced by cleaner ones.

9.2. A small but increasing number of businesses are applying for exemptions for non-compliant vehicles purchased after CAZ launch. This includes operators that are aware of the requirements of the CAZ.

9.3. Providing exemptions for non-compliant vehicles purchased post-launch could encourage businesses to continue to expand their operations without the need to upgrade to compliant models. This could lead to an increase in the length of time the CAZ is in place because Central Government will require at least two years of complete data to begin looking at whether the CAZ has led to a satisfactory drop in air pollution in the area.

- 9.4. On the other hand, providing this exemption without conditions means that businesses can continue to operate and contribute to the economic vitality of Portsmouth. Where a non-compliant vehicle needs replacement, it means that they will not have to find the finances for a compliant replacement.
- 9.5. A blanket ban on vehicles purchased after the Go Live date would not be appropriate for some exemption types - for example, it is in the public interest for emergency service vehicles to be exempt regardless of the date they were purchased.
- 9.6. It is not possible for non-commercial vintage buses to ever be compliant, and the emergency rail replacement exemption is in place to reduce disruption to the network. There have been very few applicants for these last two exemption types, amounting to 5 days total.
- 9.7. The stop-gap exemption, which allowed vehicle owners a short exemption period due to upgrade delays caused by Coronavirus or Brexit, is also planned to be closed. This exemption type was applied where compliant vehicles had been ordered before CAZ go-live, and no new applications for this exemption are expected.
- 9.8. Given the CAZ has been operational for a year, it is considered timely to introduce a deadline for the specialist heavy vehicles and the stop-gap exemption, whereby non-compliant vehicles purchased after 5<sup>th</sup> April 2023 will be subject to the CAZ charge. This deadline allows for further engagement with businesses.
- 9.9. For the reasons outlined above, it is not proposed that this deadline be imposed on emergency service vehicles, horse transporters, non-commercial vintage buses and emergency rail and bus replacement services.

## **10. Reasons for recommendations**

- 10.1. This recommendation will allow the most efficient dispensation of the Clean Air Fund and mean that the HGV and bus and coach fund can be closed.
- 10.2. A 6-week period is recommended by Officers before unspent grants are withdrawn, to allow applicants a sufficient period to identify and provide proof of clear intent to purchase, a compliant vehicle.
- 10.3. It is recommended that non-compliant vehicles purchased after 5<sup>th</sup> April 2023 will not be granted an exemption from the Portsmouth Clean Air Zone for specialist



heavy vehicles and vehicles applying for a Stop-Gap exemption. This recommendation will support Portsmouth reaching compliance with legal limits of NO2 and help ensure a turnover of older, more polluting vehicles being replaced with newer compliant vehicles. This will assist with Portsmouth remaining compliant once the CAZ has been lifted.

## 11. Integrated impact assessment

- 11.1. An integrated impact assessment (IIA) has been carried out and is included as Appendix B.
- 11.2. Within the IIA, making these changes to the mitigation measures in place for the Clean Air Zone will impact positively on the following sections:

Section A - Communities and Safety

A3 - Health

Section B - Environment and Climate Change

B1 - Carbon Emissions

B5 - Air Quality

B6 - Transport

## 12. Legal implications

- 12.1. With regards to the recommendations to withdraw the unspent CAF grant offers ultimately closing the CAF and redistributing the funds - the Council needs to be satisfied that the conditions of the funding by JAQU permits this. In the absence of such condition, the Council should written approval from JAQU before closing down the CAF and redistributing the funds.
- 12.2. With regards to the recommendation to approve a six-week period for remaining CAF applicants to provide clear proof of intent to upgrade their vehicles, it is recommended that the officers seek legal advice in cases where less than 4 months have passed since the date the Grant Approval Letter has been issued by the Council to the applicants to ensure that the Council complies with the terms and conditions of the funds.
- 12.3. With regards to the recommendation to remove the exemptions for specialist heavy vehicles and Stop-Gap Exemption vehicles purchased after 6 April 2023, this may necessitate the variation to the Portsmouth Clean Air Zone Charging Order 2021 which must be undertaken in accordance with the Transport Act 2000.
- 12.4. As part of the process to vary the Charging Zone Order, the Council will need to undertake a public consultation in accordance with section 170 of the Transport Act 2000, therefore, it seems unlikely that the process can be completed before 1 January 2023.

**13. Director of Finance's comments**

13.1. The paper recommends that the vehicle retrofit programme that ran parallel to the introduction of the Clean Air Zone be wound down and the remaining funds be used for other Clean Air initiatives. There is just over £0.5m of unspent ringfenced grant money available from the Clean Air Fund. JAQU have advised that the Council can spend this on other Clean Air Initiatives, subject to JAQU's approval of the alternative schemes.

.....  
Signed by:

**Appendices:**

- Appendix A: Specialist Heavy Vehicles - Adapted list
- Appendix B: Integrated Impact Assessment

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

.....  
Signed by:

## Specialist Heavy Vehicles

Information adapted from DVLA leaflet, ['Notes about Tax Classes'](#)

Tax Class Group	Tax Class	Definition
Special Vehicles	Mobile Crane	<p>A mobile crane is defined as a vehicle which is designed and constructed as a mobile crane and which:</p> <ul style="list-style-type: none"> <li>d) is used on roads only as a crane in connection with work being carried out on a site in the immediate vicinity or proceeding to and from the place where it is to be used as a crane</li> <li>ii) when it is so proceeding it does not carry any load except that which is necessary for its propulsion or equipment.</li> </ul>
	Mobile Pumps	<p>“Mobile pumping vehicles” means a vehicle:</p> <ul style="list-style-type: none"> <li>a) which is constructed or adapted for use and used for the conveyance of a pump and a jib.</li> <li>b) which is used on roads only;               <ul style="list-style-type: none"> <li>i) when the vehicle is stationary and the pump is being used to pump material from a point in the immediate vicinity to another such point</li> <li>ii) for the purpose of proceeding to and from a place where the pump is to be or has been used</li> </ul> </li> <li>c) which, when so proceeding, does not carry;               <ul style="list-style-type: none"> <li>i) the material that is to be or has been pumped</li> <li>ii) any other load except such as is necessary for the propulsion or equipment of the vehicle or for the operation of the pump.</li> </ul> </li> </ul> <p>Mobile pumping vehicles must satisfy the following requirements.</p> <p>The pump and the jib is:</p> <ul style="list-style-type: none"> <li>a) built in as part of the vehicle</li> <li>b) designed so that material pumped by the pump is delivered to a desired height or depth through piping that;               <ul style="list-style-type: none"> <li>i) is attached to the pump and the jib</li> <li>ii) is raised or lowered to that height or depth by operation of the jib.</li> </ul> </li> </ul>
	Digging Machine	<p>The term “Digging Machine” means a vehicle designed, constructed and used for the purpose of trench digging or any kind of excavating or shovelling work which:</p> <ul style="list-style-type: none"> <li>d) is used on a road only for excavating or digging work or for going to or from the place where the work is to be carried out</li> </ul>

		<p>ii) when it is so proceeding does not carry any load other than that which is necessary for its propulsion or equipment.</p> <p>A mobile compressor (that is those which form part of the vehicle and not drawn as a trailer) used exclusively for the purpose of supplying power to pneumatic drills to be used in accordance with the conditions above may be classified as a digging machine.</p>
	Works Truck	<p>The term “Works Truck” means a goods vehicle (that is a vehicle constructed or adapted for use and used for the conveyance of goods or burden of any description) which is designed for use in private premises and used on roads only:</p> <p>d) for carrying goods between private premises and a vehicle on a road in the immediate vicinity</p> <p>ii) passing between one part and another or to other private premises in the immediate vicinity</p> <p>iii) in connection with road works at or in the immediate vicinity of the site of such works.</p>
	Road Roller	There are no restrictions on the construction of a road roller or in the circumstances under which it is used.
	Showman's HGV	A showman's goods vehicle is a vehicle registered in the name of a person who follows the business of a travelling showman and which is used solely by her/him for that purpose, and which is a goods vehicle permanently fitted with a living van or some other special type of body or superstructure, forming part of the equipment of the show of the registered keeper.
Special Concessionary	Agricultural Machines	<p>The “Agricultural Machine” tax class includes:</p> <p>i) An Agricultural Tractor – a tractor used on roads solely for the purposes relating to agriculture, horticulture, forestry or activities falling within:-</p> <p>a) cutting verges bordering roads</p> <p>b) cutting hedges or trees bordering roads or bordering verges which border roads.</p> <p>ii) An Off Road Tractor means a tractor which is not an agricultural tractor and which is:-</p> <p>a) designed and constructed primarily for use otherwise than on roads</p> <p>b) incapable by reason of its construction of exceeding a speed of 25 miles per hour on the level under its own power.</p> <p>iii) Agricultural Engine – a machine specially designed/ converted to perform an agricultural operation on the land (for example a combine harvester)</p> <p>iv) Light Agricultural Vehicle – means a vehicle which:</p> <p>a) has a revenue weight not exceeding 1,000kg</p>

		<p>b) is designed and constructed so as to seat only the driver</p> <p>c) is designed and constructed primarily for use otherwise than on roads</p> <p>d) is used solely for the purposes relating to agriculture, horticulture or forestry</p>
	Mowing Machines	The term “Mowing Machine” may be taken as a vehicle which is designed and constructed purely for cutting grass and which is used solely for that purpose (but not a tractor used to tow gang-mowers, which is to be taxed as Agricultural Machine).
	Electrically Propelled Vehicle	The term “Electrically Propelled Vehicle” means one where the electric motive power is derived from a source external to the vehicle or from any electric storage battery, which is not connected to a source of power, when the vehicle is in motion
	Gritter	A gritter is a vehicle which is fitted with machinery for spreading salt, sand or similar material and which is used solely for treating roads against frost, snow and ice, (with or without materials used for the purpose of the machine).
	Snow Plough	A snow plough is a vehicle which is kept and used exclusively for clearing snow from roads by means of a snow plough or similar machine (for example a blower), or used for the purpose of going to or from the place where it is to be used for clearing snow from roads.
	Steam Vehicles	All steam powered vehicles.
Recovery Vehicle		The term “Recovery Vehicle” means a vehicle with a weight exceeding 3,500kg, which is either constructed or permanently adapted primarily for the purpose of lifting, towing and transporting a disabled vehicle.

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# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Regeneration

**Service, function:**

Air Quality - Clean Air Zone

**Title of policy, service, function, project or strategy (new or old) :**

Clean Air Zone Mitigation Measures

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To make and seek approval for changes to the mitigation measures in place for the Clean Air Zone, including exemptions and the Clean Air Fund

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

No

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A1-Crime** - Will it make our city safer?

In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How will you measure/check the impact of your proposal?

**A - Communities and safety**

Yes

No

Is your policy/proposal relevant to the following questions?

**A2-Housing** - Will it provide good quality homes?

In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

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How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The proposal seeks to implement measures to reduce the number of highly polluting vehicles operating directly within the Clean Air Zone and, indirectly, across the City. The Clean Air Zone is situated in an area of high deprivation with known links to poor health outcomes that could be related to poor air quality. By reducing the number of highly polluting vehicles, we aim to improve local air quality and, by connection, population health. There is a risk that traffic may re-route to other areas of the the City in order to avoid the CAZ. However, data has shown that in its first year of operation, there is little evidence to suggest this has happened to date.

How are you going to measure/check the impact of your proposal?

The CAZ monitors all vehicles entering the zone via ANPR cameras to understand compliance and vehicle types. We also collect data on the number of vehicles (and type of vehicles) to access grant funding to upgrade or retrofit.

All data is reported quarterly here <https://cleanerairportsmouth.co.uk/reporting/>

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>  
<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?

In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?



In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The proposed closure of the Clean Air Fund may allow (subject to approval by Central Governments Joint Air Quality Unity (JAQU)) for the remaining funds to be spent on other air quality initiatives and projects which could contribute to lower carbon emissions.

How are you going to measure/check the impact of your proposal?

The success of a new project, using the remaining funding, would measure the impact of the proposal.

The CAZ monitors all vehicles entering the zone via ANPR cameras to understand compliance and vehicle types. We also collect data on the number of vehicles (and type of vehicles) to access grant funding to upgrade or retrofit.



**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?



In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

## B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

### B5-Air quality - Will it improve air quality?



In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The proposed closure of the Clean Air Fund may allow (subject to approval by JAQU) for the remaining funds to be spent on other air quality initiatives and projects which could contribute to improving air quality. Changes to the exemption system would mean that vehicle owners will need to obtain newer, less polluting, vehicles in order to avoid the Clean Air Zone charge.

How are you going to measure/check the impact of your proposal?

The success of a new project, using the remaining funding, would measure the impact of the proposal. A reduction in the number of non-compliant vehicles entering the CAZ would measure the impact of changes to the exemption system.

The CAZ monitors all vehicles entering the zone via ANPR cameras to understand compliance and vehicle types. We also collect data on the number of vehicles (and type of vehicles) to access grant funding to upgrade or retrofit.

All data is reported quarterly here <https://cleanerairportsmouth.co.uk/reporting/>

## B - Environment and climate change

Yes

No

Is your policy/proposal relevant to the following questions?

### B6-Transport - Will it improve road safety and transport for the whole community?



In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The proposed closure of the Clean Air Fund may allow (subject to approval by JAQU) for the remaining funds to be spent on other air quality initiatives and projects which could contribute to improving road safety and transport for the whole community.

How are you going to measure/check the impact of your proposal?  
The success of a new project, using the remaining funding, would measure the impact of the proposal.  
The CAZ monitors all vehicles entering the zone via ANPR cameras to understand compliance and vehicle types.  
All data is reported quarterly here <https://cleanerairportsmouth.co.uk/reporting/>

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?



In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?



**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?

In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?

In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**Q8 - Who was involved in the Integrated impact assessment?**

Alex Roke, Senior Transport Planner  
Bethan Mose, Transport Delivery Manager

**This IIA has been approved by:** Felicity Tidbury, Assistant Director

**Contact number:** 02392 688261

**Date:** 08/11/2022

**THIS ITEM IS FOR INFORMATION ONLY.** (Please note that 'Information Only' reports do not require Equality Impact Assessments, Legal or Finance comments as no decision is being taken.)

<b>Title of meeting:</b>	Cabinet
<b>Subject:</b>	Annual Adoption Agency Activity Report April 2021 - March 2022
<b>Date of meeting:</b>	22 November 2022
<b>Report by:</b>	Sara Sweeney, Service Leader Through Care Team One and Adoption
<b>Wards affected:</b>	All wards

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## 1. Requested by:

1.1. It is required by Standard 25.6 of the Adoption National Minimum Standards 2011 for Local Authority Adoption Services that the executive receives a six-monthly written report outlining the management and performance of the adoption agency which have been provided. This report provides the summary information for the whole period of April 2021 to March 2022.

## 2. Purpose

2.1. This report will update the Cabinet on the activity of the Portsmouth Adoption Service for the period from 1 April 2021 to 31 March 2022, as required by the Adoption regulations

2.2. The Portsmouth Adoption Service is provided directly by the Adoption Team within the Council. The team is responsible for the work with children who have a plan of adoption and works with the Regional Adoption Agency (RAA) who find, assess, and support adopters.

2.3. This report will describe the work of the in-house adoption team and the RAA and provide data of the outcomes achieved in the last 12 months

2.4. It will provide an update on changes in the service due to a recent legal case known as the 'Somerset Judgement'

2.5. Lastly it will provide an outline of the priorities for the coming year.

### **3. Background**

3.1. In 2016 Authorised Authorities and Voluntary Adoption Agencies joined together to form Regional Adoption Agencies (RAAs). As a result, Hampshire County Council (HCC), Isle of Wight Council (IOW), Portsmouth City Council (PCC) and Southampton City Council (SCC) Adoption Services came together, along with the voluntary adoption agencies Barnardo's and Parents and Children Together (PACT) to establish the Adopt South Regional Adoption Agency (RAA). Adopt South went live on 1 April 2019.

### **4. Portsmouth Adoption Team**

4.1 The Portsmouth Adoption Team take responsibility for children who have a plan for adoption until the point of the Adoption Order being made. The team undertakes the work that achieves that plan, prepares children for permanence, and concludes the legal requirements that changes a child's legal status to allow adoption to take place. The team comprises of three full time social workers, two part time social workers, a social work assistant and a team leader

4.2 The social workers in the Adoption Team begin working with children who are identified as needing a parallel plan of adoption.

4.3 A Parallel Plan ensures that a child who is unable to return to their birth parent(s) or wider family have an alternative permanence plan by means of adoption. This parallel plan avoids any delay in decision making but ensuring we are considering both options alongside each other.

4.4 The Adoption Social Team work to gather information about the child and their family. They are responsible for compiling all the relevant documentation which is used to complete a child's permanence report (CPR). This report forms part of the documentation provided to the Agency Decision Maker who is responsible for the consideration and potential agreement of an adoption plan. It must stand the test that nothing else, other than adoption, will reasonably do for a child.

4.5 The working relationship between the adoption social worker and child's social worker enables a smooth transition for the child, should they be made subject to a Care and Placement Order at a final court hearing. It is at this point that the adoption social worker becomes the allocated social worker. Family finding completed during the care proceedings enables a match to be made at the earliest opportunity. A linking meeting is held when a potential family has been identified for the child. The adoption social worker will then meet with the prospective adopters, and the adopter's social worker from Adopt South, and will begin the process of progressing to a linking Panel. Following a successful Linking Panel recommendation, the team begins the work of moving the child to live with their forever family. There is careful and considered work undertaken as to when and how introductions are made. The team work to support the child, their prospective adoptive family, and their birth family to the point of an Adoption Order being made. Life story work and memory boxes are prepared by the team during this period to support them in moving to their forever family and to support their identify in moving forwards.

4.6 Feedback is regularly sought from prospective adopters and adopters during the assessment and matching stages. This assists in understanding how we are doing and to shape service developments. For example, in 2021 adopters were asked the

following question: " Could you describe any areas of Portsmouth Children's Social Care that you think we do well?" Some responses included:

"We just want to take this opportunity to praise SW [Portsmouth City Council] and SW [Adopt South] for the amazing support they have given us. They have been totally professional. Their friendly and positive attitudes and practical advice have helped us through the process of becoming adoptive parents"

"Communication was good and told who to contact if someone was on leave. Explanations as to what's happening were very good."

"Life story books are good. Our most recent Social Worker for the children has been excellent"

## 5. Adopt South

- 5.1 The key functions for Adopt South are the recruitment, assessment and support of prospective adoptive families, and the post adoption support services for adopted children and their families. The Adopt South Children's Family Finding Team is directly linked to each local authority Children's Adoption Team to ensure suitable potential adoptive families are identified as soon as possible, promoting timely matching and placement for those children. Those children adopted, and their families now have access to Adopt South's comprehensive post adoption service.
- 5.2 Adopt South compares well to the other 31 Regional Adoption Agencies. They have the lowest number of children waiting for adoption, have approved the second highest number of adopters, and have successfully worked within finite resources having spent less money on interagency placements. The timeliness of the work is positive enabling children to secure permanent families more quickly and all except one being placed with in house adopters.
- 5.3 The close working relationship between Adopt South Post Adoption Service and the Children's Adoption Team allows for the early identification of additional support if required. It also allows for children to be placed locally to their area of birth if safe to do so.
- 5.4 Since the launch of Adopt South, **319** children have been formally linked with adoptive families. Of these, **167** have been HCC children; **24 IOW** children; **50** PCC children; **78** SCC children.
- 5.5 Across the Adopt South region only 4 children (out of 93) being placed externally during Year 3 and just 3 (out of 118) and 4 (out of 108) in Year's 1 and 2, noticeable advantages have continued to be seen. These include families being able to access local adoption support, and there has been a positive impact on staff time with staff travel significantly reduced.

## 6. Adoption Activity

- 6.1. The adoption activity for the period of 2019- 2022 is detailed in appendix 1. The most recent data tells us:

- There were 18 children adopted in the year 2021/2022.
- Within the year there were 10 children linked with prospective adopters.
- 23 children had plans of adoption agreed in the 12 months period between April 2021 and March 2022
- 6 placements were made under fostering for adoption

6.2. For some young children unable to live with their birth family it is possible for them to be placed in Fostering for Adoption Placements (FfA). These are adoptive families who are also approved temporarily as foster carers for a specific child. Fostering for Adoption can offer the best opportunity for the child if the court decides they need to be adopted as the child can be placed with an approved adoptive family whilst parents and wider family members are being considered. The child remains in one placement whilst decisions are being made rather than being placed with a foster family and then moved to an adoptive family should the court decide the child needs adoption. The Annual figures are that 7 placements were agreed, and six placements were made under Fostering for Adoption. This contrasts to a total of four in the previous year.

6.3. In the year April 2021 to March 2022 there were 23 plans for adoption agreed. This includes the increase in Fostering to Adoption placements whose increase can be attributed to the Somerset Judgment i.e. not delaying permanence for a child whilst the judgement was waited for.

6.4. Portsmouth's timeliness for children being adopted has continued to improve. The government threshold measurement from the date the child entered care to the date the child is placed with an adoptive family is 426 days. For this reporting period Portsmouth's timescale has reduced to 205 days which is a significant reduction from the previous reporting year being 356 days.

6.5. Portsmouth has continued to progress potential matches for children in a timely way. The threshold is 121 days, and for this reporting period, the average number of days for children having their adoption plan agreed by the court and the local authority agreeing to the potential match with an adoptive family was 120 days.

6.6. During this period all children, except for one, have been placed with Adopt South adoptive families which means those children remain placed within the geographical region and those families will already have knowledge of and access to the Adopt South support service. Therefore, adoptive parents are more likely to access early support to avoid any risk of adoption breakdown. The one child out of area has a diagnosis of Foetal alcohol Syndrome and his placement through PACT has been very successful

## **7. Adopters' Journey**

- Adopt South nationally approved the second highest number of adopters in this reporting year being 118 new households
- We were the only RAA who ensured applicants making an initial information request became registered as prospective adopters within the 5 day timescale
- We were the only RAA who achieved Placement Order to matching with prospective adopters within 2 months. This has enabled children to have their permanence secured within a timely manner.

- We were 1 of 5 RAA's who achieved the 4 month timescale of placing children with prospective adopters to the making of a final Adoption Order thereby securing final permanence and certainty for children.

## 8. Adoption Support

8.1 Many children placed for adoption come from families with complex backgrounds where they have experienced trauma due to ongoing neglect, families experiencing domestic abuse and drug and alcohol abuse. The adoption support provided includes interventions such as family therapy, play therapy and birth parent counselling. Research tells us of the significant impact on a child's development of early childhood trauma and it is imperative that families can access support in a timely manner. This provides support as they progress through their minority and onto adulthood. It can ensure an increased resilience for the child to enable them to adjust and repair from their early experiences. Feedback from the adoption panel for one family having received such support stated

*" When providing a summary xxx was very child centred, presented with warmth and a robust understanding of the children's needs, highlighting the prospective adopters therapeutic responses to the children and growth in the children's confidence and sense of safety."*

8.2 Information received from Adopt South for this reporting period include the following:

- Number of enquiries to the Advice and Support Line: **1580**
- Number of new adoption support needs assessment completed: **123**
- Total Adoption Support funds received to date: **£243,835.84**
- Number of adult work enquiries which involves accessing records, providing financial and emotional support to adoptive families and mentoring: **326**
- Number of adult work cases allocated: **88**
- Number of adult work open cases: **average 112 each month**
- Total number of workshops and groups: **20**
- Total number of attendees at Groundworks preparation for adoption workshops: **136**
- Total Educational Psychologist consultations: **19**

## 9. Somerset- Judgment

9.1. In November 2021, Somerset County Council asked for legal advice about the Placement Orders for ten children (who had not yet been matched with adopters), where Adoption Agency Regulations had not been fully complied with. This was particularly in relation to the way children's health information was presented to the Court. There was subsequently a delay for children who were awaiting final orders of adoption, whilst clarity was sought by Local Authorities in relation to the expectations of the Courts regarding Medical Advisors reports for Adoption. The President of the Family Division handed down the final judgement of the Somerset case in April 2022.

9.2. Portsmouth City Council, alongside the RAA, have planned to ensure compliance with the medical advice in line with this judgement. This requires an assurance of a comprehensive medical summary being included by the Medical Advisor in the

paperwork presented to the Agency decision Maker. During the period of legal proceedings to resolve the legal issues, Adoption Orders and Placement Orders could not be granted. However, they could be placed with prospective adopters under a Foster to Adopt arrangement. This prevented delay for children in forming relationships with their adopters, which is a critical element of promoting early attachment.

## **10. National picture**

10.1. Nationally there continues to be a decline in the number of children being adopted. The latest figures from the Adoption and Special Guardianship Leadership Board (the ASGLB), showed this decline has continued through the first half of 2021-22, with falling numbers of children at every stage of the adoption process. They showed that, in the second quarter of 2021-22 (July to September) there was a decline in every stage in the adoption process from decision to adoption order.

## **11. For local consideration**

11.1. The number of children needing adoption has reduced and Portsmouth has seen a reduction in the number of children with a court agreed adoption plan (Placement Order), over the past three years reducing from 25 to 18. Portsmouth Children's Social Care continues to maintain a robust parallel planning process which is tracked and monitored through the care proceedings tracker and Looked After Child reviews. This is telling us that work is completed in a timely manner and that all children needing to be considered for adoption have a parallel plan. This may be placement with birth parents, special guardians, relatives, long-term fostering, or adoption.

## **12. Areas of development**

12.1. As part of the National Adoption Strategy (July 2021) the government provided £650,000 investment to regional adoption agencies to boost adoptive family recruitment, particularly for those children with complex needs and deemed harder to place i.e., older children, sibling groups and children of Black, Asian and minoritised ethnic backgrounds. Adopt South continuously updates the recruitment strategy including developing prospective adoptive parents' knowledge, understanding and support to promote matching with the children with complex needs. This work is enabling the identification of prospective adopters and subsequent matching and there are no children in the city waiting for matching currently.

12.2. In summary the strengths of Adopt South for Portsmouth:

- The recruitment pool is shared across all the four regions and there are less out of area adoptions having to be considered and purchased.
- There is immediate access to a wider pool of adoptive families for Portsmouth children across the region.
- Adoptive placements are more localised within the regional area, promoting efficiency in adoption support, particularly specialist local service providers for adoption support.
- We are building on local authority good practice, knowledge and expertise to enable prospective adopters to be fully prepared and suitably matched and supported with those children placed - securing that child's future throughout their childhood and beyond.
- Regionalising adoption support enables adoptive families being able to access robust comprehensive support packages to mitigate risk of disruption for children with complex needs.



### **13. Conclusion and plans for 2022/23**

13.1 The Local authority and the RAA have continued to ensure that children who need an adoptive family have been prioritised. There have been some challenging areas, and the key performance data shows a reduction in the number of children being adopted. Whilst this is a national picture, there have been some challenges in finding placements for children who have additional needs. This is being supported with the additional funds provided with the national adoption strategy.

13.2 The continued funding will support adoptive families to provide the care for children who have experienced trauma in their early childhood so that they can settle and benefit from adoption.

13.3 Additional funding will support the need for more adoptive families for children that are harder to place

13.4 The priorities for the next year are as follows.


- Any potential delays within the court process need to be mitigated to ensure children are placed in a timely manner with their adoptive families. As a result of the pandemic, applications to the court are now heard on a "bulk" listed day rather than individually. We will ensure compliance with timely applications for the bulk listings, including compliance with the Somerset judgment.
- We will continue to identify children through the permanence process so that where the parallel plan is adoption, they can be placed with a family at the earliest point should this be the outcome of the court, alongside all necessary support that may be required. This includes reducing the time between placement order and matching
- We will review and develop the current process in gathering feedback from adopters and birth families to have increased confidence that we are listening to people that use our services and ensure this shapes our planning as we move forward

Signed by (Director)

#### **Appendices:**

#### **Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Adoption Activity 2013 - 2022	End of document
Adoption Scorecard	End of document
RAA Year 3 - 2021-22 - Portsmouth City Council Report	 Year 3 - 2021-22 - Portsmouth City Cou

**Appendix 1** Adoption activity 2013 – 2022

<b>Year 1 April - 31 March</b>	<b>Adoption orders No. of children adopted</b>	<b>Children's plans for adoption agreed</b>	<b>Placement Orders granted</b>	<b>Children linked with adoptive family</b>	<b>Prospective adoptive families approved</b>	<b>FfA placements</b>	<b>Placements disrupted</b>
2019/20	25	27	20	21	34 (Portsmouth number)	2	2
2020/21	18	16	16	19	117 (Adopt South)	5	0
2021/22	18	23	19	10	141(Adopt South)	7	0

## Appendix 2 - Adoption Scorecards

- 1) Page 9 shows data extracted from the DfE Adoption; Special Guardianship Leadership Board Adoption Scorecards published 24/08/20. For full information please see link:

[www.gov.uk/government/publications/adoption-scorecards](http://www.gov.uk/government/publications/adoption-scorecards)

- 2) Government thresholds for children needing adoption timeliness

A1: 426 days - from date child enters care to moving in with adoptive family

A2: 121 days -from date the court agrees to local authority placing a child for adoption to the date the local authority agrees the match for the child with an adoptive family

Government Adoption and Special Guardianship Leadership Board (ASGLB), figures for rolling year 2016-19 (published August 2020)

A1: National England average 433 days

A2: National England average 173 days

Portsmouth timescales for 2020 / 21

Scorecard 10 - 356 days

Scorecard 2 - 200 days

Scorecard 20 - 205 days

### Timescales for April 2021 - March 2022

#### Scorecard figures for 2021 - 22

	Quarter 1 (April - June)	Quarter 2 (July - September)
<b>Scorecard 10</b> A10 (average time (in days) between a child entering care and moving in with adoptive family, adjusted for foster career adoptions, for children who have been adopted.)	<b>198</b>	<b>249</b>
<b>Scorecard 2</b> A2 (Average time (in days) between Local Authority receiving court authority to place a child and deciding on a match to an adoptive family.)	<b>112</b>	<b>170</b>
<b>Scorecard 20</b> A20 (Average time (in days) between Local Authority receiving court authority to place a child and deciding on a match to an adoptive family.) - 204	<b>126</b>	<b>71</b>

	<b>Quarter 3 (October - December)</b>	<b>Quarter 4 (January - March)</b>
<b>Scorecard 10</b> A10 (average time (in days) between a child entering care and moving in with adoptive family, adjusted for foster career adoptions, for children who have been adopted.)	<b>374</b>	<b>804</b>
<b>Scorecard 2</b> A2 (Average time (in days) between Local Authority receiving court authority to place a child and deciding on a match to an adoptive family.)	<b>273</b>	<b>146</b>
<b>Scorecard 20</b> A20 (Average time (in days) between Local Authority receiving court authority to place a child and deciding on a match to an adoptive family.) - 204	<b>177</b>	<b>620</b>

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# Agenda Item 11



<b>Title of meeting:</b>	Cabinet
<b>Date of meeting:</b>	22 <sup>nd</sup> November 2022
<b>Subject:</b>	Additional Licensing Scheme for Houses in Multiple Occupation in Portsmouth
<b>Report by:</b>	James Hill - Director for Housing, Neighbourhoods and Building Services
<b>Report Author:</b>	Clare Hardwick - Head of Private Sector Housing
<b>Wards affected:</b>	All
<b>Key decision:</b>	Yes
<b>Full Council decision:</b>	No

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## 1. Purpose of report

- 1.1 To summarise the findings of the recent consultation on the proposal to introduce Additional Licensing for Houses in Multiple Occupation (HMOs) across the city.
- 1.2. To outline the proposed additional licensing scheme in Portsmouth, having taken into account the consultation feedback, for Cabinet to decide if they wish to proceed with the formal introduction of such a scheme.
- 1.3. To present the updated Private Sector Housing Enforcement Policy, and Private Sector Housing Space and Amenity standards for HMOs, for Cabinet to decide on their adoption.

## 2. Recommendations

- 2.1. That the Cabinet have regard to all the responses to the statutory consultation and the evidence base previously presented to Cabinet on 22<sup>nd</sup> March 2022 together with the matters set out in this report and consider whether an additional licensing scheme for HMOs in the City should be introduced. If the Cabinet does not decide to proceed with the scheme, they should not approve recommendation 2.2 below but should still review recommendations 2.3 and 2.4 below
- 2.2. Subject to recommendation 2.1, That Cabinet approves:
  - 2.2.1 To designate the whole of the city as subject to additional licensing under section 56(1)(a) of the Housing Act 2004 in relation to every class of HMO, but only including

those section 257 HMOs that are mainly or wholly tenanted, including those with resident landlords.

- 2.2.1.1. That the designation set out in recommendation (2.2.1) above, shall come into force on 1st September 2023 for a period of 5 years.
- 2.2.1.2. That delegated authority be given to the Director for Housing, Neighbourhoods and Building Services to sign the 'Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2022' (as attached at Appendix 10) in accordance with the provisions set out in the Scheme of Delegations in the Council's Constitution.
- 2.2.2. The Licence Conditions contained in Appendix 7.
- 2.2.3. That Cabinet consider the options outlined in Appendix 5 for Licensing Model and Appendix 6 for Fee Structure and agree to proceed with either;
  - 2.2.3.1. **Option A:** Standard 5-year licence term issued to all licence applicants, with the exception of those where planning permission is required but not yet granted; where a 1 year licence would be issued to allow time for the planning process to be fulfilled. If Model A is preferred; cabinet approve the adoption of the proposed fees and charges structure (as attached at Appendix 6) outlined for Model A and instruct officers to bring a further report to Cabinet reviewing the fees before the commencement of the scheme, and annually throughout the scheme to ensure they remain reasonable and proportionate and address any issues relating to surpluses or deficits in accordance with case law and the EU Services Directive.

Or;
  - 2.2.3.2. **Option B:** a tiered structure for Licence terms based on the compliance and competence of the licence holder. This model would also include issuing 1-year licences where planning permission is required, as with Model A above. If Model B is preferred; cabinet approve the adoption of the proposed fees and charges structure (as attached at Appendix 6) outlined for Model B and instruct officers to bring a further report to Cabinet reviewing the fees before the commencement of the scheme, and annually throughout the scheme to ensure they remain reasonable and proportionate and address any issues relating to surpluses or deficits in accordance with case law and the EU Services Directive.
    - 2.2.3.2.1. That if Option B is preferred, Cabinet approves the Policy for Landlord Accreditation contained in Appendix 8, and agrees to cease operating an in-house landlord accreditation scheme in favour of working with local and national landlord and agent accreditation schemes.
    - 2.2.3.2.2. That if Option B is preferred; to instructs officers to present a further report to Cabinet before September 2023 with proposals to alter the Mandatory HMO Licensing model, fee structure and Licence



conditions to create consistency between Mandatory and Additional Licensing of HMOs.

- 2.3. That Cabinet approve the updated Private Sector Housing Enforcement Policy contained in Appendix 3, and agree its implementation from 1<sup>st</sup> December 2022.
- 2.4. That Cabinet approve the updated Private Sector Housing HMO Space and Amenity standards document contained in Appendix 4, and agree its implementation from 1st December 2022.

### **3. Background**

- 3.1. On 22<sup>nd</sup> March 2022 Cabinet considered a report titled "Examine the need for Additional Licensing controls of HMOs in the City". This report was produced as an action identified in the Portsmouth City Council Private Rental Sector Strategy 2021-2026. The report outlined the evidential base for the potential introduction of an additional Licensing scheme for HMOs in the city, in order to protect private rental tenants of HMOs from poorly managed and maintained properties.
- 3.2. The data in this report suggests a higher proportion of hazards are likely to exist in HMOs in the city compared with other PRS properties. Currently only 20% of the estimated number of HMOs in the city are licensed. Given the economics of scale, significant hazards are likely to be identified in a significantly high proportion of the other 80% of HMOs in the city not currently licensed, particularly as a large majority of these non-licensed HMOs will have had no inspection by the council before.
- 3.3. Section 56 of the Housing Act 2004 places requirements on Local Authorities 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 problems whether for those occupying the HMOs or for members of the public;
  - Take reasonable steps to consult with persons who are likely to be affected and consider any representations made in accordance with the consultation; 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).
- 3.4. Section 57 provides further considerations for the Council, in that they should ensure that:
  - Exercising the designation is consistent with the authority's overall housing strategy;



- Seek to adopt a coordinated approach in connection with dealing with homelessness, empty properties and anti-social behaviour (ASB) affecting the Private Rented Sector (PRS) as regards combining licensing with other action taken by them or others;  
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 problems or problems in question; and  
That making a scheme will significantly assist them to deal with the problem or problems (whether they take any other course of action as well).

3.5. Government guidance provides examples of properties being managed “sufficiently ineffectively” including:

- Those whose external condition and curtilage (including yards and gardens) adversely impact upon the general character and amenity of the area in which they are located;
- Those whose internal condition, such as poor amenities, overcrowding etc. adversely impact upon the health, safety and welfare of the occupiers and the landlords of these properties are failing to take appropriate steps to address the issues;
- Those where there is a significant and persistent problem of anti-social behaviour affecting other residents and/or the local community and the landlords of the HMOs are not taking reasonable and lawful steps to eliminate or reduce the problems; and
- Those where the lack of management or poor management skills or practices are otherwise adversely impacting upon the welfare, health and safety of resident and/or impacting upon the wider community.

3.6 The council have considered the matters set out in paragraphs 3.3 and 3.4 above, which is detailed in the consultation document contained in Appendix 12.

#### 4. Consultation

4.1. On the 22<sup>nd</sup> March 2022, Cabinet considered a report titled "Examine the need for Additional Licensing controls of HMOs in the City". The approved recommendations authorised the undertaking of a statutory citywide consultation to explore the option of an Additional Licensing Scheme. The Council undertook a statutory ten-week consultation process from 23<sup>rd</sup> May 2022 to 2<sup>nd</sup> August 2022. The consultation was originally due to close on 31<sup>st</sup> July 2022 but was extended by 48 hours due to a technical fault with the Councils website on 20<sup>th</sup> July 2022 which meant that the consultation was not accessible for a period of less than 12 hours. The full summary report of the consultation is contained in Appendix 1, and all written responses to the consultation contained in Appendix 2.

4.2. Throughout the period of engagement, officers worked jointly with the Communications team to ensure that a comprehensive communications strategy was delivered. A consultation plan was developed which incorporated a range of methods for engagement and conducting the consultation, including;



- Online questionnaires;
- Drop in sessions;
- Door knocking in key areas of the city;
- Use of digital promotion such as officer email signatures, and website banners
- Social media and press releases;
- Posters and Flyers in public spaces around the city; and
- Use of the Councils Flagship magazine which is circulated to all residents of the city.

- 4.2.1. The following provides a precis of the results which are provided in full in Appendix 2.
- 4.2.2. The Consultation survey received responses from 1050 respondents. 42% of respondents are local residents neighbouring a HMO, 11% are tenants in a non-licenced HMO, 13% are tenants of already licenced HMOs, and 10% are HMO landlords.
- 4.2.3. Overall, the majority of respondents agree with the proposal to introduce additional licensing across the whole city (69%), whilst a fifth of respondents strongly disagree. There were a variety of responses received, with residents and private tenants generally being more supportive of additional licensing than landlords. The responses received to the consultation questions identifies a clear difference of opinion between residents and those who own or manage houses in multiple occupation.
- 4.2.4. The majority of respondents agree or strongly agree that licensing will help to achieve the aim of protecting private rented tenants of HMOs from poorly managed and maintained properties (69%).
- 4.2.5. 72% of respondents agree that licensing will:
- Enable council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing.
  - Help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues
  - Help to effectively regulate HMO standards through identifying an individual responsible for management of the property
- 4.2.6. 71% of respondents agree that licensing will help to achieve the aim of supporting good landlords and make it easier to identify and enforce against rogue landlords
- 4.2.7. Half of the total respondents agree with the proposed fee structure (51%), whilst 17% neither agree nor disagree, and 31% disagree.
- 4.2.8. The majority of respondents strongly agree with the standards set out by the potential license conditions (59%), and a further 14% slightly agree. 10% of



respondents neither agree nor disagree with the potential license conditions and 18% slightly or strongly disagree.

- 4.2.9. Of the respondents who disagree with the proposal to introduce additional licensing across the whole city 84% would not like the scheme introduced in any areas of the city, whilst 16% would like the scheme introduced in fewer areas of the city.
- 4.2.10. Cabinet must carefully consider the full results of the consultation, and it should be noted that although there was strong support for the scheme overall, the vast majority of landlords were opposed to designation for the reasons as recorded in the report. Cabinet is required to have regard to all of the responses to the consultation in considering this report, and the recommendations now made.
- 4.2.11. Cabinet should also note that a number of respondents, predominantly from local residents living near to HMOs, gave responses that indicated they believe HMO licensing can achieve outcomes which are beyond the remit of the scheme, such as restricting the number or locations of HMOs in the city, or addressing specific impacts of living near to HMOs such as issues with parking or noise.

## 5. Licensing Model

- 5.1. As can be seen from the consultation there was high support generally to introduce Additional Licensing, however there were a number of concerns raised, particularly by landlords. One of the main concerns raised by landlord respondents to the consultation, including the local landlord association, was that 'good' landlords would be penalised by the scheme, while 'bad' landlords are not differentiated, and may manage to evade licensing all together. They expressed concerns that well performing landlords would in effect be funding a scheme through licensing fees that would resource dealing with poorly performing landlords. They felt this scheme does not recognise that there are a significant number of well performing HMO landlords operating in the city who should be differentiated from those that a not performing as they should.
- 5.2. Feedback from the National Residential Landlords Association (NRLA) however suggests that all Landlords and Agents should be treated the same; that they should all receive regular licence inspections which they advocate is a means by which to support landlords and agents, identify and act upon poor practice, and support and encourage good practice.
- 5.3. To address this difference in opinion, two different licensing models are detailed in appendix 5, for Cabinet to consider. They can be summarised as follows:
  - 5.3.1 **Option A is in line with the current Mandatory Licensing Model**, and was detailed in the proposal set out in the recent consultation. This involves issuing 5-year licences to all licence applicants, all licensed HMOs would be inspected at least once during their licence term. The exception to this would be where



planning permission is required but not yet granted; where a 1-year licence would be issued to allow time for the planning process to be fulfilled.

- 5.3.2 **Option B introduces an alternative tiered approach to licence periods**, whereby well performing landlords are recognised with longer licence terms, and poor performing landlords kept under close review with short licence terms. In accordance with Section 68 of the Housing Act 2004 the maximum period a licence can be issued for is 5 years, however local authorities have discretion to issue licences for shorter periods if they are satisfied that in the circumstance of the particular property a shorter period is appropriate. Oxford City Council and Coventry City Council run additional licensing schemes which follow a similar licensing model.
- 5.3.2.1. Should Option B be preferred, the scheme will require all owners of HMOs that are occupied by three or four tenants and all converted self-contained flats that are wholly tenanted to apply to the Council for an HMO licence. Once a valid application is received the Council will determine which type of licence is appropriate using the criteria outlined in Appendix 5. This will include, amongst other things, an assessment of the landlord and manager's ability to comply with the licensing requirements and management practices. Licences will be issued for a period of 1 year, 2.5 years, or 5 years based upon the eligibility of the landlord or agent.
- 5.3.2.2. The Council has considered the learning outcomes from other Local Authorities that have introduced similar schemes and has structured the scheme in such a way that benefits those landlords and agents that are compliant and provides incentives to improve compliance, whilst focusing resources and support to the non-compliant landlords through shorter licences. This is reflected in the fees and charges structure and the eligibility for licences, which sees well performing landlords issued lower cost licences for the maximum 5 year licence term. The Council would inspect each licenced property at least once during the licence term, therefore a well performing landlord issued with a 5 year licence can typically expect an inspection once over that period, whereas a landlord issued with an annual licence because there are concerns identified with their management or compliance will receive an annual inspection, and will consequently pay more for their licence to cover the additional costs of council resources in doing so. This is in line with the Council's Private Rental Sector Strategy 2021-26 which seeks to encourage good landlord practice, and take decisive action to address poorly performing landlords.
- 5.3.2.3. Accreditation of Landlords and Agents will be used as a way to distinguish those landlords and agents who are experienced, knowledgeable in their profession and are committed to following good industry practice. Portsmouth City Council has been running a Landlord accreditation scheme since 2010, which was rebranded in 2018 to "Rent it Right". It was well advertised and free to join, as well as offering many benefits to members such as free support and advice, and discounts. However, take up from landlords has been limited, as of May 2021 there were 277 accredited landlords registered with the Rent it Right scheme, out of an estimated

11,000 landlords operating in Portsmouth. Officers recommend that the Council ceases to operate an in-house landlord accreditation scheme, and instead recognise that local and national schemes administered by other organisations that meet the criteria outlined in Appendix 8, provide good support and education for their accredited members and promote best practice in the industry, and should therefore be promoted and encouraged by the Council for the benefit of Landlords, Agents and Tenants. Such accrediting bodies include the National Residential Landlord Association (NRLA) and the Association of Residential Letting Agents (ARLA). Any differentiation applied to landlords and agents based on the eligibility criteria, including the length of licence for which they may be considered, is justified in furtherance of the overriding public interest of improving the standard of HMOs and their management.

- 5.4. Feedback through the consultation from several respondents, most notably the National Residential Landlords Association (NRLA) and the Local Landlords Association, the Portsmouth and District Private Landlords Association (PDPLA), suggested that more should be done through the licensing scheme to promote and encourage good energy efficiency of properties. Therefore, criteria for receiving a 5-year licence also includes the requirement to have an EPC certificate with a minimum "E" Rating, or a valid registered exemption, even where the HMO does not legally require an EPC at present. This is further incorporated into the licence conditions, outlined in Section 7 below, and detailed in appendix 7, that all licence holders must submit on request a valid EPC if legally required for the property, demonstrating that it meets a minimum "E" Rating, or has a valid registered exemption.
- 5.5. Reactive and proactive services will be carried out to address complaints about property conditions, poor management practices and identifying unlicensed properties, with officers investigating and holding to account any landlords or agents evading the licensing scheme.

## **6. Financial appraisal of an additional licencing scheme**

- 6.1. Any HMO licensing scheme, including a designation of additional licensing, requires a fee payable by the licence holder to cover the city council's costs for operating the scheme. This fee will take into account all costs incurred by the authority in carrying out their functions, as outlined in The Housing Act 2004.
- 6.2. Should the recommendations in this report be approved, the indicative licence fee structure is contained within Appendix 6 and is summarised within this report. The fee structure should be reviewed before the commencement of the scheme; to take into account a number of variable factors which could affect the scheme being cost neutral for the local authority, between now and September 2023. Examples include changes to the national rate of inflation, changes to staffing costs, or further information on the number of HMOs in the city. For this reason the fee structure should also be subject to regular review throughout the scheme.



- 6.3. It should be noted that a number of respondents to the consultation, specifically from Private tenants and Landlords, raised concerns about the licensing costs, stating that they are too high, or that there is a risks the costs could be passed on to tenants by their landlords through increased rents.
- 6.4. When setting the fees and charges structure for the licensing scheme the Council must consider the costs incurred in adequately resourcing and administering such a scheme, including staff costs for administration, inspections and enforcement, training, and publicity and other costs such as office requirements and management support. As detailed in Section 5 of this report, there are two options for licensing models for Cabinet to consider, and therefore two separate fee structures to reflect the resources required to administer the separate models.
- 6.5. The fee structure for Option A has been developed to reflect all licences being issued for a 5-year term, with the exception of those where planning permission is required but not yet granted; where a 1-year licence would be issued to allow time for the planning process to be fulfilled. The fee structure is designed to ensure sufficient resourcing so that the scheme can be delivered effectively, and every property can be inspected at least once during the licence term.
- 6.5.1. The proposed licence fee for Option A would be £926 for a 5-year licence (£15.43 per month) which would be issued to all licence holders, with the exception of those where the property requires planning permission for its use as a HMO in which case it would be issued with a 1 year licence.
- 6.5.2. Based on estimated numbers of HMOs across the city, to deliver the licensing model A detailed in appendix 5 the city council will be required to employ more staff resource. Estimated requirements based on a city-wide designation indicate that an additional 18.5 FTE will be required to deliver the scheme in year one, reducing to 11.5 FTE in years two to five.
- 6.6. The fee structure for Option B has been developed to provide incentives for compliant landlords whilst providing sufficient resources to ensure that the scheme can be delivered effectively, and every property can be inspected at least once during the licence term.
- 6.6.1. The proposed licence fee for Option B would range from £1,035 for a 1-year licence, £772 for a 2.5 year licence, and £746 for a 5 year licence (£12.43 per month), depending on the applicant meeting the criteria for the different terms of licences (detailed in Appendix 5).
- 6.6.2. Based on estimated numbers of HMOs across the city, to deliver the licensing model B detailed in appendix 5 the city council will be required to employ more staff resource. Estimated requirements based on a city-wide designation, with a tiered system of licence terms based on the eligibility of the applicant, indicates that as many as 40FTE additional officers will be required to deliver the scheme. The licensing model is complex, and the resources required to properly administer it depends on the number of licences issued for each category of licence term.



Most notably each property will be inspected at least once during their licence term, so licences issued for 1 year where concerns have been identified with their management or compliance will require an annual inspection, whereas licenses issued to complaint applicants for 2.5 years will be inspected at least twice during the 5-year scheme, and well performing landlords issued with a 5 year licence will require an inspection only once during the 5 year period of the scheme. The Council has no way of accurately identifying how many licences will be issued for each category of licence term in advance, and therefore the exact resources required to administer it. Officers propose to resource initially on the basis of processing all licence applications, and to have adequate staff to inspect the estimated number of 1-year licences issued during their initial licence term. Once the scheme is operational, further recruitment will be conducted to resource against the demand for inspections for all licences issued. This is likely to cause an initial delay in inspecting licenced properties issued with a 2.5 year or 5-year licence which may not be inspected until year 2 or 3 of the scheme respectively.

- 6.7. Due to the volume of applications anticipated, officers estimate a period of 52 weeks will be required to process all of the licences received. This will include the processing of applications, issuing draft and full licenses as required by the legislation, and completing verification checks on those properties with licence holders unknown to the council or where additional checks are needed to assess the suitability of a property to operate as a HMO.
- 6.8. If a designation is made, recruitment of staff would be focused on adequately resourcing for anticipated demand at the start of the scheme. The resources required would differ depending on the licensing model that cabinet choose to proceed with, as detailed in paragraph 6.5.2 and 6.6.2 above. However, in either scenario the majority of staff will need to be recruited approximately 3 months prior to the commencement of the scheme to allow adequate time for induction and training as necessary. Recruitment of some core roles will be required sooner than this, such as management roles and some administrative support, to work on the mobilisation of the scheme.
- 6.9. If a designation is made, HMOs will be able to continue to operate without recourse if a valid application has been submitted to the council. In addition, the city council's existing refunds policy regarding HMO applications will apply, should a designation of additional licensing be made.
- 6.10. It should be noted that there is a financial risk of not knowing the exact number of HMOs in the city, and the cost modelling is based on the estimated number of HMOs in the city-wide designation area. If the number of HMOs transpires to be significantly different than the estimated number, the city council may not recover these costs through the licensing fees.

## 7 **Licence Conditions**

- 7.1. Should the recommendations in this report be approved, the licence conditions which will be applied as standard to all licences issued through the Additional





Licensing Scheme are contained within Appendix 7 and summarised within this report.

- 7.2. A licence holder will be required to adhere with these conditions when operating a licensable HMO. The purpose of these conditions is to ensure the suitable management and health and safety of the HMO is in place.
- 7.3. The city council, through its private sector housing team, will administrate each licence application and may include additional "special conditions" on a license based on the management or property requirements. These could be, for example, a condition that requests additional facilities or amenities be provided within the HMO, such as an additional toilet or cooking facilities.
- 7.4. The licence holder may contest any licence conditions applied by the city council within 21 days of the draft licence being provided, the council will then give consideration to these representations and respond to the licence holder.
- 7.5. Respondents to the Consultation provided a number of suggestions regarding the proposed Licence conditions. Some of which are beyond the scope of additional licensing, such as to limit the number or location of HMOs in the City, or to restrict car ownership for HMO residents.
- 7.6. Licences must include all mandatory conditions required in accordance with the legislation, for example, providing gas and electrical certificates and maintaining health and safety standards. However, the local authority can also include discretionary licence conditions, which will be an important tool in ensuring that the aims and objectives of the scheme are achieved. When considering discretionary conditions regard must be had for the enforceability of such conditions, and that failure to comply with licence conditions is a potentially prosecutable offence for the licence holder. They must therefore be reasonable, and serve to achieve the aims and objectives of the scheme.
- 7.7. In response to the consultation feedback, several additional conditions will be included in licences issued through the additional licensing scheme. All licence conditions are detailed in Appendix 7, including the following as a direct result of the consultation:
  - More detail regarding the requirements for waste management
  - Reference requests for prospective tenants
  - Provision of rent receipts (where rent is paid in cash)
  - Supply of EPC certificates where required to demonstrate compliance with Minimum Energy Efficiency standards
  - Have arrangements in place for tenants to report emergencies where the licence holder is out of the country for over one month
  - Provide contact details for neighbouring property owners in case of emergencies
  - Written procedure for dealing with complaints of nuisance, noise or antisocial behaviour.



## 8 Space and Amenity Standards

- 8.1. The updated Private Sector Housing space and amenity standards for HMOs is contained within Appendix 4 and summarised within this report.
- 8.2. Alongside consulting on the Additional Licensing Scheme, the Council consulted on an updated version of the Private Sector Housing space and amenity standards document for Houses in Multiple Occupation. The updated standards document aims to simplify the existing space and amenity standards document and provide information which was previously not included, such as information regarding bedsit HMOs. The main respondent to this consultation were the local landlords' associations, the Portsmouth and District Private Landlords Association (PDPLA).
- 8.2. The city council's space and amenity standards aim to:
  - 8.2.1. Provide guidance on some of the requirements for privately rented Houses in Multiple Occupation.
  - 8.2.2. Give information on the requirements for functional space, available amenities such as kitchens and bathrooms and other design matters such as lighting and ventilation.
  - 8.2.3. Where these requirements vary for different types of accommodation, guidance has been provided based on dwelling type.
  - 8.2.4. The guidance aims to provide an overview of standards and legislation applicable to certain types of accommodation to assist landlords, property managers and other stakeholders.
  - 8.2.5. This guidance will also provide tenants with information regarding adequate space and amenity standards in their home.
- 8.3. The PDPLA made requests for the document to be improved in terms of the layout and visual appearance, particularly with the aim of making the document more accessible and easier to navigate. The final document shown in Appendix 4 has therefore been improved through the Councils in-house design team.
- 8.4. The PDPLA also raised a number of concerns about the requirements outlined in the space and amenity standards document, with an emphasis on their potential impact on existing HMOs in the city, and the potential reduction in supply of existing HMOs for local residents. The final document therefore shows the space and amenity standards required for HMOs, but also outlines a maximum level of tolerance that officers will apply when assessing existing, unchanged HMOs in the city. This is also in line with previous judgements made by the First Tier Property Tribunal in relation to the space and amenities required. This outlines a clear distinction for New HMOs, for increase of occupancy to existing HMOs, or where an application for planning permission is made in relation to the use or



physical enlargement of an HMO, where no departure from the minimum standards will be applied.

## **9 Private Sector Housing Enforcement Policy**

9.1. The updated Private Sector Housing Enforcement Policy 2022 is contained within Appendix 3 and summarised within this report.

9.2. At the same time as consulting on the Additional Licensing Scheme, the Council consulted on an updated version of the Private Sector Housing Enforcement Policy.

9.3. The proposed updated private sector housing enforcement policy aims to make the following changes to the existing policy:

- Clarify in more detail the types of enforcement action that may be used under the Housing Act 2004, and when the council will exercise enforcement action under this act.
- Introduction of a new financial penalty matrix - The updated policy outlines the framework for establishing instances where a financial penalty will be considered, as well as the amount of financial penalty, and any mitigating factors that may reduce the level of penalty. The value of civil penalties is based on guidance and legislation and is increased dependant on the nature of the offence, culpability of the offender, and the resulting harm.
- Inclusion of the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020, which came into force on June 2020.

9.4. The main respondent to this consultation were the local landlords' associations, the Portsmouth and District Private Landlords Association (PDPLA).

9.5. The PDPLA made requests for changes to the layout of the document, as well as requests for rephrasing, clarification, or further information to be included on a number of the sections within the written policy. The document has been amended where appropriate to accommodate these requests, and is contained in Appendix 3.

## **10. Timetable for implementation**

10.1. Should the recommendations be approved the Council has general approval to designate the scheme under the Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015 to implement an Additional Licensing scheme. Section 58 of the Housing Act 2004 states that a designation cannot come into force until three months after the date when the designation was made.

10.2. The timescale for implementing this decision however is recommended to commence on the 1<sup>st</sup> September 2023. This would allow officers reasonable time



to recruit and train the required staff to run the scheme, and would allow sufficient time for any legal challenge that may arise, as outlined in section 11.1. below.

## **11. Risks**

- 11.1. A legal challenge to the decision to introduce additional licensing may occur because the majority of landlords are against the scheme. Officer opinion is that a defensible case has been made for additional licensing and the decision to introduce the designation. However, legal challenge is a high risk.
- 11.2. That insufficient income is received to cover the costs of the scheme due to an over estimation of the number of HMOs in the city or the reluctance of landlords to licence their properties. The data on the number of HMOs in the city is not exact. Staff resource will be required to seek out unlicensed properties and actively enforce the licensing requirements. A flexible approach to resourcing the scheme would help to mitigate this risk, along with regular review of the licensing fee structure.
- 11.3. That there has been an underestimation in the numbers of HMOs in the city and that the licensing service is unable to cope with higher than expected volumes of applications. A flexible approach to resourcing the scheme will help mitigate against this risk.
- 11.4. There is a risk that public expectations may become too high and create a belief that the scheme will solve every problem related to HMOs. This could result in disappointment with the scheme and the perception may well be that it has failed even if it delivers everything that was planned. A communications plan will be important to ensure a clear message is delivered regarding what the scheme aims to deliver.
- 11.5. There is a risk that recruitment of staff with the required skills to undertake the licensing activities, including the key aspect of enforcement of the scheme, is unsuccessful or takes a long period of time. Recruitment will focus on attracting experienced officers to key roles, with comprehensive training provided to less experienced staff.
- 11.6. There is a risk that if the scheme does not proceed, or a designation is made but later revoked as the result of legal challenge, the Council will have incurred costs that will not be recoverable. This includes the costs incurred to date for consultation and preparation of the final scheme for decision, at an estimated cost of £50,000, and if a designation is made but later revoked the costs for initial mobilisation for the scheme, initial recruitment, and publicity for the designation, including statutory public notices would incur an estimated cost of £50,000 in addition to any legal costs incurred in defending the decision to designate.

## **12. Integrated impact assessment**

- 12.1. See Appendix 9



### 13. Legal implications

- 13.1 Part 2 of the Housing Act 2004 ("the Act") provides a mandatory licensing scheme for certain properties defined in that Act as HMOs. Section 56 of the Act provides a Local Housing Authority with a power to extend that scheme to certain types of HMOs outside the mandatory scheme by designating the whole or any parts of its area as being subject to Additional Licensing.
- 13.2 For the Council to designate an Additional Licensing Scheme it must proceed through the statutory process as laid out in Sections 56 and 57 of the Act. In addition, the Communities and Local Government issued guidance in draft form in 2010 under the Housing Act 2004: A guide to the licensing and management provisions in Parts 2, 3 and 4 of the Housing Act 2004. Whilst this guidance has since been archived, it has not been replaced with new guidance and it is helpful to therefore consider the guidance as part of the council's assessment of the effectiveness of HMO management practices in the PRS (referred to in paragraph 3.5 above).
- 13.3 Under section 56(1) of the Act and the General Approval issued in 2015 by the Secretary of State - the Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015, provided the council consults for at least 10 weeks, then the council has the power to designate areas of additional licensing of HMOs without the need for specific approval from the Secretary of State.
- 13.4 The Act requires the local housing authority to take reasonable steps to consult persons who are likely to be affected by the designation. A statutory consultation must have been undertaken with landlords, letting agents, tenants, residents and other stakeholders in accordance with s.56(3) of the HA 2004. The Council must take into account the representations made as a result of the consultation before any decision is made on whether to designate the area. The principles of an effective and fair consultation require that the consultation takes place at a time when proposals are still at a formative stage; that the proposer gives accurate and sufficient reasons for any proposal to permit intelligent consideration and meaningful response; that adequate time is given for consideration and response; and that responses of consultation must be considered with a receptive mind and conscientiously taken into account in finalising any statutory proposals.
- 13.5 Before making a designation, the Council must consider the matters set out in section 56 - see para 3.3 of this report and section 57 - see para 3.4 of this report. These are explored in more detail in the consultation document provided with this report.
- 13.6 Section 149 of the Equality Act 2010 sets out the public sector equality duty in relation to all the protected characteristics (race, sex, disability, age, sexual orientation, religion or belief, pregnancy or maternity, marriage or civil partnership



and gender reassignment). The duty requires public authorities to have due regard to the need to :

- Eliminate unlawful discrimination, harassment and victimisation
- Advance equality of opportunity and
- Foster good relations between those who share a protected characteristic and those who do not.

The Equality Duty must be complied with before and at the time that a particular policy is under consideration or a decision is taken - i.e in the development of policy options and in making a final decision. An Integrated Impact Assessment is made available to the decision maker with this report.

13.7 The Council as a public body is under a duty to consider whether the exercise of its powers interacts with rights protected by the European Convention, set out in the Human Rights Act 1998. In this matter, the Convention rights applicable are:

- Article 1, Part 1 - the right of a person to the peaceful enjoyment of possessions. No one shall be deprived of their possessions except in the public interest and subject to the conditions provided for by law.
- Article 8 - the right of the individual to respect for their private and family life, their home and their correspondence. There should be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of, amongst other matters, public safety, the economic well-being of the country, for the prevention of disorder or crime, for the protection of health or for the protection of the rights and freedoms of others.

Any interference with a Convention right must be necessary and proportionate and the council must consider carefully the balance to be struck between individual rights and the wider public interest.

13.8 Should the decision be made to introduce the scheme, section 58 of the Act states that a designation cannot come into force until 3 months after the date when the designation was made.

13.9 Section 59 and The Licensing and Management of Houses in Multiple Occupation and other Houses (Miscellaneous Provisions) (England) Regulations 2006 set out the method by which any designation must be advertised and the people to be informed. These require that within 7 days of the decision, Public Notices of the designation will be:

- displayed on a public notice board in the Civic Offices
- published the notice on the Councils Website, and
- published in two separate local newspapers in their next edition, and five times in the editions of these newspapers with an interval between each publication being no less than two weeks and no more than three weeks.

- 13.10 Section 63 of the Act sets out the Council's powers to fix a fee. Any fee set must be fair, transparent and reflect the costs incurred by the Council in carrying out its functions. The fees cannot be used to raise extra revenue for other purposes.
- 13.11 Additional Licensing Schemes must not last longer than 5 years. During this time the council must review the operation of the scheme.
- 13.12 The proposed Private Sector Housing Enforcement Policy being considered in this report provides an opportunity for the Council to reflect changes in legislation since the policy was last reviewed and ensure its processes and procedures are fair and transparent. The updated policy takes into account the statutory guidance "Civil Penalties under the Housing and Planning Act 2016 - Guidance for Local Housing Authorities" updated April 2018.
- 13.13 There are prescribed standards that must be met in licensable HMOs for deciding the suitability of occupation of an HMO for a particular maximum number of households or persons. The Licensing and Management of Houses in Multiple Occupation and other Houses (Miscellaneous Provisions) (England) Regulations 2006 and the Licensing and Management of Houses in Multiple Occupation and other Houses (Additional Provisions) (England) Regulations 2007 set out these standards. In addition, the Licensing of Houses in Multiple Occupation (Mandatory conditions of Licences) (England) Regulations 2018 specify mandatory conditions that must be included in all HMO licences. In addition, the Housing Act 2004 allows the local housing authority to determine a higher standard of amenities in houses in multiple occupation than those minimum prescribed standards.
- 13.14 It is within the Cabinet's powers to make the recommendations set out within this report, in accordance with the Council's constitution.

#### **14. Director of Finance's comments**

- 14.1 The charging mechanism for any proposed Additional Licencing scheme is designed to be cost neutral for the local authority. This requires accuracy to ensure that the costs of running the scheme are recovered through the fees charged, whilst also ensuring that no surpluses are made once the Costs of administering the scheme have been taken into account.
- 14.2 As the report states the number of HMO's in operation within Portsmouth are as yet unknown. As this picture becomes clearer the service will resource the service appropriately. The Additional Licencing charges work on the basis that we have a certain level of expenditure divided by a number and type of licences. This can at this stage only be estimated. The consequence of this is that the Licence fee income may not be adequate to cover the costs, resulting in budget pressures. If cabinet decide to proceed with an additional licensing scheme, a review of the fee structure should be undertaken again before the start of the scheme. Fees should also be reviewed periodically throughout the scheme.

14.3 If the charging mechanism made a surplus any surpluses would be remitted to a ring-fenced reserve and the Council would need to demonstrate that over a 5 year period that the scheme breaks even.

.....  
Signed by: James Hill, Director of Housing, Neighbourhood and Building Services

**Appendices:**

- Appendix 1 - Additional Licensing Consultation summary report 2022
- Appendix 2 - Written responses to the Additional Licensing Consultation 2022
- Appendix 3 - Private Sector Housing Enforcement Policy 2022
- Appendix 4 - Private Sector Housing Houses in Multiple Occupation Space and Amenity Standards 2022
- Appendix 5 - Proposals for Additional Licensing models 2022
- Appendix 6 - Additional Licensing Fee Structure 2022
- Appendix 7 - Licence Conditions for Houses in Multiple Occupation 2022
- Appendix 8 - Policy for Landlord & Agent Accreditation 2022
- Appendix 9 - Integrated Impact Assessment (IIA)
- Appendix 10 - Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2022
- Appendix 11 - Public Notice of Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2022
- Appendix 12 - Additional Licensing scheme for consultation document

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
Housing Act 2004	<a href="http://legislation.gov.uk">Housing Act 2004 (legislation.gov.uk)</a>
Cabinet report (title) March 2022	<a href="http://portsmouth.gov.uk">Additional Licensing of HMOs.pdf (portsmouth.gov.uk)</a>
PRS Strategy 2021 - 2026	<a href="http://portsmouth.gov.uk">Private Rental Sector Strategy for Portsmouth 2021- 2026</a>
Additional Licensing consultation information	<a href="http://portsmouth.gov.uk">Additional-Licensing-Scheme-for-consultation-accessible-.pdf (portsmouth.gov.uk)</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....



.....  
Signed by:

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# Additional HMO Licensing Consultation 2022



Portsmouth  
CITY COUNCIL

Research and Engagement Team  
PORTSMOUTH CITY COUNCIL

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## **1.0 Purpose**

The purpose of this report is to provide a comprehensive summary of the Additional HMO Licensing consultation 2022. This consultation gave respondents the opportunity to feedback on the proposed scheme for introducing additional licensing for HMOs in Portsmouth.

## **2.0 Background**

Following an initial consultation about houses of multiple occupancy (HMOs) that took place between December 2021 and January 2022, Portsmouth City Council (PCC) are deciding whether to recommend additional licensing of HMOs in Portsmouth. The purpose of this consultation is to provide evidence to enable PCC to make this decision, gathering insight from a variety of different groups in the Portsmouth area, including representations of those most likely to be directly affected by the decision.

## **3.0 Research**

### **3.1 Objectives**

- To measure the level of support with the proposed scheme
- To understand the extent to which audiences agree or disagree with individual areas of the scheme
- To capture any representations made by those impacted by the decision to introduce additional licensing for HMOs

### **3.2 Methodology and response rates**

In order to meet the research objectives, a quantitative online survey was proposed. It was designed around the three key research objectives outlined in section 3.1. The survey was launched on 23 May 2022 and was open for ten weeks, in line with statutory requirements. It was promoted through ongoing targeted marketing and communications channels including social media and email marketing. In addition to the online activity, residents of non-licensed HMOs were targeted via postcode for face-to-face interviews, in order to boost engagement.

In total, the survey received 1,050 responses, with 231 of these coming from the face-to-face interviewing. Assuming a 'total population' of 173,000 people (2021 Census data for 15+ year olds living in Portsmouth), this volume of responses ensures a 95% confidence level with a margin of error of 3%, well within acceptable parameters.

## 4.0 Summary of findings

A summary of the analysis undertaken on the data collected from the consultation survey is provided in the following section.

Overall, local residents neighbouring a HMO are in strongest support of the proposal to introduce additional licensing across the whole city, with the majority agreeing with the potential licence conditions and the proposed fee structure. The majority of local residents neighbouring a HMO also strongly agree that licensing will help to achieve each aim of the proposal.

Overall, just under half of tenants in non-licensed HMOs strongly agree with the proposal to introduce additional licensing across the whole city, with around half strongly agreeing with the potential licence conditions and half agreeing with the proposed fee structure. For each aim within the proposal, around half of tenants in non-licensed HMOs strongly agree that additional licensing will help to achieve these; around a fifth slightly agree licensing will help to achieve these aims.

Overall, HMO landlords are least in support of the proposal to introduce additional licensing across the whole city out of the key groups; nearly two thirds strongly disagree with the proposal, although just over a fifth agree or strongly agree with the proposal. Nearly half of HMO landlords strongly disagree with the potential licensing conditions, whilst a quarter slightly or strongly agree, and 70% strongly disagree with the proposed fee structure. Overall, just under half of HMO landlords strongly disagree that additional licensing will help to achieve each aim in the proposal, apart from the third aim of driving up standards, where just over a third strongly disagree.

- 42% of respondents are local residents neighbouring a HMO, 11% are tenants in a non-licensed HMO, and 10% are HMO landlords.
- 24% of respondents currently live in a HMO or have lived in a HMO in the past 12 months. Of those who currently or have lived in a HMO in the past 12 months, 70% would rate the condition as 'good' or 'very good', 23% would rate the condition of the HMO as 'fair', and 7% would rate the condition as 'poor' or 'very poor'.
- The majority of respondents agree or strongly agree that licensing will help to achieve the aim of protecting private rented tenants of HMOs from poorly managed and maintained properties (69%).
- 72% of respondents agree that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property.
- The majority of respondents agree that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues (72%).
- 72% of respondents agree that licensing will achieve the aim of enabling council officer to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing.
- The majority of respondents agree that licensing will help to achieve the aim of supporting good landlords and make it easier to identify and enforce against rogue landlords (71%).
- Half of the total respondents agree with the proposed fee structure (51%), whilst 17% neither agree nor disagree, and 31% disagree.

## Additional HMO Licensing

- The majority of respondents strongly agree with the standards set out by the potential licence conditions (59%), and a further 14% slightly agree. 10% of respondents neither agree nor disagree with the potential licence conditions and 18% slightly or strongly disagree.
- Overall, the majority of respondents agree with the proposal to introduce additional licensing across the whole city (69%), whilst a fifth of respondents strongly disagree.
- Of the respondents who disagree with the proposal to introduce additional licensing across the whole city, 84% would not like the scheme introduced in any areas of the city, whilst 16% would like the scheme introduced in fewer areas of the city.

## 5.0 Analysis of results

This report presents the findings from the analysis undertaken on the 2022 additional HMO licensing consultation, divided into the following seven main sections:

1. Respondent demographic profile
2. Respondent situation
3. Current condition of HMOs
4. Aims of the proposed scheme
5. Licence fee and standards
6. Introducing additional licensing
7. Further comments

### 5.1 Respondent demographic profile

The first section of analysis details the demographics of the respondents that took part in the consultation. Information was collected about respondents' postcode, age, sex, ethnic group, disability, disability type and household income. Base sizes vary as questions in the demographic section of the survey were voluntary and included a 'prefer not to say' option.

Figure 1 shows the proportion of respondents living in each Portsmouth postcode (PO1-PO6) and those living outside of Portsmouth. The highest proportion of responses came from those living in PO4 (26%), PO5 (24%) and PO2 (21%).

Figure 1: Respondents by postcode

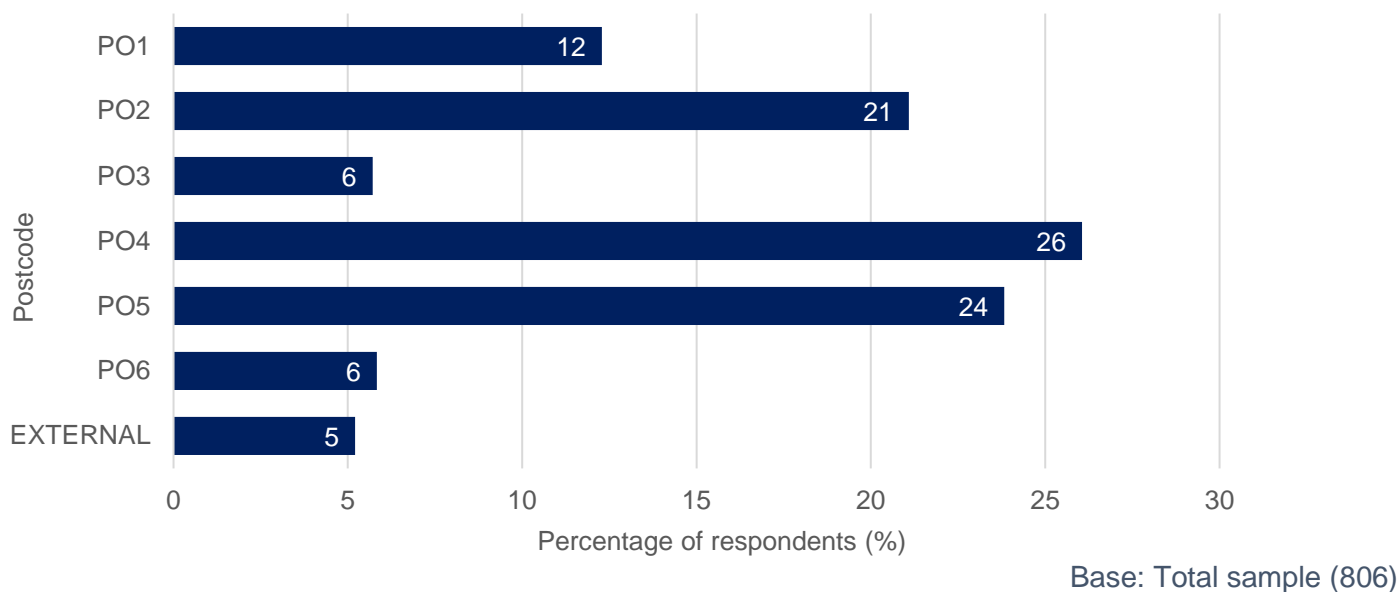
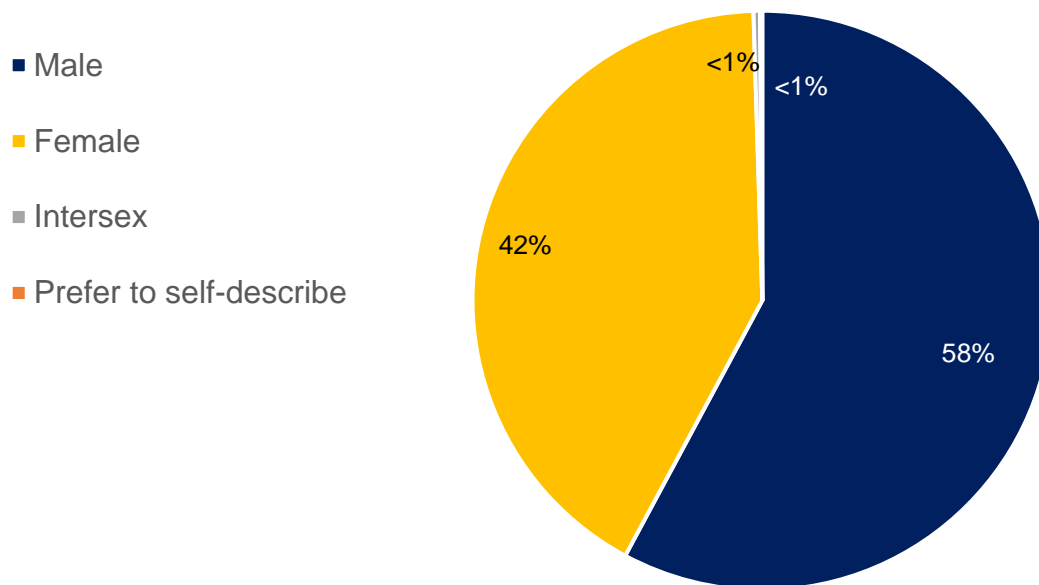




Figure 2 shows that the majority of respondents are male (58%), whilst 42% are female. Less than 1% of respondents are intersex, and less than 1% self-describe their sex as non-binary.

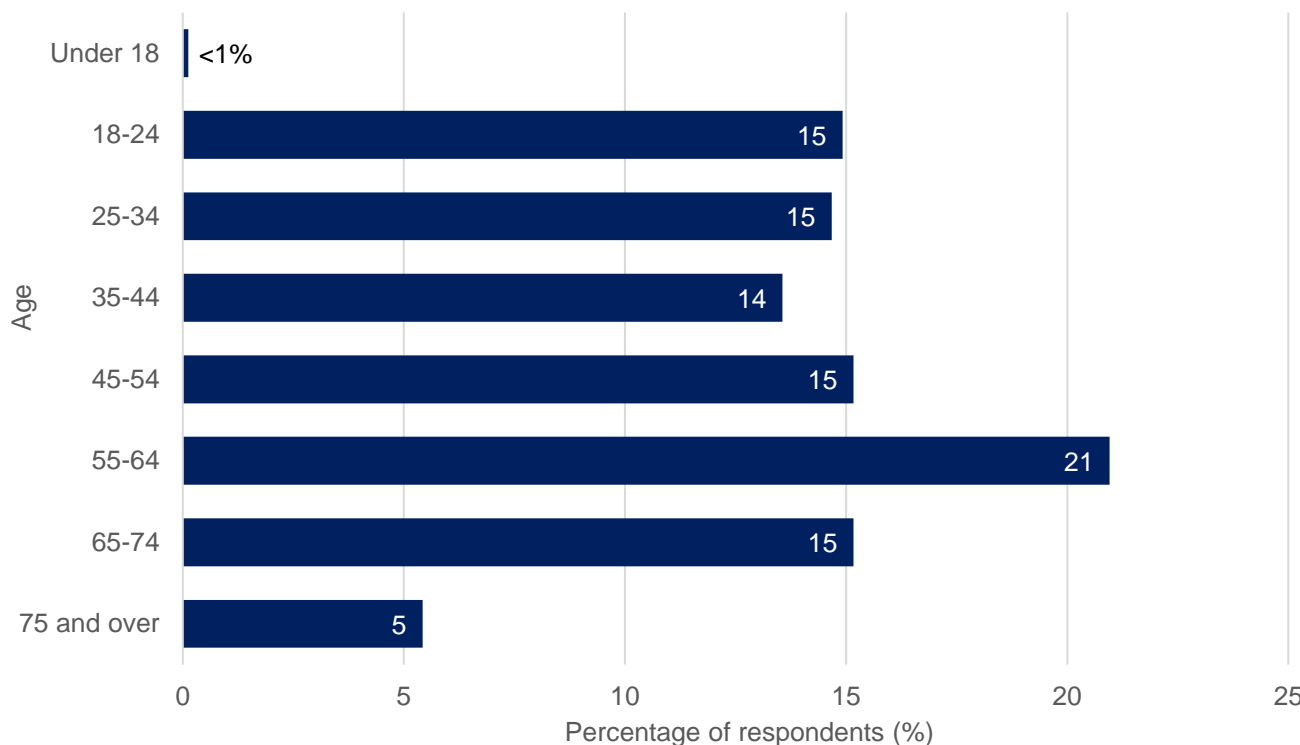
Figure 2: Respondents by sex



Base: Total sample (820)

Figure 3 shows respondents by their age. The consultation engaged with relatively similar proportions of respondents in all age groups, with the exception of those under 18 and those aged 75 and over.

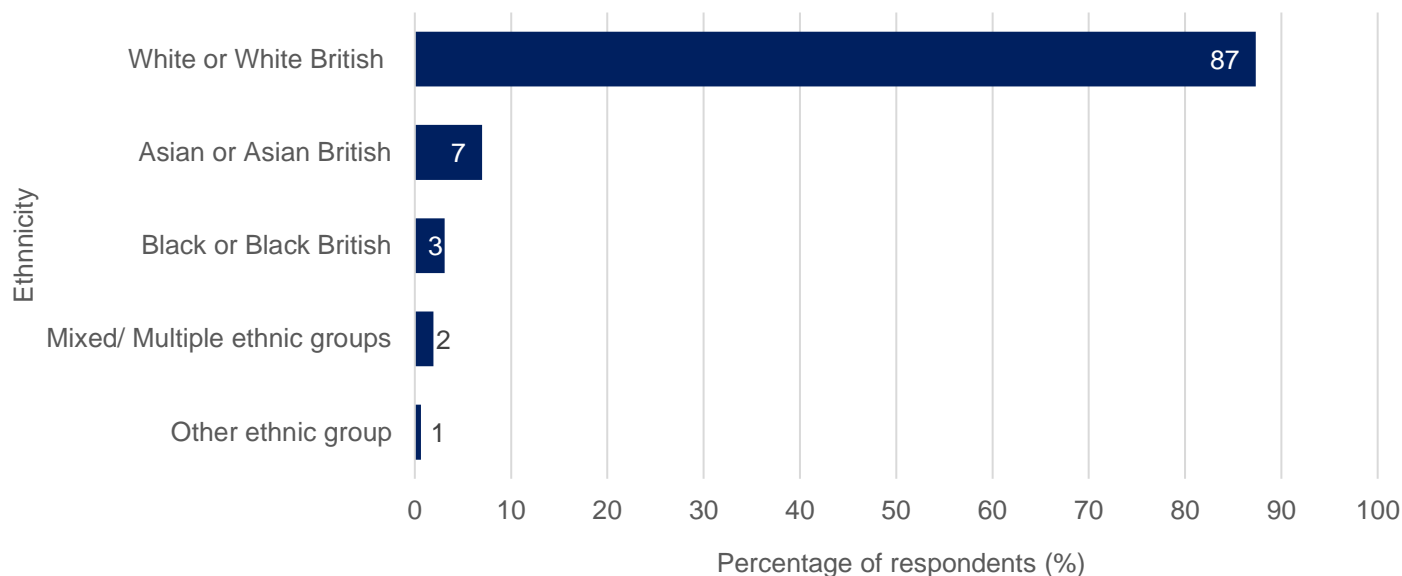
Figure 3: Respondents by age



Base: Total sample (811)

Figure 4 shows respondents by their ethnic group. The majority of respondents in the consultation are 'White or White British' (87%), followed by 'Asian or Asian British' (7%), 'Black or Black British' (3%), 'Mixed or Multiple ethnic groups' (2%), and those belonging to an 'other ethnic group' (1%).

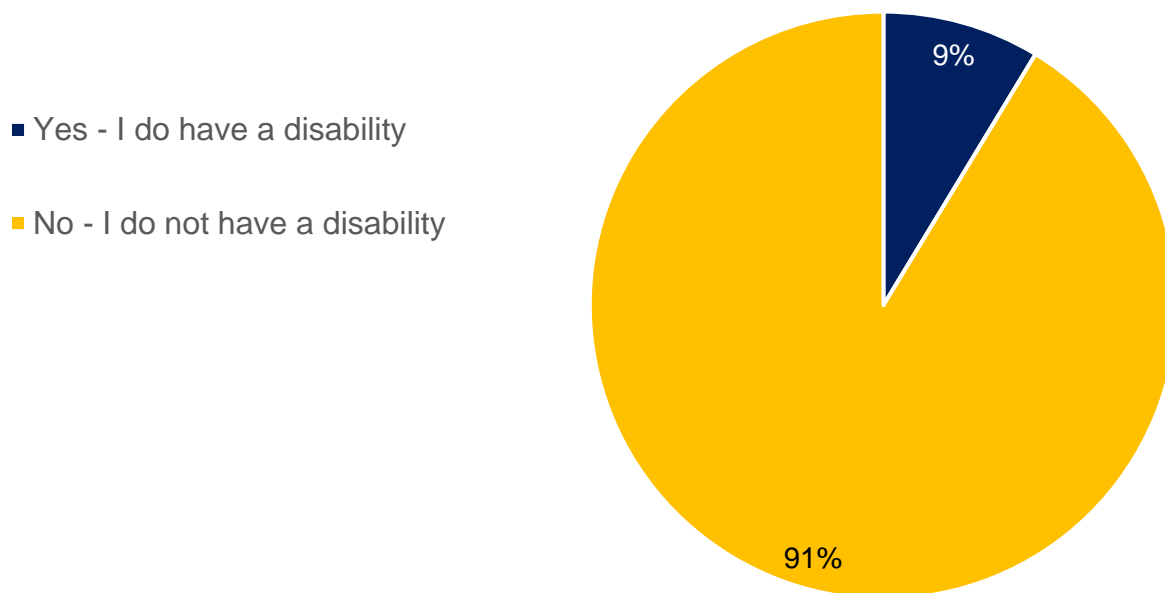
Figure 4: Respondents by ethnic group



Base: Total sample (774)

Respondents were asked whether they consider themselves to have a disability according to the Disability Act 2010. Figure 5 shows that 9% of respondents have a disability, whereas 91% do not.

Figure 5: Do you consider yourself to have a disability under the Equality Act 2010 definition?



Base: Total sample (796)

Respondents who have a disability were asked to indicate what type of disability they have, shown in Figure 6 on the following page. The most common disability types reported by respondents are mobility (58%) and physical (52%).

Figure 6: Respondents by disability type

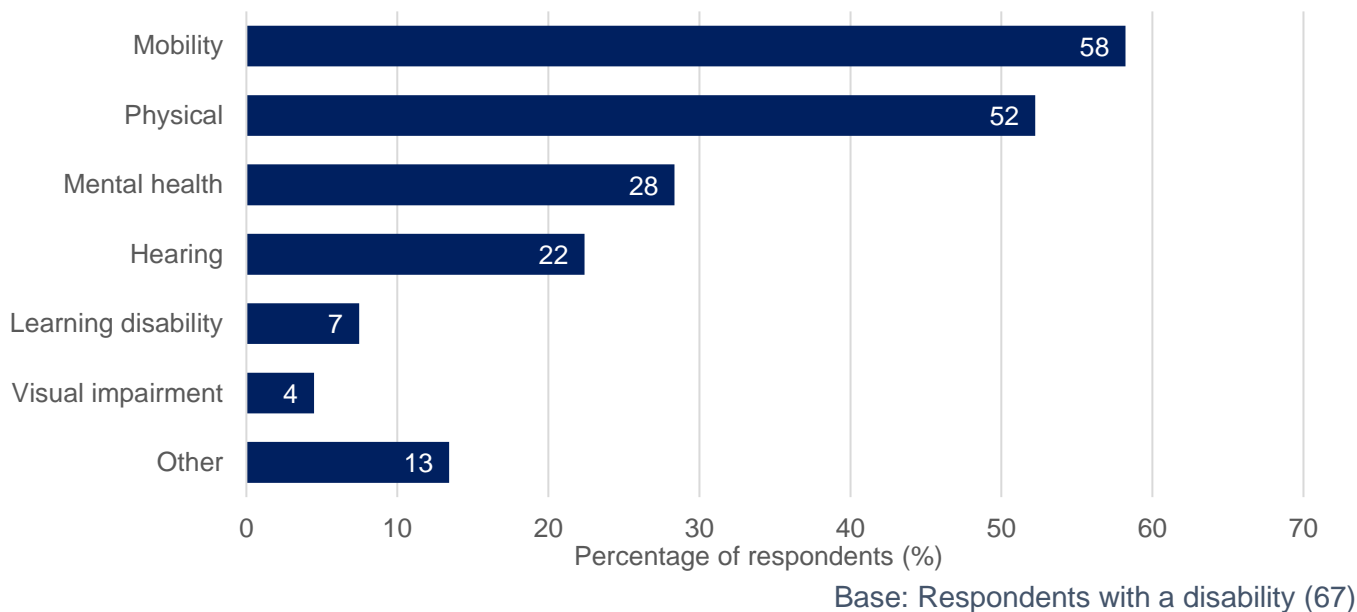
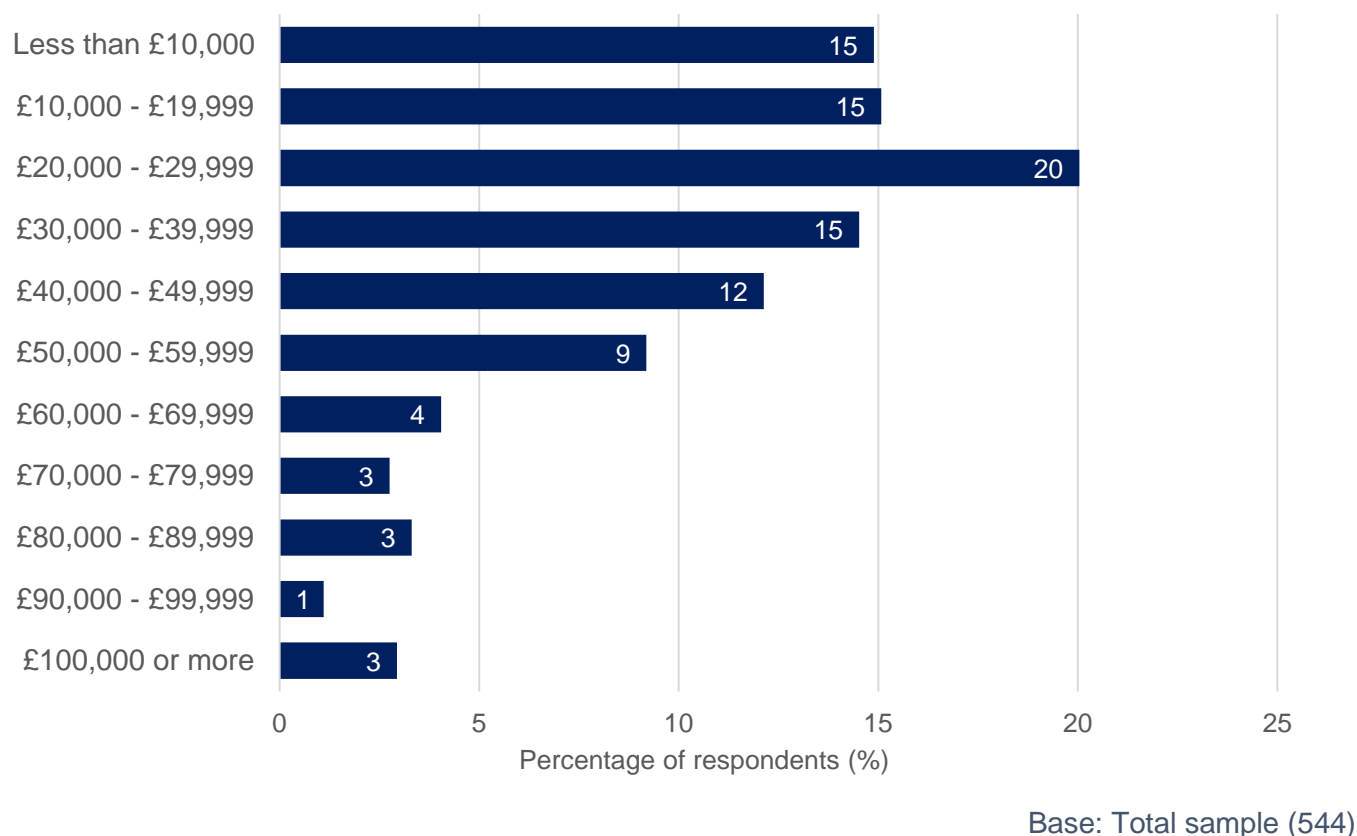


Figure 7 shows respondents by annual household income. The majority of respondents have an annual household income of less than £40,000 (65%).

Figure 7: Respondents by household income



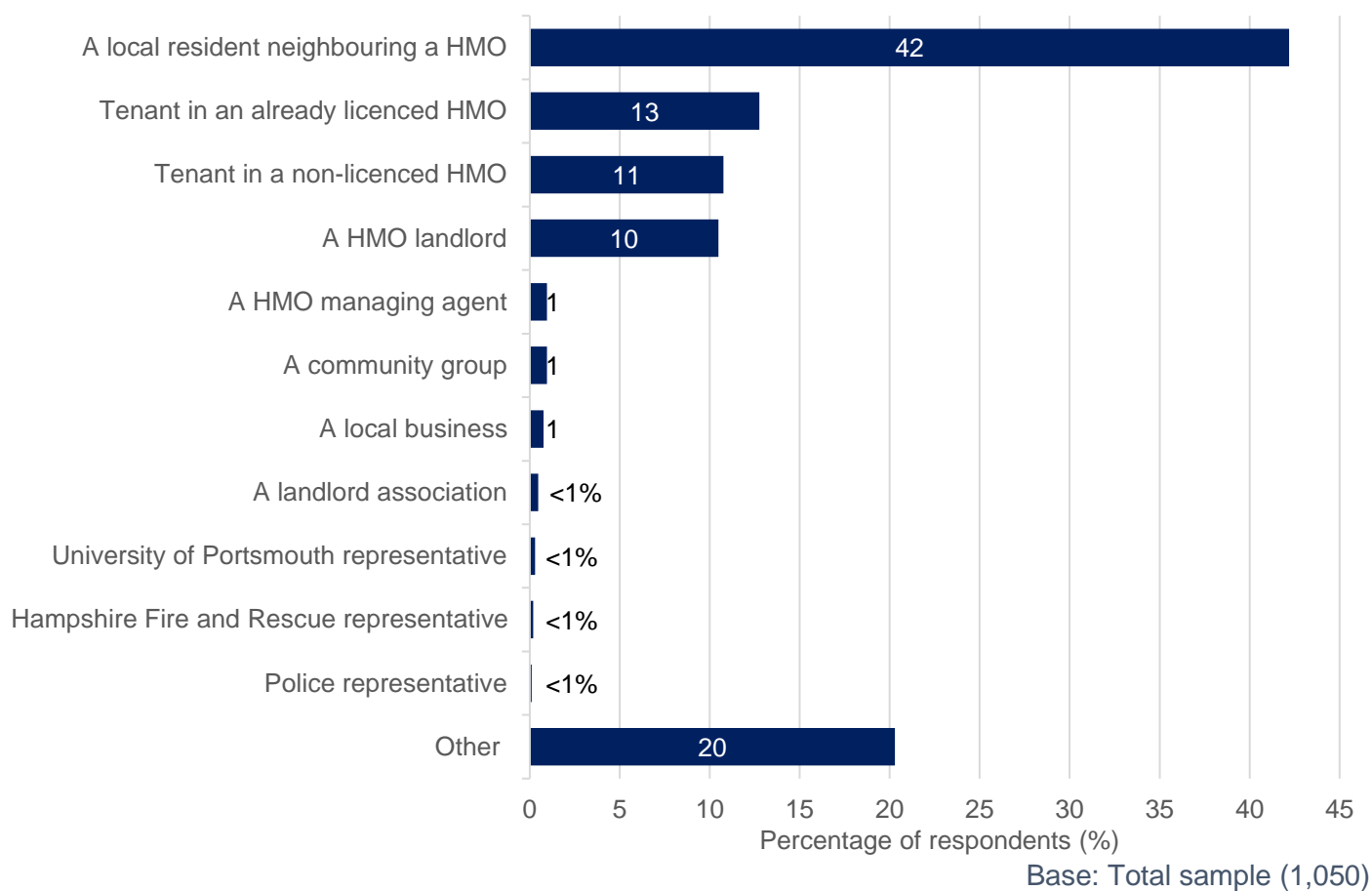
## 5.2 Respondent situation

The following section details respondent's situations and the capacity in which they responded to the consultation. All respondents were required to identify which group best described them before continuing with the survey. They were also asked to indicate their current working or educational

status. This section also includes details on tenancy types of respondents and the postcode areas of HMO landlords and managing agents.

Figure 8 shows respondents by the group best describing them when responding to the consultation. The highest proportion of respondents are local residents neighbouring HMOs (42%), followed by tenants in already licensed HMOs (13%), tenants in non-licensed HMOs (11%) and HMO landlords (10%). For this consultation, three key groups have been identified as those most likely to be impacted by the introduction of additional HMO licensing: local residents neighbouring a HMO, tenants in non-licensed HMOs, and HMO landlords. Responses from these groups will be drawn out in the subsequent sections.

Figure 8: Respondents by group



A fifth of respondents selected 'other', this is likely due to the specific nature of the groupings offered above. Further analysis indicates that those selecting 'other' largely fall into local residents, not neighbouring a HMO (8%), homeowners or landlords of non-HMOs (both 3%), previous tenants of HMOs or private tenants of non-HMOs (both 1%).

Respondents were asked to indicate their current working or educational status (see Figure 9 on the following page). The highest proportion of respondents are employed full time (35%), followed by just under a quarter of respondents who are retired (24%). A further 14% of respondents are in full time education, 12% are employed part time, and 9% are self-employed full time. Smaller proportions are currently unemployed (5%), self-employed part time (3%) and in part time education (1%).

## Additional HMO Licensing

Figure 9: Respondents by current working situation

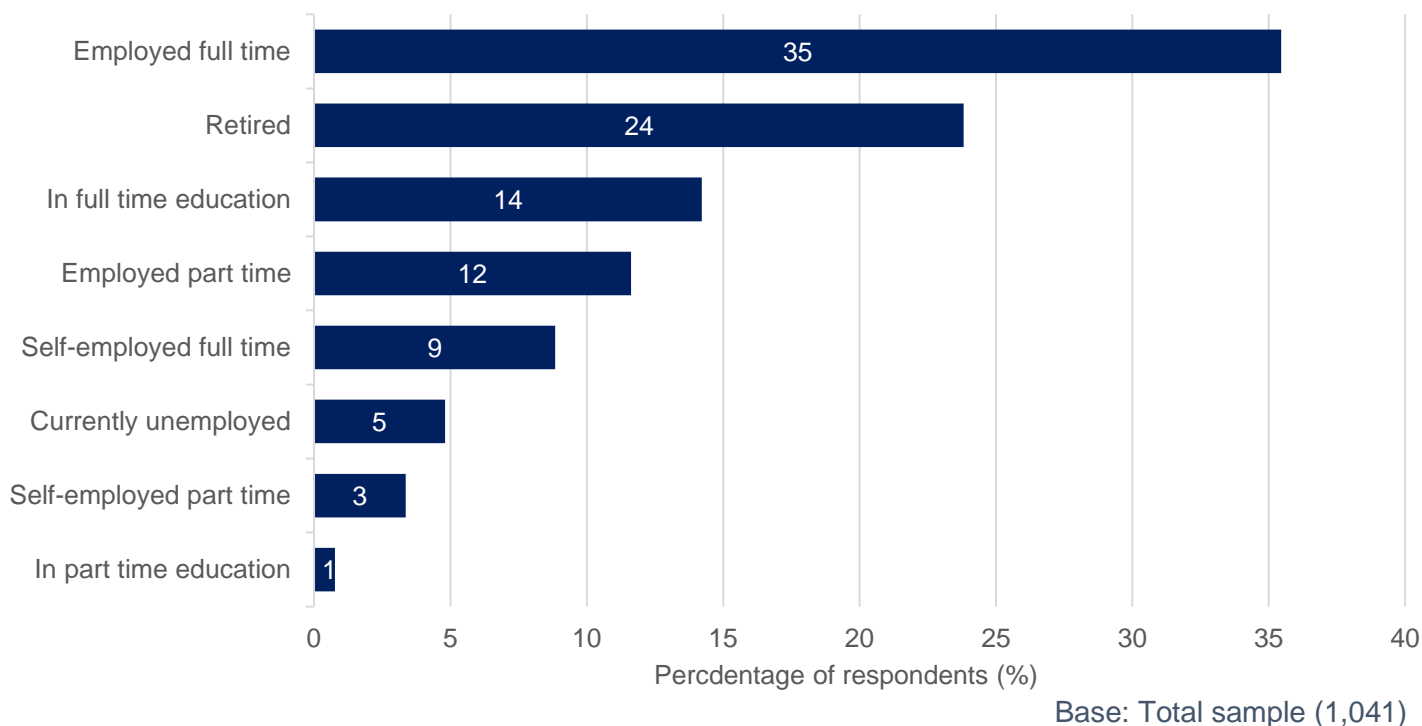
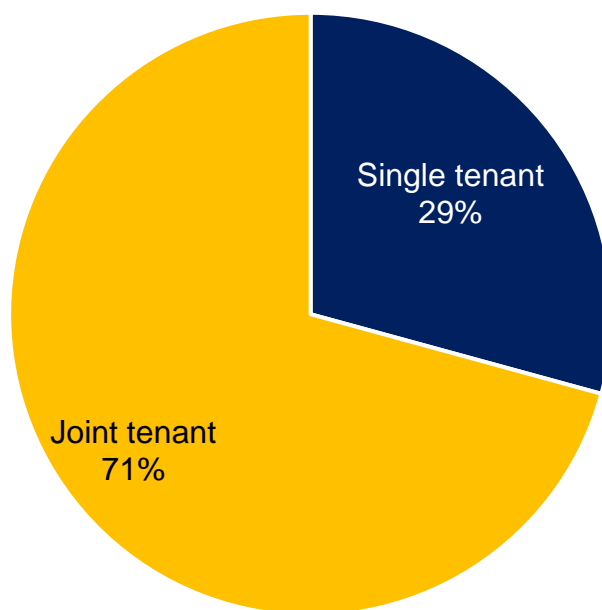


Figure 10 shows whether tenants are single tenants or joint tenants. The majority of tenancies are joint tenants (71%), with 29% being single tenants.

Figure 10: Respondents by tenancy type

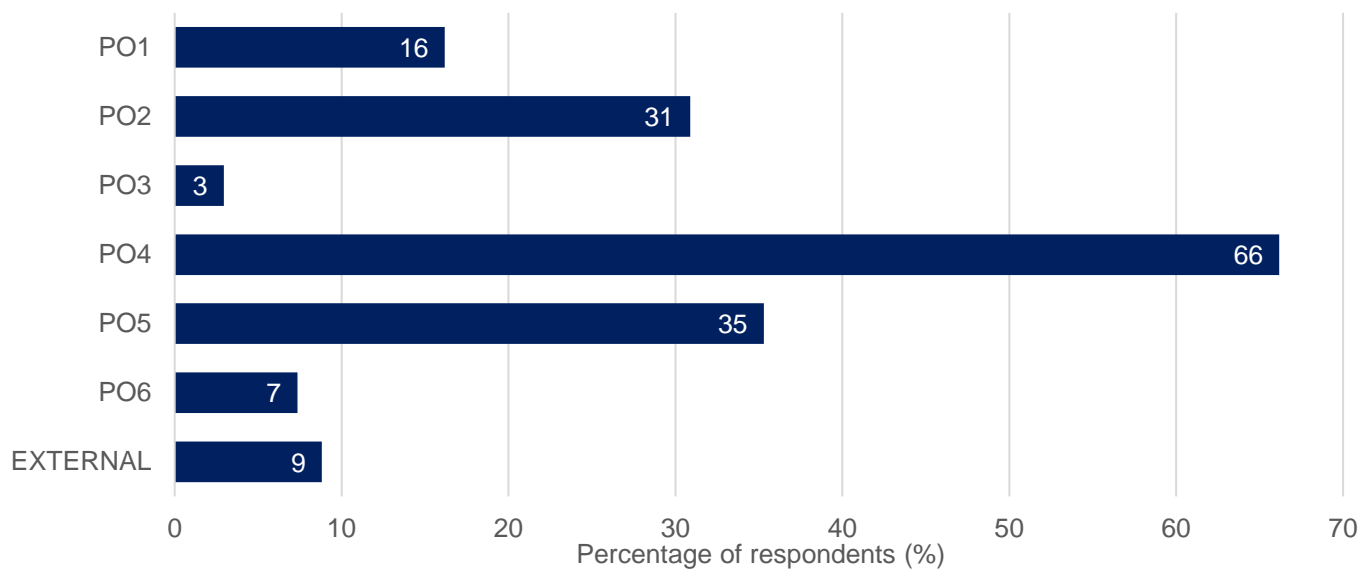


Base: Respondents who are tenants (212)

Respondents who identified themselves as a HMO landlord or HMO managing agent were asked to provide the postcode(s) of the HMO(s) they own or manage. Figure 11 on the following page shows the postcodes of these HMOs. The majority of HMOs owned or managed by respondents are in PO4 (66%), followed by PO5 (35%), PO2 (31%), and PO1 (16%). Smaller proportions are in PO6 (7%) and PO3 (3%), and 9% are outside of the immediate Portsmouth area (PO1-PO6).

## Additional HMO Licensing

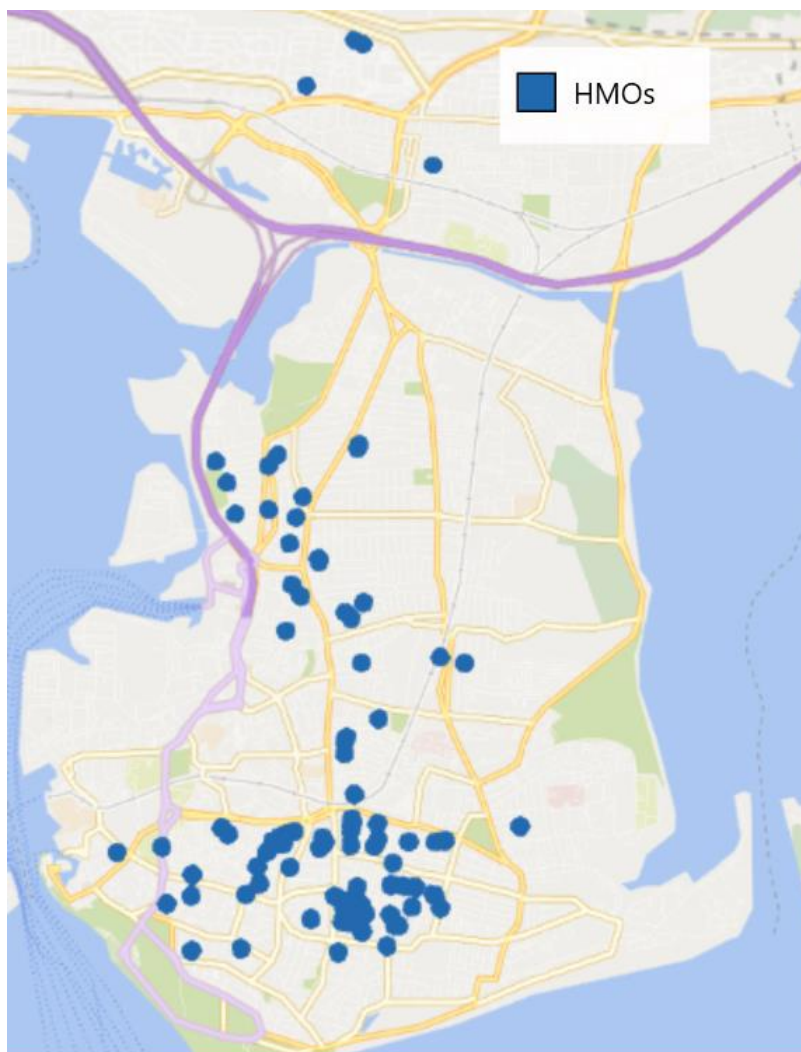
Figure 11: Postcodes of HMOs owned or managed by respondents



Base: Landlords and managing agents of HMOs (68)

Map 1 shows the distribution of those HMOs in the PO1 - PO6 area.

Map 1: Distribution of HMOs managed or owned by respondents in the Portsmouth area (PO1-PO6)

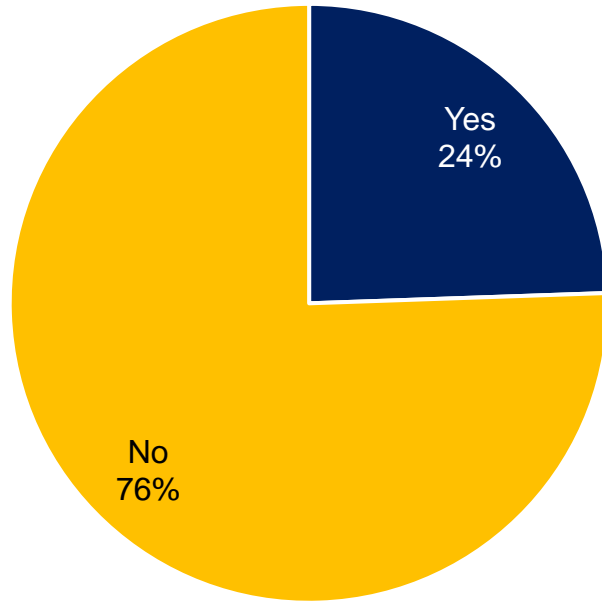


Base: Landlords and managing agents of HMOs (68)

### 5.3 Current condition of HMOs

The following section of analysis details the findings regarding the current condition of HMOs, rated by current or previous tenants of HMOs. Figure 12 shows that just under a quarter of respondents currently live in a HMO, or have lived in a HMO in the past 12 months.

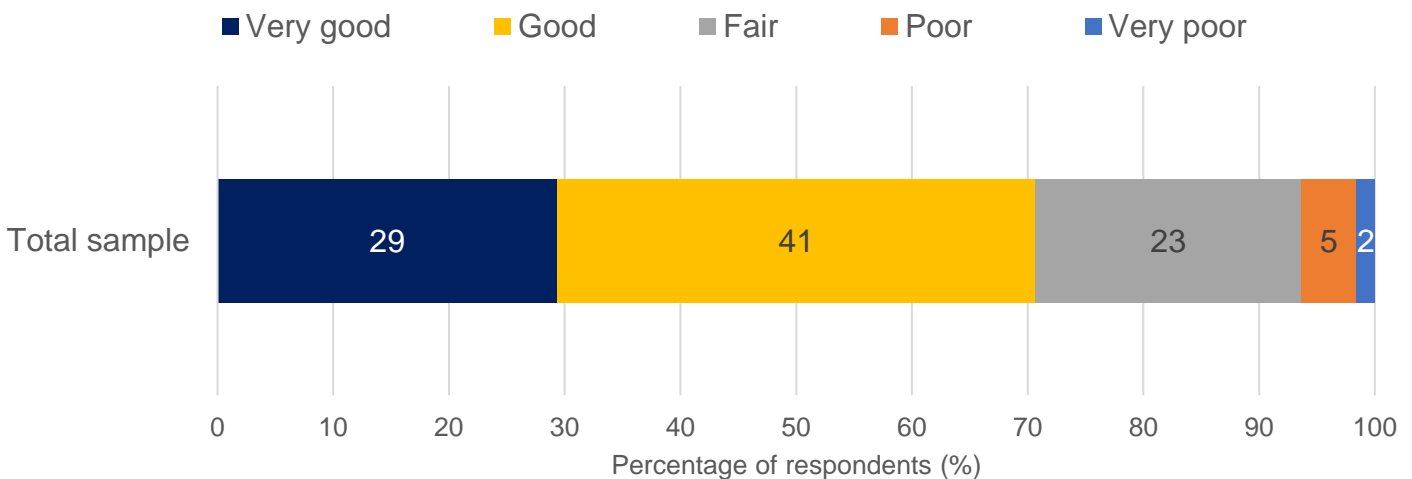
Figure 12: Do you currently live in a HMO (or have lived in a HMO in the past 12 months)?



Base: Total sample (1,039)

Respondents who either currently live in a HMO, or have lived in a HMO in the past 12 months were asked to rate the condition of that HMO. Figure 13 shows that the majority of these respondents would rate the condition of that HMO as 'good' or 'very good' (70%). 23% of respondents would rate the condition of the HMO as 'fair', and 7% would rate the condition as 'poor' or 'very poor'.

Figure 13: Condition of HMO respondents live in/ have lived in in the past 12 months



Base: Respondents who currently live in or have lived in a HMO in the past 12 months (252)

All respondents who currently live or have lived in a HMO in the past 12 months were asked to explain the reason for the rating they gave the condition of the HMO. Table 1 on the following page shows the responses from those rating the condition as 'good' or 'very good'.

Table 1: Reason for rating condition of HMO 'good' or 'very good'

Comment	Percentage of respondents (%)
Property is well-maintained	24
It's fine / no major problems	20
Nice accommodation / spacious	17
Good and responsive landlord / agency	13
Good / affordable rent	5
Other	3
No comment	56

Base: Respondents who rated the condition of the HMO as 'good' or 'very good' (178)

The highest proportion of respondents rated the HMO as 'good' or 'very good' as they feel that the property is **well-maintained to a high standard**, generally upkept by **regular cleaning** provided by the landlord and frequent checks to complete any necessary **repairs or refurbishments** (24%). A fifth of respondents reported **'no major problems'** or said that the property was **'fine'**.

Just under a fifth of respondents feel the accommodation provided is **nice and spacious**, with reasonably sized rooms and common spaces, and up-to-date décor making the house feel comfortable (17%). One in ten respondents gave a favourable rating because they feel that their landlord or managing agency are **good and responsive**, who **care about the property** and are **quick to respond** and resolve any issues (13%). Smaller proportions of respondents feel that their rent is **good and affordable** (5%) or gave **'other'** comments (3%). Over half of respondents did not expand on their rating and gave no comments (56%).

---

*"Landlord is very quick to act if there's any problems in the property."*

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*"Everything is in very good condition. There are no problems in the bathroom, kitchen, or bedrooms, and the house heating system works perfectly fine."*

---

Table 2 shows the reasons respondents rated the condition of the HMO 'fair'.

Table 2: Reason for rating condition of HMO 'fair'

Comment	Percentage of respondents (%)
A bit rundown / décor could be improved	34
It's OK / meets minimum standards	28
Student house	9
Poor conversion / finish	7
Other	5
No comment	29

Base: Respondents who rated the condition of the HMO as 'fair' (58)

The highest proportion of respondents rated the condition of the HMO as 'fair' because they feel the property is a **bit rundown and shabby**, in need of some **non-urgent repairs** or feeling that the



**décor** could be improved to make the house feel **less dated** and **more comfortable** (34%). 28% of respondents think the property is **OK** and **meets the minimum standards**, but do not think the house is anything special.

Several respondents rated the condition as 'fair' as they feel it is a bit **basic** due to the property being a **student house** (9%). Some respondents feel that the property has had a **poor conversion** or been **finished to a poor quality** (7%). 29% of respondents did not expand on their rating and gave no comments.

---

*"Comfortable and has what I need."*

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*"It's a bit dated but everything is in working order."*

---

Table 3 shows the reasons respondents gave for rating the condition of the HMO as 'poor' or 'very poor'.

Table 3: Reason for rating condition of HMO 'poor' or 'very poor'

Comment	Percentage of respondents (%)
Poor quality housing	31
Poor service from agency / landlords	31
Mould / damp	19
Rats	19
Issues with other tenants	13
Other	19
No comment	31

Base: Respondents who rated the condition of their HMO as 'poor' or 'very poor' (16\*) |\*Caution small base

Whilst only a small proportion of respondents gave poor ratings, their reasons include the **poor quality of housing**, describing issues with **plumbing causing leaks** and the house being **in need of repair**, and **poor service from the landlord or rental agency**, not being **properly managed** or landlords **ignoring issues** (31% each). Just under a quarter of respondents have issues with **mould and damp** in their properties or issues with **rats** (19% each) and some respondents have **issues with other tenants** where they cannot control who lives in the property (13%). 31% of respondents did not expand on their rating and gave no comments.

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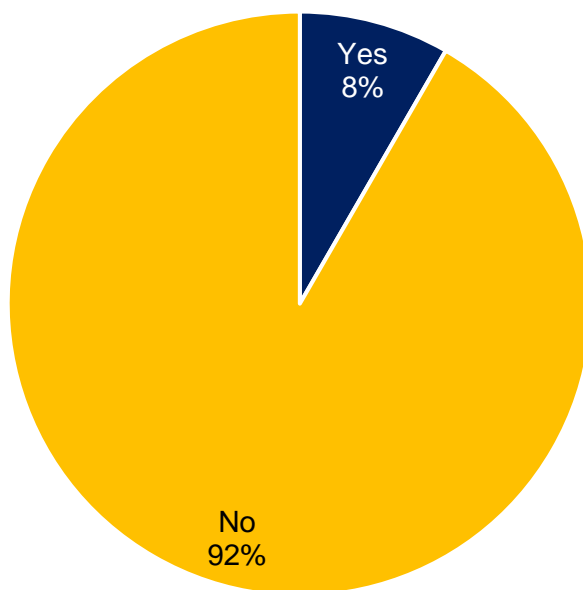
*"Mould before tenant arrival, no locks on doors, mould to the point where my possessions were wet to the touch, oven caught fire due to an electrical fault. Blinds fell off windows and landlord refused to fix, so had no blinds or curtains."*

---

*"The walls are of inadequate quality such as the wall near the boiler, which has decayed due to water leakage. Many cosmetic flaws throughout in terms of the house/ furniture, and the basement has too much mould to go down there."*

Figure 14 shows that 8% of respondents feel their health has been negatively affected by the property they currently or have previously lived in, whilst the majority do not feel their health has been affected (92%).

Figure 14: Do you feel your health has been negatively affected by the condition of the property you live in (or lived in within the last 12 months)?



Base: Respondents who currently live in or have lived in a HMO in the past 12 months (252)

Table 4 shows the reasons that respondents feel their health has been negatively affected by the condition of the HMO.

Table 4: Reason for health being negatively affected by condition of HMO property

Comment	Percentage of respondents (%)
Issues with mould	24
Stress / mental health caused by condition of HMO	19
Vermin	19
Caught illness in the HMO	19
Other	24
No comment	10

Base: Respondents who feel their health has been negatively affected by their current or previous HMO property (21\*) | \*Caution small base

Whilst only 8% of respondents reported their health being negatively affected by the condition of the HMO property, **issues with mould impacting their breathing** was the main complaint from almost a quarter of this subset (24%). 19% of respondents feel that they have experienced **stress or mental health problems** caused by the condition of the HMO and similar proportions have had issues with **vermin**, including **rats** and **insects in their food**, or have **caught illnesses** whilst

living in the HMO, including **the flu and pneumonia** (both 19%). 10% of respondents did not expand on their answer and gave no comments.

### 5.4 Aims of the proposed scheme

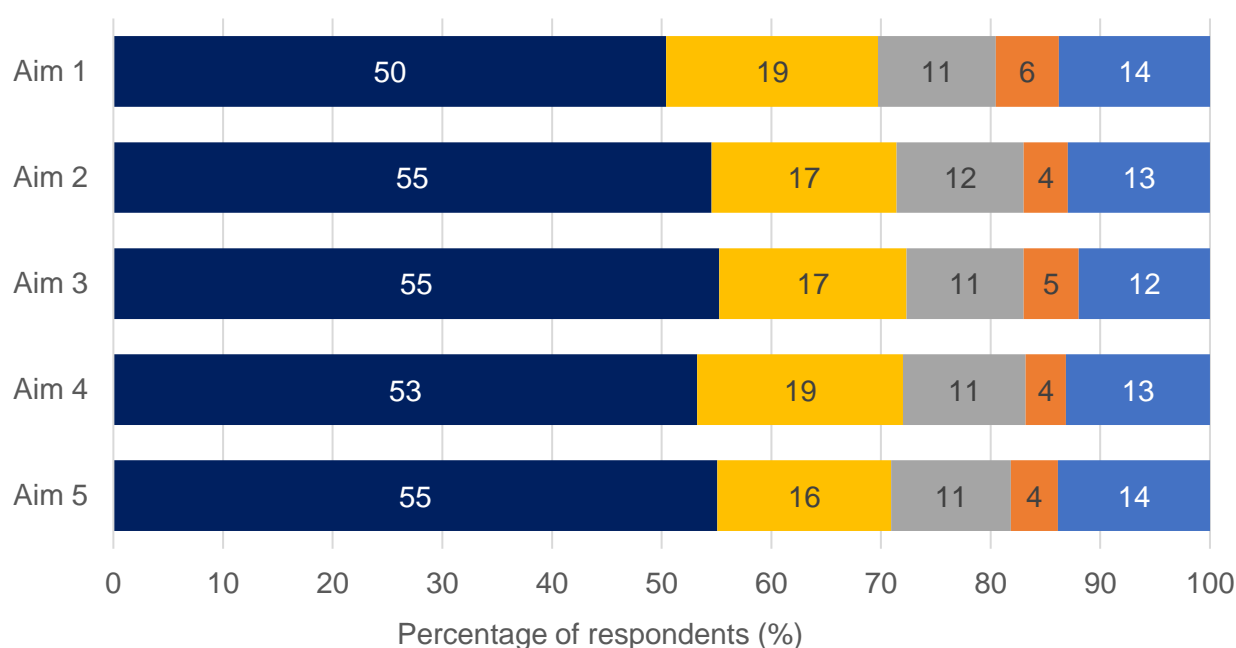
Respondents were asked to what extent they agree or disagree that licensing will help to achieve the five aims of the proposed schemes. Respondents were then asked to explain the reasons behind their responses. The following section is structured according to the five aims of the scheme. These are as follows:

1. To protect private rented tenants of HMOs from poorly managed and maintained properties
2. To effectively regulate HMOs in the private rented sector by identifying an individual responsible for the management and conditions of the property, ensuring consistency of standards across the city for HMOs in the private rented sector
3. To drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues
4. To enable council officers to utilise enforcement powers effectively to significantly drive up housing standards, housing management and the wellbeing of tenants in high risk properties
5. To support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords

Figure 15 shows to what extent respondents agree or disagree with each of the above aims. The majority of respondents strongly agree with each aim. The remainder of this section offers an in-depth breakdown to each of these responses.

Figure 15: To what extent respondents agree or disagree that licensing will help to achieve the above aims

■ Strongly agree ■ Slightly agree ■ Neither agree nor disagree ■ Slightly disagree ■ Strongly disagree

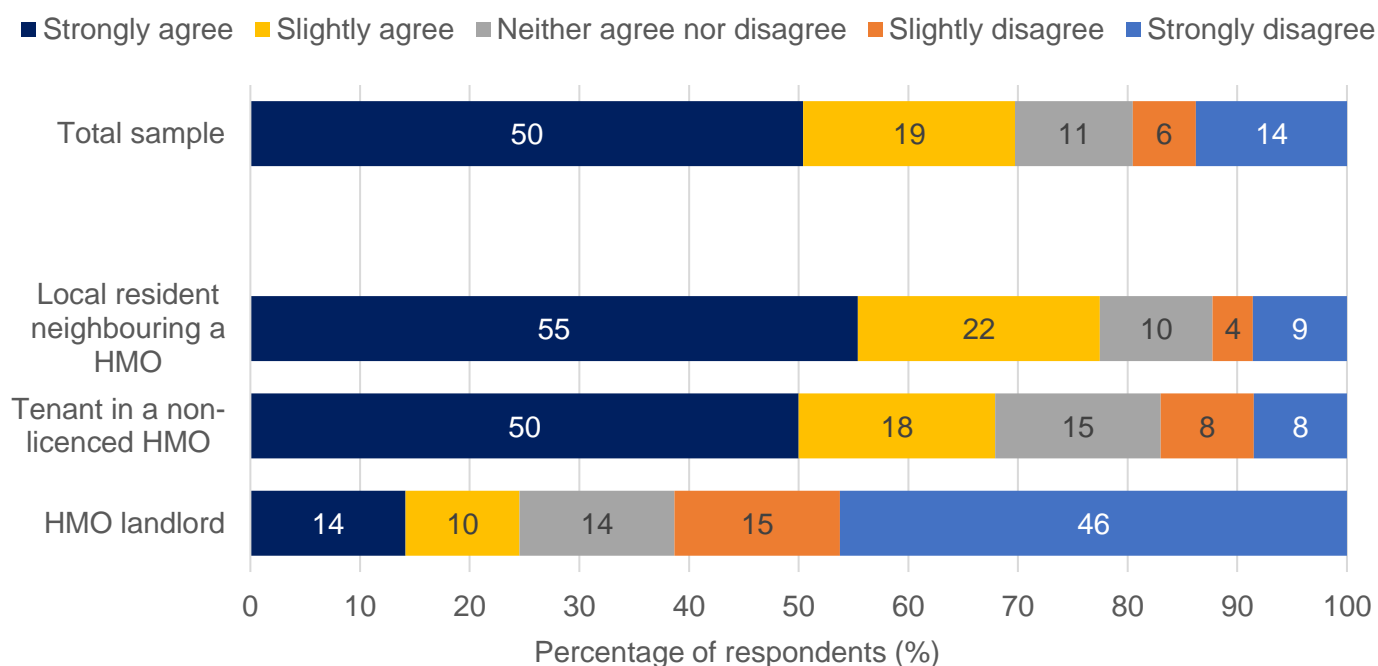


Base: Total sample, from top to bottom (978), (948), (936), (922), (908)

### 5.4.1 Poorly managed and maintained properties

Figure 16 shows that the majority of respondents slightly agree or strongly agree that licensing will help to protect private rented tenants of HMOs from poorly managed and maintained properties (69%). Local residents neighbouring a HMO are most likely to agree that licensing will help achieve this aim (77% slightly or strongly agree). The majority of tenants in non-licensed HMOs still slightly or strongly agree licensing will achieve this aim (68%), however, the majority HMO landlords slightly or strongly disagree that licensing will achieve this aim (61%).

Figure 16: Respondent agreement that licensing will help to protect private rented tenants of HMOs from poorly managed and maintained properties



Base: Total sample (978), Local resident neighbouring a HMO (106), Tenant in a non-licensed HMO (408), HMO landlord (106)

Respondents were next asked to explain why they think licensing will or will not help achieve the aim of protecting tenants of HMOs from poorly managed and maintained properties. Table 5 shows why respondents 'slightly' or 'strongly agree' licensing will achieve this aim.

Table 5: Why respondents **agree** that licensing will protect private tenants of HMOs from poorly managed and maintained properties

Comment	Percentage of respondents (%)
Provides framework for standards and enables them to be monitored	15
Licensing will ensure landlords are held accountable to maintain standards	14
Many HMOs are currently in poor condition with no external standardising or regulation	9
General agreement with objective of the aim	9
Licensing will provide tenants with external protection	8

## Additional HMO Licensing

Only if enforced properly	5
Makes HMOs identifiable and provides point of contact	3
Other	11
No comment	39

Base: Respondents who 'slightly' or 'strongly agree' (682)

The most common reasons respondents feel that licensing would protect private tenants from poorly managed and maintained properties is because licensing **provides a framework** for the standards of HMOs and enables these standards **to be monitored** (15%), and ensures **landlords are held accountable** to maintain the standards set out by licensing (14%). Just under a tenth of respondents feel that licensing will help achieve this aim because many non-licensed HMOs are currently in **poor condition without this external standardisation or regulation** (9%), and the same proportion expressed a **general agreement with the objective of the aim**.

Several respondents feel that licensing will **protect tenants** as it involves **external** regulation (8%), whilst others believe licensing will achieve this aim providing the scheme and regulations are **properly enforced** (5%). A small proportion of respondents feel this aim will be achieved because licensing will **make HMOs identifiable** in the system and **provides a point of contact** for both tenants and residents to raise issues (3%). 39% of respondents did not expand on their answer and gave no comments.

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*"May make landlords more aware of their responsibilities; may deter less responsible ones who see HMOs just as a source of income."*

---



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*"Will standardise the conditions for the rental market for HMOs across the city."*

---

Table 6 shows responses from those who 'neither agree nor disagree'.

*Table 6: Why respondents **neither agree nor disagree** that licensing will protect private tenants of HMOs from poorly managed and maintained properties*

Comment	Percentage of respondents (%)
Lack of information to make decision	15
Disagree with HMOs / amount in the city	8
Properties can be well-managed without licensing	7
Unsure if licensing would solve the issues	7
Standards should be regulated, but the cost is likely to impact tenants	6
The impact of licensing will depend on how well it is enforced	6
Unsure if landlords will meet the standards	6
Other	8
No comment	41

Base: Respondents who 'neither agree nor disagree' (105)

## Additional HMO Licensing

The highest proportion of respondents 'neither agree nor disagree' that licensing will protect private tenants from poorly managed and maintained HMO properties as they feel that they **lack the information** to know whether licensing will help to achieve this aim (15%). 8% of respondents express a **general disagreement with HMOs** or **oppose the number of HMOs in Portsmouth**. Similar proportions of respondents feel that properties can, and are, **well-managed without licensing**, or are **unsure if licensing would solve the issues** (7% each).

Several respondents feel conflicted, as they **agree that standards should be regulated**, but are concerned that the **cost will impact tenants** (6%), and the same proportion neither agree nor disagree as they feel the impact of licensing will **depend on how well it is enforced** or are **unsure if landlords will actually meet the standards set**. 41% of respondents did not expand on their answer and gave no comments.

---

*"This scheme was previously used and the council never got around to inspecting the property before the licence expired. Any charges for a licence will be fully passed on to the tenants so will increase rent prices."*

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---

*"Licensing seems like a good idea but so many larger HMOs are poorly maintained inside and out so it seems the existing licensing may not be effective in helping tenants."*

---

Table 7 shows responses from respondents who 'slightly' or 'strongly disagree'.

Table 7: Why respondents **disagree** that licensing will protect private tenants of HMOs from poorly managed and maintained properties

Comment	Percentage of respondents (%)
The additional cost will increase prices for tenants or reduce the availability of HMOs	21
Majority of HMO landlords are good, licensing will negatively impact them	18
No evidence of previous schemes / current licensing making a difference	14
Licensing will not be enforced well enough to make a difference	10
Scheme will not tackle real problem of rogue landlords	10
There is already sufficient legislation in place for tenants	9
Licensing will create / ignore certain issues	8
Disagree with HMOs / general issues with HMOs	8
Other	12
No comment	12

Base: Respondents who 'slightly' or 'strongly disagree' (191)

Just over a fifth of respondents disagree that licensing will protect private tenants from poorly managed and maintained HMO properties as they feel the **additional costs from licensing will increase prices for tenants** or deter landlords and **reduce the availability of HMOs** (21%). Just under a fifth of respondents disagree as they feel the **majority of HMO landlords are good** at managing and maintaining properties, and that they will be **negatively impacted** by licensing (18%).

14% of respondents disagree because they believe there is **no evidence of previous schemes or current licensing achieving this**.

A tenth of respondents feel that **licensing will not be enforced effectively enough** to make a difference and the same proportion feel that the scheme will not tackle the **real problem of rogue landlords** who are not managing or maintaining properties. 9% of respondents feel that there is **already sufficient legislation in place for tenants** to achieve this, and a similar proportion feel that licensing will **create more issues** or **ignore other existing issues** like antisocial behaviour from tenants or comfortable living spaces (8%). There is also some **general disagreement about HMOs** and respondents **highlighting general issues with HMOs** (8%). 12% of respondents did not expand on their answer and gave no comments.

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*"Additional licensing will only end up increase in rental cost, especially for a small HMO property. The transfer of cost will be almost double when compare to large HMO property."[sic]*

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*"Because rogue landlords will continue to operate. Any scheme only impacts on the already responsible landlords."*

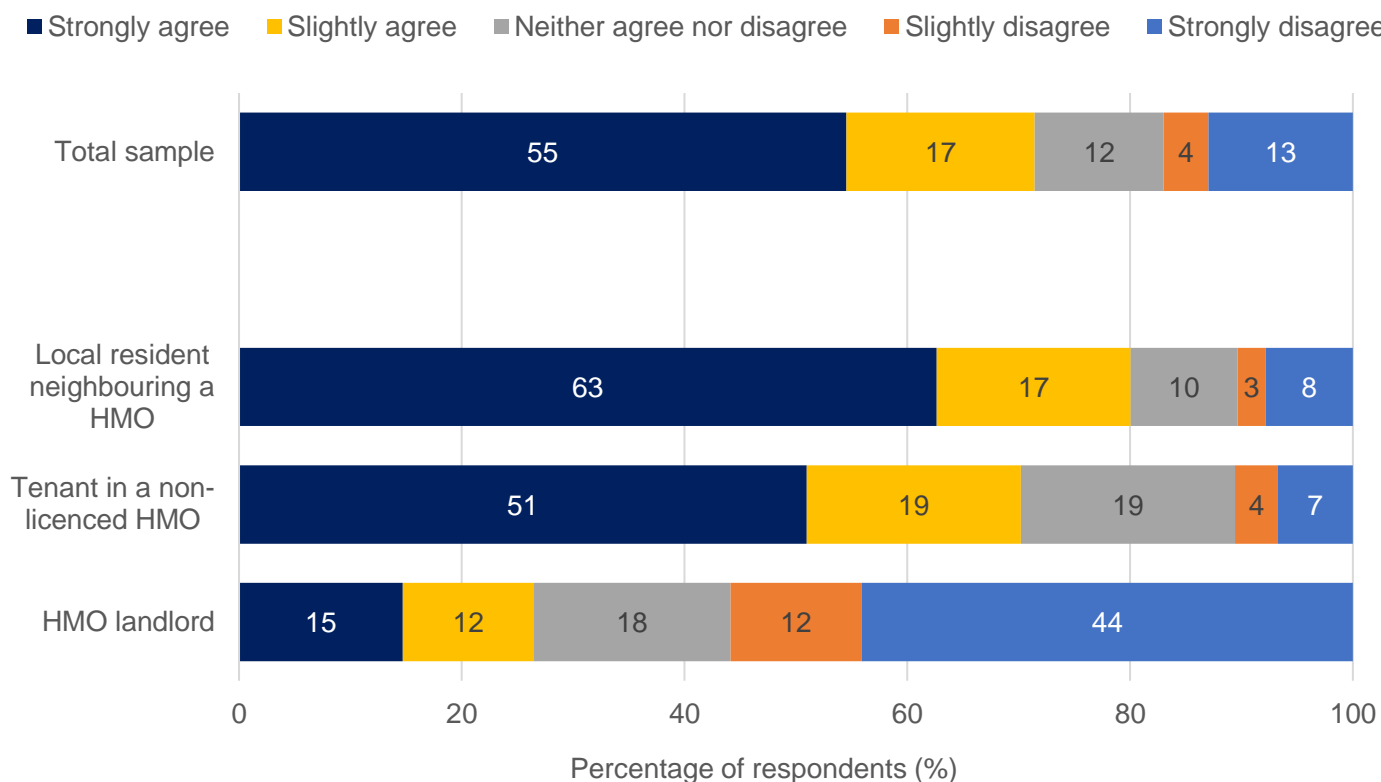
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#### **5.4.2 Effective regulation by identifying an individual responsible for management of the property**

Figure 17 on the following page shows that the majority of respondents agree that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property (72%). Local residents neighbouring a HMO (80%) and tenants in non-licensed HMOs (70%) are most likely to agree that licensing will help to achieve this aim. The majority of HMO landlords disagree that licensing will effectively regulate HMOs in the private rented sector (66%).

## Additional HMO Licensing

Figure 17: Respondent agreement that licensing will help to effectively regulate HMOs in the private rented sector by identifying an individual responsible for the management and conditions of the property, ensuring consistency of standards across the city for HMOs in the private rented sector



Base: Total sample (948), Local Resident neighbouring a HMO (396), Tenant in a non-licensed HMO (104), HMO Landlord (102)

Respondents were asked to explain why they agree or disagree that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property. Table 8 shows responses from respondents who 'slightly' or 'strongly agree'.

Table 8: Why respondents **agree** that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property.

Comment	Percentage of respondents (%)
Holds landlords accountable and discourages rogue landlords	14
Protects tenants and ensures consistent, better living conditions	11
Identifies someone responsible and enables them to be held accountable to meet standards	10
Provides a contact point to raise issues and makes landlords identifiable	8
HMOs should be regulated and licensing enforced properly	7
General agreement with objective of the aim	4
Other	8
No comment	45

Base: Respondents who 'slightly' or 'strongly agree' (677)

The highest proportion of respondents agree that licensing will help to achieve this aim because **landlords would be held accountable**, and licensing would **discourage rogue landlords** (14%).



Respondents also feel that licensing will **protect tenants** by **ensuring consistent and better living conditions** (11%). A tenth of respondents feel licensing will achieve this as it will **identify someone responsible** for the property, enabling someone to be **held accountable to meet standards**.

8% of respondents feel that the aim will be achievable due to licensing **providing a point of contact to raise issues**, and making **landlords identifiable**, including to residents and tenants. Some respondents believe that **HMOs should be regulated**, and that **licensing should be enforced properly** to ensure consistent standards (7%). A smaller proportion cited a **general agreement with the objective of the aim** (4%). 45% of respondents did not expand on their answer and gave no comments.

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*"Standards will be set that need to be adhered to, authorities will know who is in charge of said properties, rogue landlords will be made accountable more easily."*

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*"Licensee will have to take responsibility and be accountable for the property they are renting."*

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Table 9 shows responses from respondents who 'neither agree nor disagree' that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property.

*Table 9: Why respondents **neither agree nor disagree** that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property*

Comment	Percentage of respondents (%)
Property standards should be monitored on individual basis	9
Not enough knowledge about situation / indifferent	9
Decent landlords will be penalised and rogue ones will evade the system	7
Concern about adequacy of enforcement and regulation	7
General issues with HMOs (not addressed by licensing)	7
Uncertain about correlation between licensing and outcome of the aim	5
Other	9
No comment	48

Base: Respondents who 'neither agree nor disagree' (110)

Just under a tenth of respondents neither agree nor disagree that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property because they feel that **property standards should be monitored on an individual basis**, rather than a blanket approach, or feel that they are **indifferent** or **do not know enough about the situation** (9% each).

7% of respondents are unsure as they feel that **there are decent landlords who will be penalised by licensing** and believe that **rogue landlords will still evade the system**. The same proportion of respondents are **concerned about the adequacy of enforcement and regulation** to be

successful, or express **general issues with HMOs** that are not addressed by licensing (7% each). A smaller proportion of respondents neither agree nor disagree as they are **uncertain about the correlation between licensing and the outcome of the aim** (5%). 48% of respondents did not expand on their answer and gave no comments.

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*"Any standard applied to a 3 or 4 person HMO should be different to a 5 person + due to more cohesive residents of smaller households."*

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*"Regulation will not in and of itself ensure consistency of standards being maintained. The licence will be issued and the property forgotten about until a complaint is lodged either by a tenant or a resident."*

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Table 10 shows responses from respondents who 'slightly' or 'strongly disagree' that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property.

*Table 10: Why respondents **disagree** that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property*

Comment	Percentage of respondents (%)
The council should already be able to meet these aims without additional licensing	16
Council does not have the resources to adequately enforce or regulate this	14
Additional licensing will unfairly raise costs for tenants and landlords currently meeting the standards	14
Previous schemes have been unsuccessful	11
Rogue landlords will not register for the scheme and fly under the radar	9
Cannot apply a blanket approach to all HMOs	7
General opposition to HMOs / increased number of HMOs in city	6
Directs attention to the wrong issues	6
Other	11
No comment	22

Base: Respondents who 'slightly' or 'strongly disagree' (162)

The highest proportion of respondents disagree that licensing will help to effectively regulate HMO standards through identifying an individual responsible for management of the property as they feel the **council should already be able to meet these aims without additional licensing** (16%). 14% of respondents believe that the council does not have the **resources to adequately enforce or regulate** licensing to achieve this. The same proportion feel that additional licensing will **unfairly raise costs for tenants and landlords currently meeting the standards**.

About a tenth of respondents disagree that licensing will achieve this aim as they feel that **previous schemes** of a similar nature have been **unsuccessful** (11%) or that **rogue landlords will not register for the scheme** and continue to fly under the radar (9%). 7% of respondents believe that the council cannot apply **a blanket approach to all HMOs**. A similar proportion of respondents

express **general opposition to HMOs** or feel that licensing will **direct attention to the wrong issues** (6% each). 22% of respondents did not expand on their answer and gave no comments.

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*"You already have the power to identify house owners and occupants through Land Registry and Council Tax records. Licensing will only identify those that apply for the licence."*

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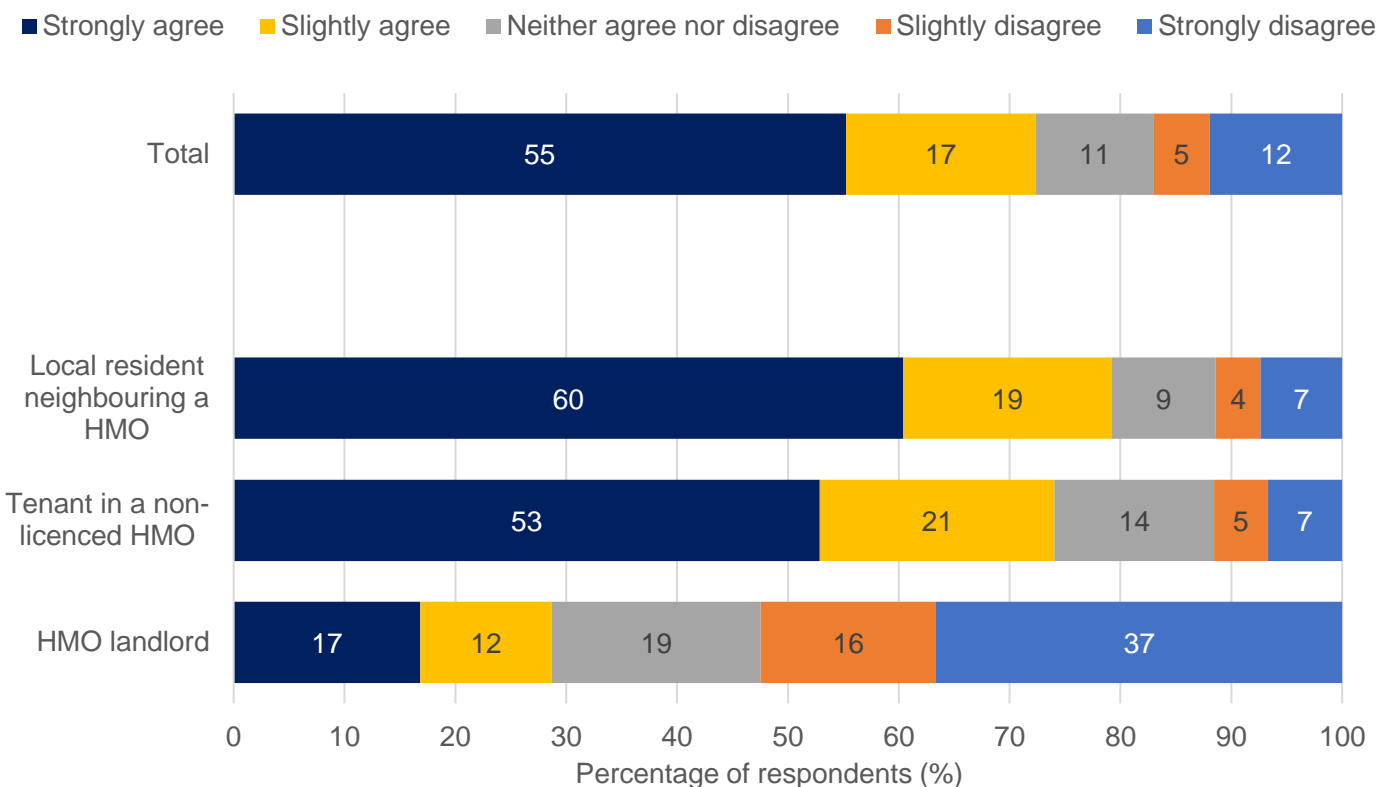
*"It will make no difference. My landlord is already responsible for the property. All the new legislation will do is raise rent costs."*

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### 5.4.3 Drive up standards

Figure 18 shows that the majority of respondents agree that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues (72%). Both local residents neighbouring HMOs and tenants in non-licensed HMOs appear slightly more likely to agree that licensing will achieve this aim than the total sample (79% and 74%, respectively). Just over half of HMO landlords disagree that licensing will help achieve this aim (53%), whilst over a quarter agree that it will help (29%).

*Figure 18: Respondent agreement that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity, and safety issues*



Base: Total sample (936), Local Resident neighbouring a HMO (394), Tenant in a non-licensed HMO (104), HMO Landlord (101)

Respondents were asked to explain why they agree or disagree that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues. Table 11 shows responses from respondents who 'slightly' or 'strongly agree'.

Table 11: Why respondents **agree** that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues

Comment	Percentage of respondents (%)
Landlords will be held accountable by authorities and require inspections	13
Landlords will need to meet minimum living standards set by licensing	11
Effective enforcement will be needed	7
General agreement with objective of the aim	7
It will ensure landlords complete repairs in adequate time	2
Local area will be improved by HMOs needing to meet external standards	2
Other	9
No comment	52

Base: Respondents who 'slightly' or 'strongly agree' (677)

The highest proportion of respondents agree that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues as **landlords will be held accountable by authorities** and **require inspections** (13%). Just over a tenth of respondents agree because landlords will **need to meet minimum living standards** set by licensing in their properties (11%).

Similar proportions of respondents feel that licensing will help achieve this aim but will **need effective enforcement** or express **general agreement with the objective of the aim** (7% each). 2% of respondents agree as they feel licensing will **ensure landlords complete repairs in adequate time** and the same proportion feel that the **local area** will also be improved as **HMOs will have to meet external standards**. Over half of respondents did not expand on their answer and gave no comments (52%).

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*"Will give the council powers to address substandard properties and require action to be taken to gain/ keep the license." [sic]*

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*"Landlords will have a requirement to meet minimum conditions for their properties and to make repairs as required."*

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Table 12 on the following page shows responses from respondents who 'neither agree nor disagree' that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues.

Table 12: Why respondents **neither agree nor disagree** that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues

Comment	Percentage of respondents (%)
Not enough focus on bad landlords who will not meet the standards	8
Concerned about adequacy of enforcement	7
Difficult to see success of previous schemes	5
Concerned about increase in costs	5
Standards are too rigid	4
General disagreement with HMOs	4
Unsure why licensing is required to achieve this	3
Other	9
No comment	57

Base: Respondents who 'neither agree nor disagree' (100)

The highest proportion of respondents neither agree nor disagree that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues as they feel that there is **not enough focus on bad landlords who will not meet the standards** (8%). A similar proportion express **concern about the adequacy of enforcement** in order to achieve this aim (7%). 5% of respondents are unsure as they feel it is **difficult to see success of previous schemes** or feel concerned about the **increase in costs** associated with licensing.

Smaller proportions of respondents feel that the **standards set by licensing are too rigid** to be achievable for all HMOs or **generally disagree with the existence of HMOs** (4% each). Some respondents neither agree nor disagree as they are **unsure why licensing is required to achieve the aim** (3%). 57% of respondents did not expand on their answer and gave no comments.

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*"You won't know who the bad landlords are because you are too busy chasing up the ones who are already conforming, adding more and more legislation and expense which increase rents and or forces them to sell up."[sic]*

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*"Licensing itself will not do this. It is how well the council run the scheme and the follow up/sanctions for landlords etc. that will change things."*

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Table 13 on the following page shows responses from respondents who 'slightly' or 'strongly disagree' that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues.

Table 13: Why respondents **disagree** that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues

Comment	Percentage of respondents (%)
Concern that the council will not be able to enforce this adequately	18
Should not need / be approached through blanket standards from additional licensing	17
Additional cost will increase tenants' rent with little benefit or reduce availability of HMOs	13
Most landlords already maintain properties to a high standard and/or will be unfairly penalised	12
Bad landlords will not register for the scheme and will fly under the radar	11
Previous schemes have not been successful	7
Does not address where landlord is not the issue	7
General disagreement with HMOs	7
Other	14
No comment	24

Base: Respondents who 'slightly' or 'strongly disagree' (159)

Just under a fifth of respondents disagree that licensing will help to drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues as they are **concerned about the council's ability to enforce this adequately** (18%). A similar proportion of respondents feel that this aim **should not require or be approached through additional licensing**, arguing that the council should be able to achieve this aim without further licensing, or that this should work on an individual basis, rather than blanket approach to all HMOs (17%). Over a tenth of respondents feel the **additional cost will increase tenants' rent** with little benefit to the tenants or **reduce the availability of HMOs** (13%).

One in ten respondents feel that **most landlords maintain properties to a high standard** and/or will be **unfairly penalised** through additional licensing (12%), and a similar proportion disagree that licensing will achieve this aim as they believe that **bad landlords will not register** for the scheme and will continue to **fly under the radar** (11%). Similar proportions of respondents disagree as they feel that **previous schemes have not been successful, the scheme does not address cases where the landlord isn't the issue**, or express **general disagreement with HMOs** (7% each). 24% of respondents did not expand on their answer and gave no comments.

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*"Honest landlords will be targeted and rogue landlords not part of the scheme will be unaffected. More regulation is not the answer as this will force up rents for tenants looking for affordable accommodation."*

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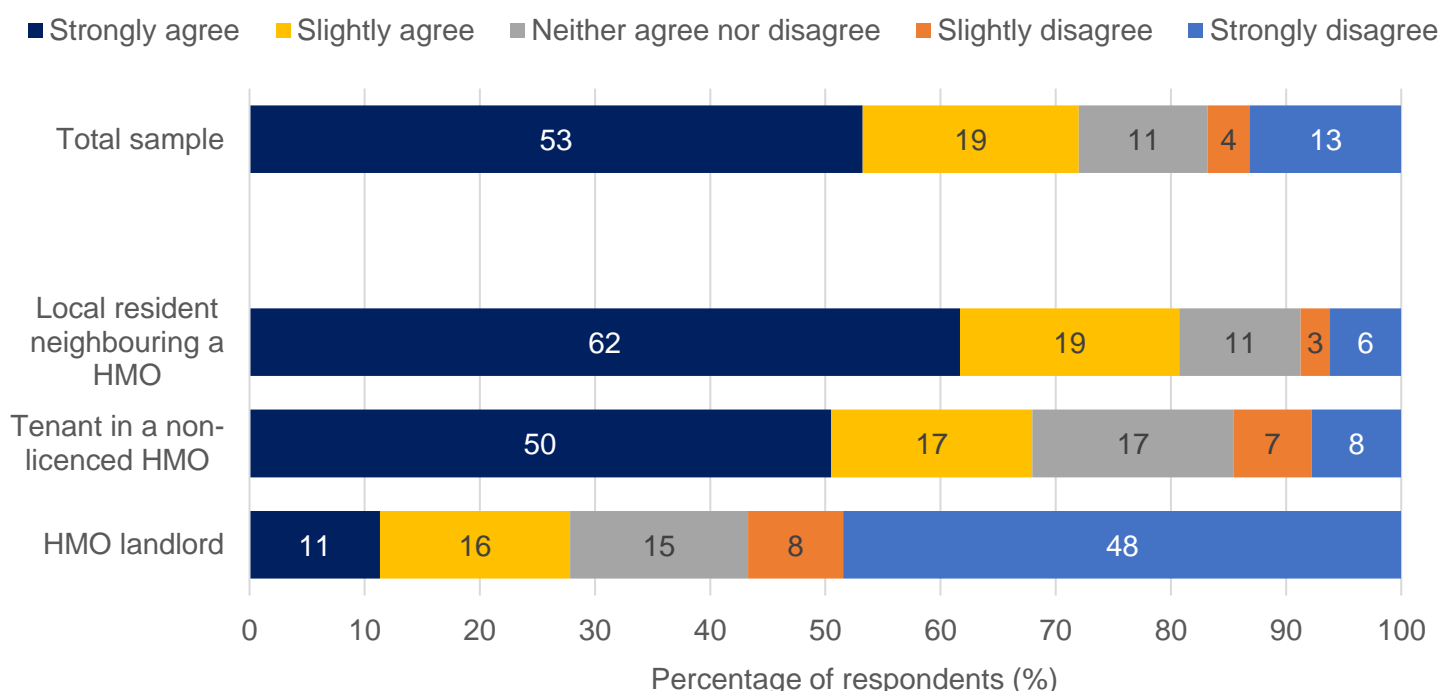
*"The council has all the powers to do this without an additional licensing process. If poor or badly maintained HMOs are identified, then the council has the power to correct this."*

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### 5.4.4 Enable council officers to utilise enforcement powers

Figure 19 shows that the majority of respondents agree that licensing will achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and wellbeing of tenants in high-risk properties (72%). Local residents neighbouring HMOs appear more likely to agree that licensing will help to achieve this aim than other groups (81%). Over two-thirds of tenants in non-licensed HMOs agree that licensing will help achieve this aim (67%), however, the majority of HMO landlords disagree that licensing will achieve this aim (56%).

Figure 19: Respondent agreement that licensing will enable council officers to utilise enforcement powers effectively to significantly drive-up housing standards, housing management and the wellbeing of tenants in high risk properties



Base: Total sample (922), Local Resident neighbouring a HMO (389), Tenant in a non-licensed HMO (103), HMO Landlord (97)

Respondents were asked to explain why they agree or disagree that licensing will help to achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing. Table 14 on the following page shows responses from those who 'slightly' or 'strongly agree'.

Table 14: Why respondents **agree** that licensing will help to achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing

Comment	Percentage of respondents (%)
The council would have necessary powers to hold landlords and problem tenants accountable	13
Dependent on adequate funding, staffing and skilled implementation	12
General agreement with objective of the aim	6
Provides minimum standards for landlords and should deter bad landlords	6
Landlords should be monitored and regularly inspected to regulate standards	4
Ensures better protection and conditions for tenants	4
Other	6
No comment	54

Base: Respondents who 'slightly' or 'strongly agree' (664)

The highest proportion of respondents agree that licensing will help to enable council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing because the **council would have the necessary powers to hold landlords and problem tenants accountable** (13%). This is followed by 12% of respondents who agree but feel this is **dependent on adequate funding, staffing and skilled implementation** of the scheme. Several respondents express **general agreement with the objective of the aim** (6%), and the same proportion agree licensing will achieve this aim as it will **provide minimum standards for landlords** which should **deter bad landlords** (6%).

A smaller proportion agree as they feel that **landlords need to be monitored and regularly inspected to regulate standards** (4%). 4% of respondents also agree as licensing will **ensure better protection and conditions for tenants**, driving up tenant wellbeing. 54% of respondents did not expand on their answer and gave no comments.

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*"The council would hold the necessary information you hold landlords and tenants to account."[sic]*

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*"I'd like to strongly agree, but again it will depend on adequate funding, staffing and political will."*

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Table 15 on the following page shows responses from respondents who 'neither agree nor disagree' that licensing will help to achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing.



Table 15: Why respondents **neither agree nor disagree** that licensing will help to achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing

Comment	Percentage of respondents (%)
Uncertainty about capacity of the council to implement and enforce	15
Not confident that licensing will achieve this and help tenants	8
The council should already have these powers without further licensing	6
Should just focus on problem properties or tenants	6
Disagree with HMOs generally	5
Other	13
No comment	50

Base: Respondents who 'neither agree nor disagree' (103)

The highest proportion of respondents neither agree nor disagree that licensing will help to achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing because they are **uncertain about the capacity of the council to implement and enforce** the scheme (15%).

8% are unsure as they are **not confident that licensing itself will achieve this and help tenants**. The same proportions of respondents feel that the council should **already have these powers without further licensing** or feel that the council should just **focus on problem properties or tenants**, rather than introducing blanket licensing (6% each). A smaller proportion of respondents express that they **generally disagree with HMOs** (5%). Half of respondents did not expand on their answer and gave no comments.

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*"Regulating smaller HMOs will help officers to identify where there is a problem, however, they are not using their powers effectively to raise housing standards with the current larger HMOs so they need to up their game across the board."*

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*"The council has the powers already to prosecute the landlords of poorly managed and unsuitable housing."*

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Table 16 on the following page shows responses from respondents who 'slightly' or 'strongly disagree' that licensing will help to achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing.

Table 16: Why respondents **disagree** that licensing will help to achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing

Comment	Percentage of respondents (%)
The council should already have these powers without further licensing	28
Uncertainty about council's capacity to provide this	15
Would penalise good landlords and/or not adequately deal with problem landlords	11
Existing schemes and council powers have not improved standards so far	10
Increased costs will increase rents or reduce availability of rental properties	9
All rental properties should be held to these standards, including council housing	5
Number of high-risk or sub-standard properties has been exaggerated	3
Other	13
No comment	23

Base: Respondents who 'slightly' or 'strongly disagree' (155)

Over a quarter of respondents disagree that licensing will help to achieve the aim of enabling council officers to utilise enforcement powers to drive up housing standards, housing management and tenant wellbeing as they feel that the **council should already have these powers without the need for further licensing** (28%). 15% of respondents disagree as they are **uncertain about the council's capacity to provide this**. Many respondents feel that this would **penalise good landlords whilst not adequately dealing with problem landlords** (11%). A tenth of respondents disagree as they argue that **existing schemes and council powers have not improved standards so far**, so cannot see how additional licensing will achieve this.

9% of respondents disagree that licensing will achieve this aim as they feel the main outcome will be that **increased costs will increase rents or reduce availability of rental properties**. Smaller proportions of respondents feel that **all properties should be held to these standards regardless of licensing**, including council housing (5%) or that the **number of high-risk or sub-standard properties has been exaggerated** (3%). 23% of respondents did not expand on their answer and gave no comments.

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*"Current rental legislation is adequate, it's just not supported."*

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*"Because the Civil Service and Council staff numbers are constantly being reduced or cut, I don't believe the council has the resources to sustain this level of scrutiny."*

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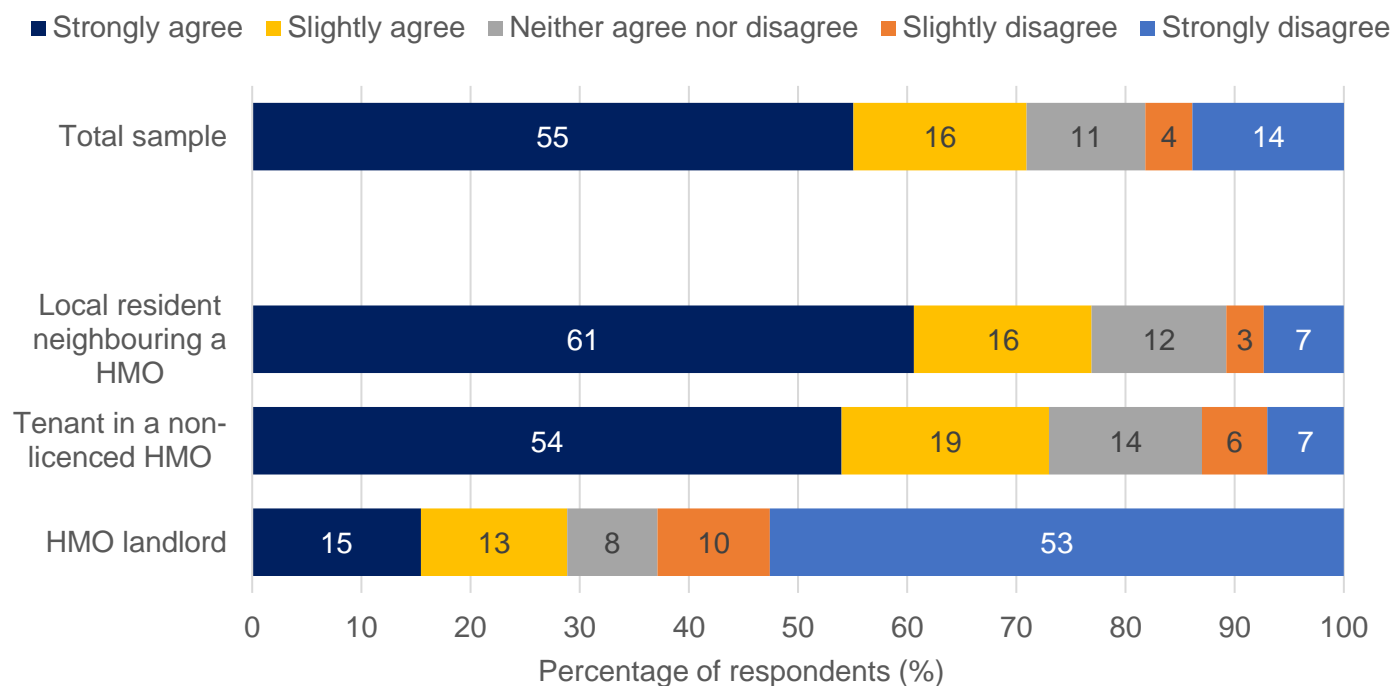
#### 5.4.5 Support good landlords and enforce against rogue landlords

Figure 20 shows that the majority of respondents agree that licensing will help to achieve the aim of supporting good landlords and make it easier to identify and enforce against rogue landlords (71%).

## Additional HMO Licensing

Local residents neighbouring HMOs have the strongest agreement that licensing will help achieve this aim (77%), however the majority of tenants in a non-licensed HMO also agree that licensing will achieve this aim (73%). The majority of HMO landlords disagree that licensing will help to achieve this, with the majority 'strongly' disagreeing (53%).

Figure 20: Respondent agreement that licensing will help to support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords.



Base: Total sample (908), Local Resident neighbouring a HMO (381), Tenant in a non-licensed HMO (100), HMO Landlord (97)

Respondents were asked to explain why they agree or disagree that licensing will help to achieve the aim of supporting good landlords and make it easier to identify and enforce against rogue landlords. Table 17 shows responses from respondents who 'slightly' or 'strongly agree'.

Table 17: Why respondents **agree** that licensing will help to support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords

Comment	Percentage of respondents (%)
It will be easier to identify and hold rogue landlords accountable	10
Generally agree with the objective of the aim	9
All landlords will be given a framework and held to the same standards	6
Will support and encourage landlords to meet standards	6
Rogue landlords will be forced out	5
Will need proper enforcement and regular inspections from the council	5
Agree with supporting good landlords, but concern that rogue ones may still fly under the radar	2
Other	6
No comment	55

Base: Respondents who 'slightly' or 'strongly agree' (644)

One in ten respondents agree that licensing will help to support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords as it will be **easier to identify and hold rogue landlords accountable** if they are registered on the scheme. A slightly smaller proportion of respondents express that they **generally agree with the objective** of supporting good landlords and enforcing against rogue ones (9%). The same proportion of respondents agree as all landlords will be **given a framework and held to the same standards** and feel the scheme will provide **recognition** for landlords already meeting standards, whilst **encouraging and supporting landlords to (continue to) meet the standards** (6%).

A smaller proportion agree as they feel the scheme will **force rogue landlords out** (5%). The same proportion of respondents agree that licensing can help achieve this aim, but express that the scheme will need **proper enforcement and regular inspections from the council**. A few respondents agree that licensing will help to support good landlords, but are **concerned that rogue ones may still fly under the radar** (2%). 55% of respondents did not expand on their answer and gave no comments.

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*"Landlords should get credit when they are good and those who are not should be identified and be accountable."*

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*"It would help to give a framework of what's needed and give good examples of good practice to show landlords how it should be done."*

---

Table 18 shows responses from respondents who 'neither agree nor disagree' that licensing will help to support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords.

*Table 18: Why respondents **neither agree nor disagree** that licensing will help to support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords*

Comment	Percentage of respondents (%)
Not fully confident in council's ability to enforce	11
Uncertain if licensing would achieve this / will make a difference	9
Unsure how 'good' landlords will benefit from this	5
Bad landlords will likely continue to fly under the radar	5
Disagree with HMOs in general	5
Other	14
No comment	52

Base: Respondents who 'neither agree nor disagree' (99)

Just over a tenth of respondents neither agree nor disagree that licensing will achieve this aim as they are **not fully confident in the council's ability to enforce** the scheme (11%). A slightly smaller proportion feel **uncertain if licensing will achieve this aim or will make a difference** at all (9%). Several respondents are **unsure how 'good' landlords will benefit** from the scheme, feel as though **bad landlords are likely to continue to fly under the radar** or **disagree with HMOs in general** (5% each). 52% of respondents did not expand on their answer and gave no comments.

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*"It won't help good landlords because they weren't a problem to start with."*

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*"Unless you have a team of well trained and skilled people in place to address the issue, it will be ineffective."*

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Table 19 shows responses from respondents who 'slightly' or 'strongly disagree' that licensing will help to support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords.

*Table 19: Why respondents **disagree** that licensing will help to support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords*

Comment	Percentage of respondents (%)
This would not support good landlords	19
Good landlords and/or tenants will have to bear the extra costs	16
Council unlikely to enforce and regulate properly	12
Current legislation should enable the council to achieve this	12
Rogue landlords will not register / continue to operate under the radar	12
The council have not provided support for landlords in the past	6
Focus should just be on rogue landlords and problem tenants	4
Other	15
No comment	19

Base: Respondents who 'slightly' or 'strongly disagree' (165)

Almost a fifth of respondents disagree that licensing will help to support good landlords to operate within the area and make it easier to identify and enforce against rogue landlord as they feel that this **will not support good landlords** (19%). A slightly smaller proportion of respondents disagree as they feel that **good landlords and/or tenants will have to bear the extra costs** of the scheme (16%). Just over a tenth of respondents believe that the **council is unlikely to enforce and regulate** the scheme properly to achieve this aim (12%). The same proportion feel that **current legislation should enable the council to achieve this aim** and enforce against rogue landlords or believe that **rogue landlords will not register** and will continue to **operate under the radar** (12% each).

A smaller proportion of respondents disagree that licensing will achieve this aim as they feel that the **council have not provided adequate support for landlords in the past** (6%), and other respondents disagree feel that the focus should just be on **rogue landlords and problem tenants** to adequately improve HMOs (4%). 19% of respondents did not expand on their answer and gave no comments.

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*"Existing legislation is already clear. Increased overhead costs will further reduce already tight profit margins hence reducing money available for reinvestment in property"*

*improvements or need to be passed on to tenants further increasing tenant accommodation costs."*

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*"Good landlords are already doing the right thing by maintaining good standards, and not over charging tenants. By imposing such a high licensing fee, the Council is penalising good landlords, and forcing them to raise rents, and lower the amount they can invest in maintaining good standards."*

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## 5.5 Licence fee and standards

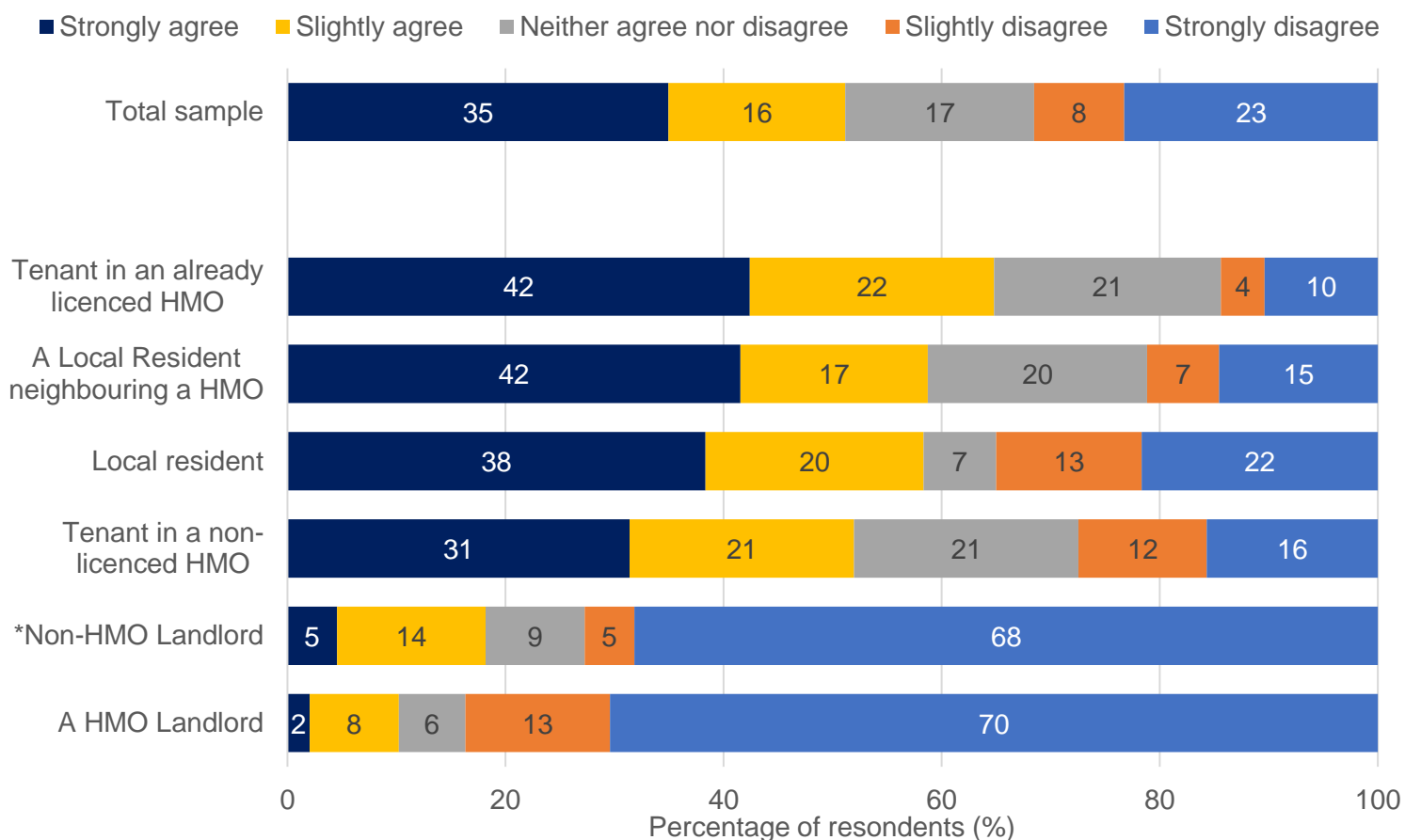
To run the scheme, the council are required to charge a licence fee, payable by the landlord. The proposed fee structure for introducing additional licensing is based on the number of occupants and will be approximately £880 for five years. Respondents were directed to the consultation document for more information on the proposed fee structure and asked to indicate the extent to which they agree or disagree with the proposed fee structure.

Figure 21 on the following page shows that half of the total respondents agree with the proposed fee structure (51%), whilst 17% neither agree nor disagree, and 31% disagree. Overall, tenants and local residents appear much more likely to agree with the proposed fee structure than landlords. Tenants in already licensed HMOs are the most likely to agree with the proposed fee structure (64%), followed by local residents neighbouring HMOs (59%) and other local residents (58%).

A slightly lower proportion of tenants in non-licensed HMOs agree with the proposed fee structure compared to those in licensed HMOs and local residents (52%). The majority of HMO and non-HMO landlords disagree with the proposed fee structure (68% and 70% strongly disagree, respectively). Non-HMO landlords appear slightly more likely to agree than HMO landlords (19% compared to 10%), although there is a small base for non-HMO landlords, so caution should be taken when interpreting results.

## Additional HMO Licensing

Figure 21: Respondent agreement with proposed fee structure



Base: Total sample (907), Tenant in an already licensed HMO (125), A Local Resident neighbouring a HMO (378), Local resident (60), Tenant in a non-licensed HMO (102), Non-HMO Landlord (22\*), HMO Landlord (98) | \*Caution small base

Respondents were asked to explain why they agree or disagree with the proposed fee structure. Table 20 shows responses from respondents who 'slightly' or 'strongly agree'.

Table 20: Reason for **agreeing** with the proposed fee structure

Comment	Percentage of respondents (%)
It's reasonable/ necessary	13
The fee should be higher/ calculated differently	11
Encourages landlords to take responsibility and maintain standards	10
Concern that landlords may pass costs to tenants (e.g. through rent)	7
To cover necessary costs	3
Concern that fee might be slightly too high	3
Scheme should be funded by landlords	2
Should deter further HMOs and buy-to-lets	2
Puts HMOs in official system	2
Other	5
No comment	47

Base: Respondents who 'slightly' or 'strongly agree' (464)

The highest proportion of respondents agree with the proposed licensing fee as they believe it is **reasonable** and **necessary** (13%). A slightly smaller proportion of respondents feel that the fee should be **higher** or **calculated differently** (11%). A tenth of respondents agree with the proposed fee structure as they feel this will **encourage landlords to take responsibility and maintain standards**. Some respondents, however, agree with the structure but are **concerned that costs may be passed on to tenants** (7%). 47% of respondents did not expand on their answer and gave no comments.

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*"It seems entirely reasonable. My only concern is that the landlords do not pass the cost of this fee onto their tenants by increasing their rent."*

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*"If landlords are prepared to pay the fee for the license it shows they are willing to accept responsibility."[sic]*

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Table 21 shows responses from those who 'neither agree nor disagree' with the proposed fee structure.

Table 21: Reason for **neither agreeing nor disagreeing** with proposed fee structure

Comment	Percentage of respondents (%)
Concern about increase costs/ rents for tenants	13
Not enough information about fee	7
Fee could be higher	6
Unsure of impact on landlords or tenants	5
Fee is too high/ landlords may not pay it	3
Fee is reasonable	1
Other	6
No comment	60

Base: Respondents who 'neither agree nor disagree' (157)

The highest proportion of respondents neither agree nor disagree with the proposed fee structure because they are **concerned about the increased costs and rents for tenants** (13%). Several respondents are unsure as they do not feel they **have enough information about the fee** (7%). 6% of respondents feel the fee **could be higher**, whilst 5% are **unsure of the impact on landlords or tenants**. 60% of respondents did not expand on their answer and gave no comments.

---

*"It does not provide sufficient information as to what the fee is for - to 'run the scheme' is too ambiguous."*

---

Table 22 on the following page shows responses from respondents who 'slightly' or 'strongly disagree' with the proposed fee structure.



Table 22: Reasons for *disagreeing* with proposed fee structure

Comment	Percentage of respondents (%)
Tenants will bear the burden of the fee	25
Fee is too low	23
Fee is too high/ disproportionate	20
The scheme is unnecessary/ will not improve standards	11
Council will profit	9
Five years is too long	5
Unfair on 'good' landlords/ should target 'rogue' landlords	4
More expensive than other local authorities	3
Other	4
No comment	14

Base: Respondents who 'slightly' or 'strongly disagree' (286)

A quarter of respondents disagree with the proposed fee structure as they are concerned that **tenants will bear the burden of the fee**, such as through **increased rents**. 23% of respondents disagree as they feel that the **fee is too low**, whereas 20% feel that the **fee is disproportionately high**. 11% disagree as they believe that the **scheme is unnecessary and will not improve standards**. A slightly smaller proportion disagree with the fee structure as they believe the **council will profit from this, not tenants** (9%). 5% of respondents feel that **5 years is too long** for the proposed fee structure. 14% of respondents did not expand on their answer and gave no comments.

---

*"I would charge more, and with the fees hire property inspectors to ensure the standards required by the license are maintained and ensure that the additional costs are not passed on to tenants by raising rents."[sic]*

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*"This cost will be charged to the tenants and will be more profit to the council. The poor will be slightly poorer."*

---

Respondents were also asked to indicate to what extent they agree or disagree with the standard conditions landlords would need to adhere to with the HMO licence. These standards relate to the following:

- Amenities, facilities and space standards
- Tenancy management
- Overcrowding
- Utility supplies
- Gas, electrical and fire safety
- Furniture and furnishings
- Property management
- Property inspections

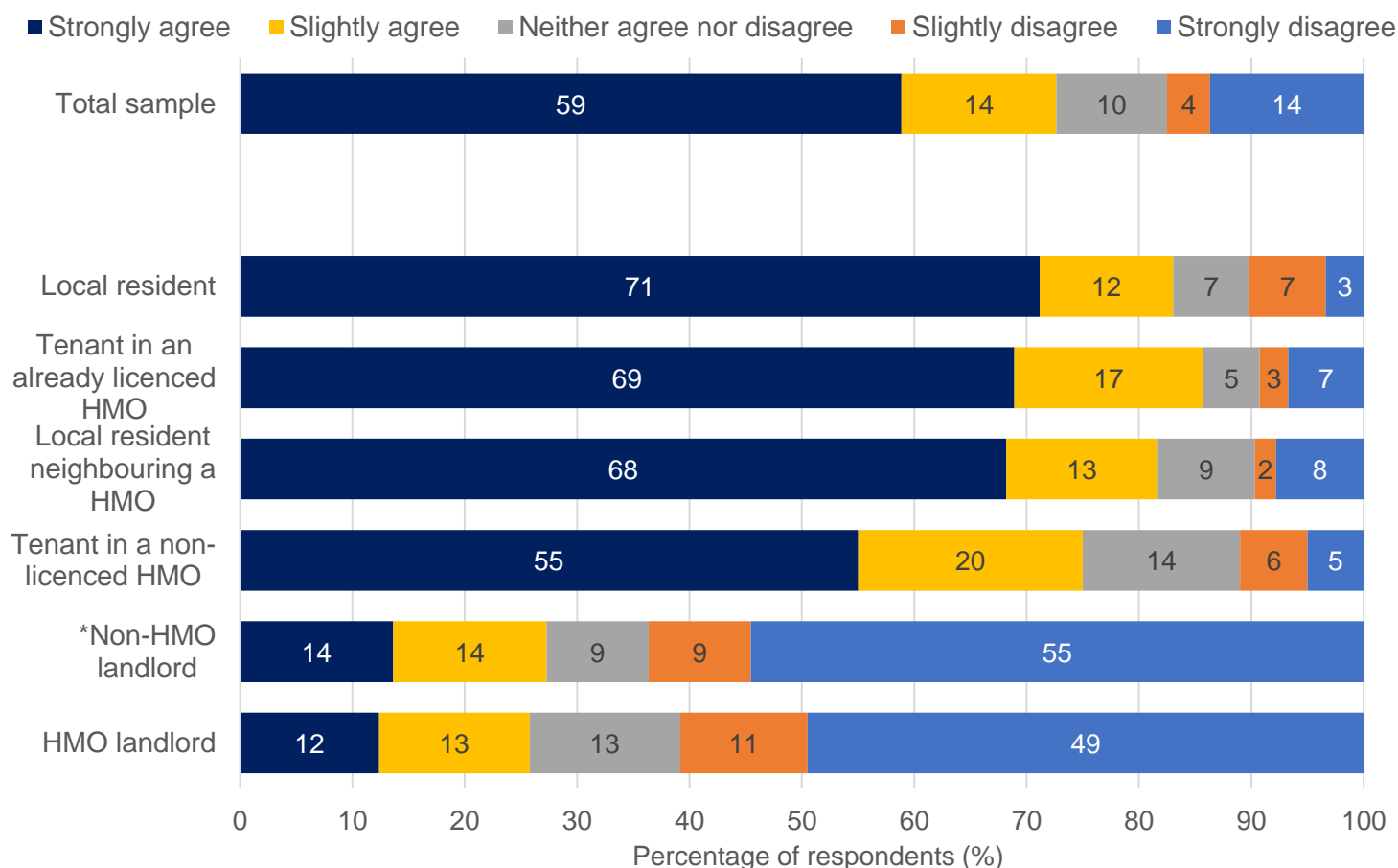
## Additional HMO Licensing

- Waste and recycling
- Notification of changes

Figure 22 shows that the majority of respondents strongly agree with the standards set out by the potential licence conditions (59%), and a further 14% slightly agree. Overall, tenants and local residents are more likely to agree with the potential licence conditions than landlords. Support is strongest from local residents, with 71% strongly agreeing with the conditions, followed by tenants in already licensed HMOs and local residents neighbouring a HMO (69% and 68% strongly agree, respectively). Smaller proportions of tenants in non-licensed HMOs strongly agree with the conditions (55%), but the majority still slightly or strongly agree (75%).

Around a quarter of both HMO and non-HMO landlords agree with the potential licence conditions (28% and 25%, respectively). However, the majority of landlords disagree with the conditions, with nearly half of HMO landlords strongly disagreeing (49%) and over half on non-HMO landlords (55%).

Figure 22: Respondent agreement with potential licence conditions



Base: Total sample (885), Local resident (59), Tenant in an already licensed HMO (119), Local resident neighbouring a HMO (371), Tenant in a non-licensed HMO (100), Non-HMO Landlord (22\*), HMO Landlord (97) | \*Caution small base

Respondents were then asked to explain why they agree or disagree with the potential licensing conditions. Table 23 on the following page shows the responses of respondents who 'slightly' or 'strongly agree' with the potential licence conditions.

Table 23: Reasons for **agreeing** with the potential licence conditions

Comment	Percentage of respondents (%)
They are necessary/ basic standards	13
They would ensure safety and protection	8
They would improve current living standards	7
Covers/ unites all necessary aspects	6
Some considerations missing (e.g. energy, noise)	6
Encourages landlords to uphold conditions and be accountable	4
Will require stronger enforcement and regulation	3
Will improve neighbourhood and other properties	3
Other	6
No comment	52

Base: Respondents who 'slightly' or 'strongly agree' (643)

The highest proportion of respondents agree with the proposed licensing conditions as they believe these are **necessary and basic standards** (13%). 8% of respondents feel they would **ensure safety and protection**, followed by 7% of respondents who feel they would **improve the current living standards**. The same proportion of respondents feel that the proposed conditions **cover and unite all necessary aspects** and that there are **some considerations missing**, such as energy efficiency and noise from tenants (6% each). 52% of respondents did not expand on their answer and gave no comments.

---

*"Everyone has a right to safe, cleanly, affordable housing, this will make more properties meet this criteria."*

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*"This licence will set the benchmark for a good standard of safety for immediate neighbours and living in tenants."*

---

Table 24 shows responses from respondents who 'neither agree nor disagree' with the potential licence conditions.

Table 24: Reasons for **neither agreeing nor disagreeing** with the proposed licence conditions

Comment	Percentage of respondents (%)
They are unnecessary/ existing guidelines are suitable	14
Not confident in council's capacity to monitor effectively	5
Only if implemented and upheld correctly	3
Too complicated	3
Improves living standards	2
Tenants should be held responsible too	2
Other	15
No comment	56

Base: Respondents who 'neither agree nor disagree' (87)

The highest proportion of respondents neither agree nor disagree with the proposed licence conditions as they feel they are **unnecessary** and that **existing guidelines are suitable** (14%). Several respondents cite that they are **not confident in the council's capacity to monitor these effectively** (5%), whilst others feel they will only be effective if **implemented and upheld correctly** (3%). Some respondents feel that the conditions were **too complicated** to know if they agree with them or not (3%). 56% of respondents did not expand on their answer and gave no comments.

---

*"These guidelines are already being adhered to on the whole as they have existed and enforced in the past." [sic]*

---

Table 25 shows responses from respondents who 'slightly' or 'strongly disagree' with the proposed licence conditions.

Table 25: Reasons for **disagreeing** with proposed licence conditions

Comment	Percentage of respondents (%)
Unnecessary	23
Conditions are too restrictive	12
Other important factors are not included	9
Will drive landlords away and reduce rental availability	8
Scheme will not work/ benefit everyone	7
It's the tenant's responsibility, not landlord's	6
Should only focus on 'rogue' landlords	5
Not confident in the council's capacity to implement	5
General disagreement with HMOs	5
Other	10
No comment	21

Base: Respondents who 'slightly' or 'strongly disagree' (155)

Nearly a quarter of respondents disagree with the proposed licensed conditions as they feel they are **unnecessary** and a 'waste of time' (23%). Many respondents disagree as they feel the **conditions are too restrictive** (12%), while others feel that there are **other important factors that are not included** in the proposed scheme (9%). 8% of respondents are concerned that these will **drive landlords away, reducing the rental availability**. Some respondents disagree as they believe the **scheme will not work** (7%). A smaller proportion believe it **should be the tenant's responsibility** to uphold conditions, rather than the landlord's (6%). 21% of respondents did not expand on their answer and gave no comments.

---

*"The overcrowding conditions and space conditions are too strict and will force people to pay more rent that they can't afford. It's already hard to find affordable housing and this will drive up prices and reduce the housing available."*

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*"The license conditions should be stricter and include requirements around minimum energy efficiency."[sic]*

---

Respondents were asked to share any other conditions they would like to see included in the scheme and explain why they feel these should be included. Table 26 shows the responses from respondents.

*Table 26: Other conditions respondents would like to be included and why (only showing themes with more than 10 responses)*

Comment	Percentage of respondents (%)
Parking/ car ownership conditions	7
Further restrictions on anti-social behaviour and noise from tenants	6
Restrictions on number of/ location of HMOs and student rentals	5
Upkeep of exteriors and standards of external spaces	3
Complaint processes for neighbours, tenants and landlords	2
Conditions to protect neighbours and communities	1
Equal restrictions across all properties (not just HMOs)	1
Other	10
No comment	61

Base: Total sample (885)

The majority of respondents didn't mention any other conditions they would like to be included (61%). Conditions for **parking and car ownership** were the most popular mention (7%). A slightly smaller proportion would like further restrictions on **anti-social behaviour and noise from tenants** (6%). Several respondents would like restrictions on the **number of and locations of HMOs** (5%).

3% would like to see conditions relating to the **upkeep of exteriors and standards of external spaces** of HMOs, whilst 2% would like **better complaint processes** for neighbours, tenants and landlords. A smaller proportion of respondents would like to see **conditions to protect neighbours and communities** and **equal restrictions across all rental properties**, not just HMOs (both 1%). 61% of respondents gave no comments.

## 5.6 Introducing additional licensing

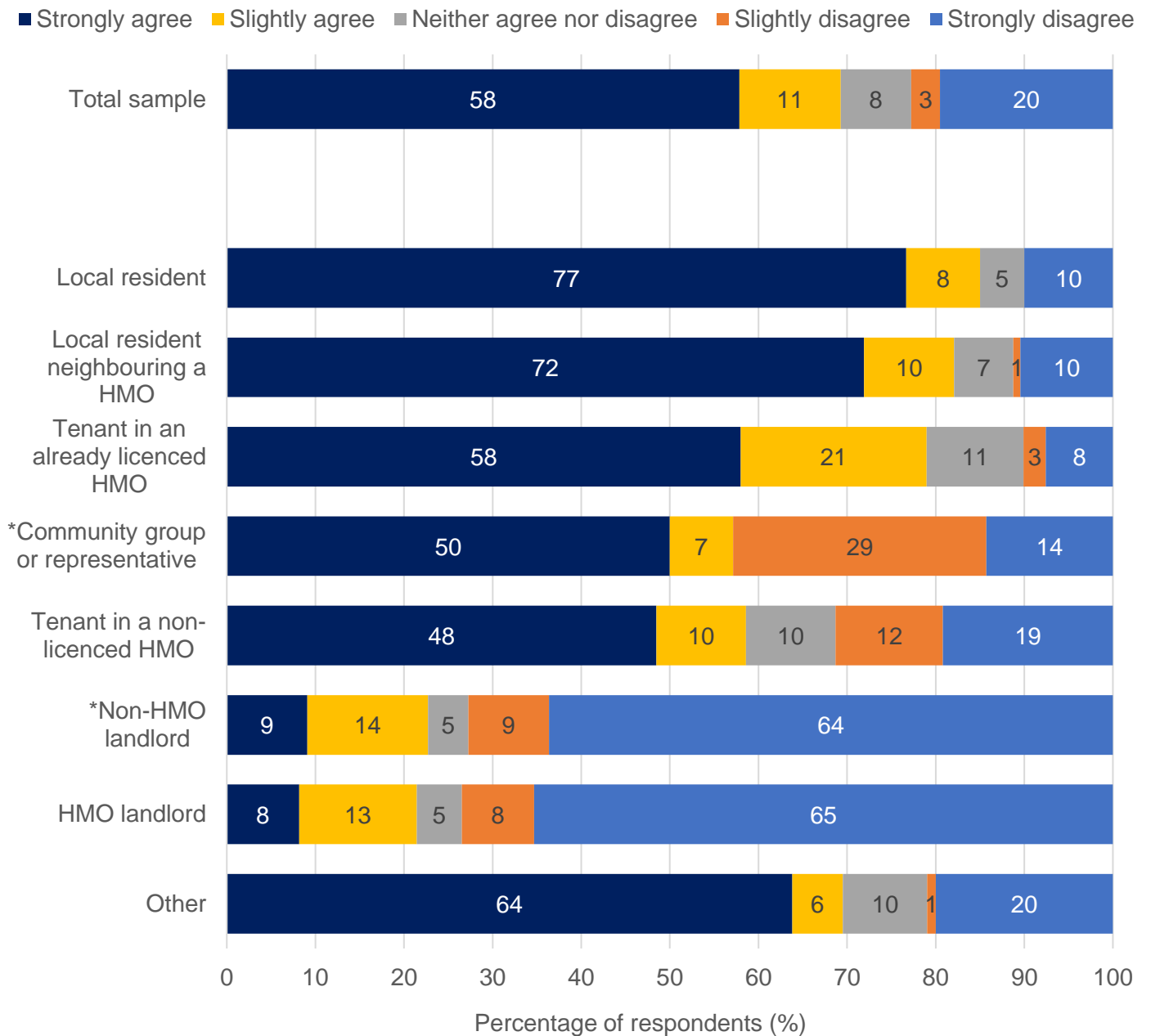
Finally, respondents were asked to indicate the overall extent to which they agree or disagree with the proposal to introduce additional licensing across the whole city. Figure 23 on the following page shows that the majority of respondents, on the whole, agree with the proposal (69%) whilst a fifth of respondents strongly disagree. Local residents and local residents neighbouring a HMO are most supportive of the proposal compared to other groups (77% and 72% strongly agree, respectively).

Tenants in already licensed HMOs are also largely supportive of the proposal (58% strongly agree), followed by community groups or representatives (50% strongly agree) and tenants in non-licensed

Additional HMO Licensing

HMOs (48%). However, both HMO and non-HMO landlords largely disagree with the proposal. Just under two thirds of non-HMO and HMO landlords strongly disagree with the proposal (64% and 65%, respectively), whilst just over a fifth of each agree with the proposal. The majority of respondents that fall into the 'other' category, including local businesses, landlord associations, and previous tenants of HMOs, strongly agree with the proposal to introduce additional licensing across the whole city (64%).

Figure 23: Overall respondent agreement with proposal to introduce additional licensing across the whole city



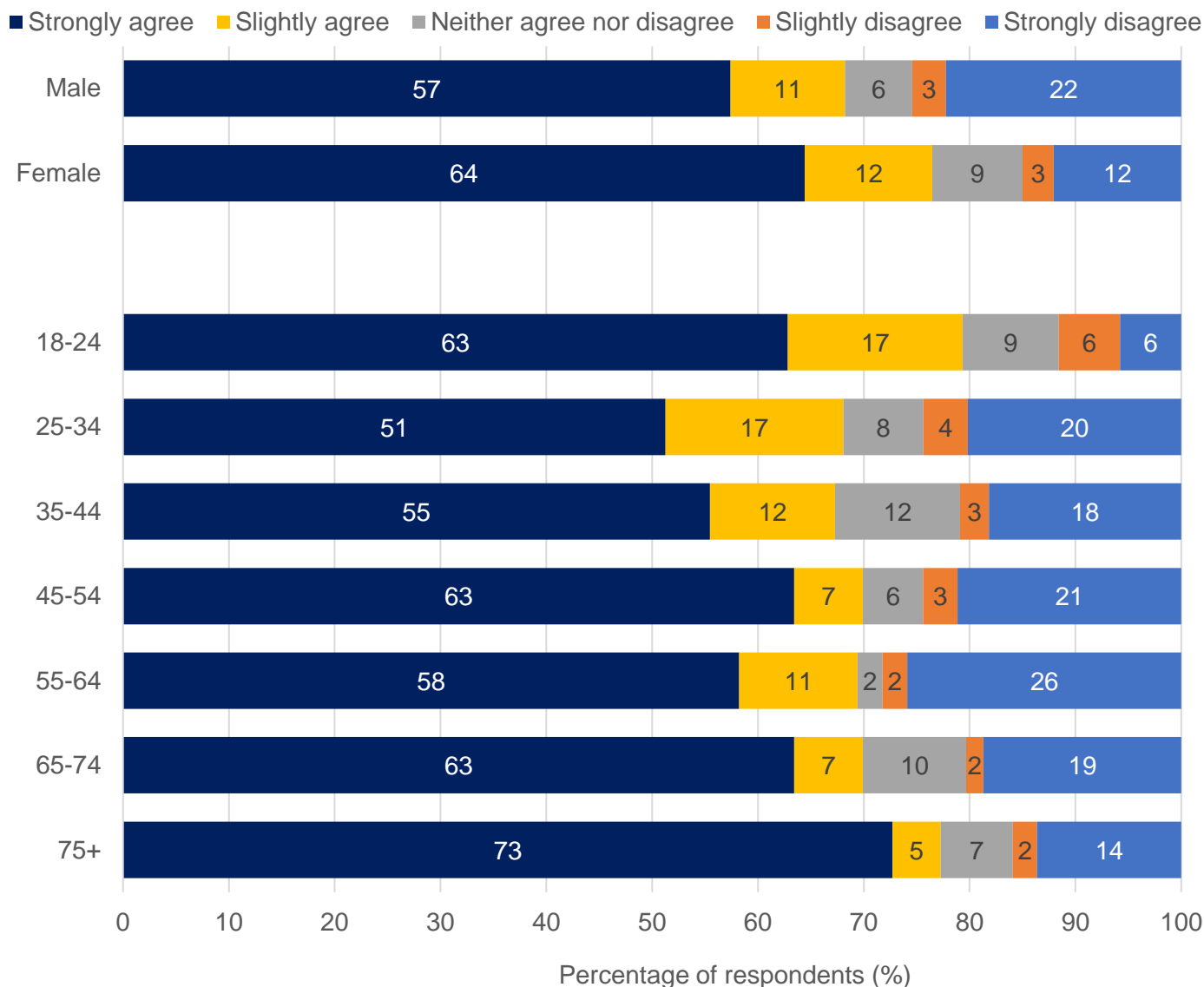
Base: Total sample (892), Local resident (60), Local Resident neighbouring a HMO (374), Tenant in an already licensed HMO (119), Community group or representative (14\*), Tenant in non-licensed HMO (99), Non-HMO landlord (22\*), HMO Landlord (98), Other (105) | \*Caution small base

Figure 24 on the following page shows the extent to which respondents agree or disagree with the proposal to introduce additional licensing across the whole city by sex and age. Females are more

## Additional HMO Licensing

likely to support the proposal than males (64% strongly agree compared to 57% strongly agree). Respondents under the age of 25 and over the age of 75 are more in favour of the scheme compared to other age groups, with 80% of those aged 18-24 and 78% of those aged 75 and over agreeing with the proposal.

Figure 24: Overall respondent agreement with proposal to introduce additional licensing across the whole city - by sex and age



Base: Male (340), Female (472), 18-24 (121), 25-34 (119), 35-44 (110), 45-54 (123), 55-64 (170), 65-74 (123), 75+ (44)

Respondents were next asked to explain why they agree or disagree with the proposal to introduce additional licensing across the whole city. Table 27 on the following page shows responses from respondents who 'slightly' or 'strongly' agree.

Table 27: Reason for **agreeing** with the proposal to introduce additional licensing across the whole city

Comment	Percentage of respondents (%)
The regulations are necessary and fair	9
It will improve standards and living conditions	9
It will ensure equal standards/ conditions for all HMOs	7
The scheme will protect tenants and ensures their safety	6
It will improve neighbourhoods	3
Scheme will be good if enforced effectively and strictly	3
Generally good idea	3
It will tackle 'rogue landlords'	2
It will ensure accountability of landlords	2
Other	7
No comment	55

Base: Respondents who 'slightly' or 'strongly agree' (618)

Just under a tenth of respondents agree with the proposal as they feel the regulations are **necessary and fair** or because they feel it will **improve standards and living conditions** in HMO properties (9% each). 7% of respondents agree as they believe the scheme will **ensure equal standards and conditions for all HMOs**, whilst 6% of respondents feel that it will **protect tenants** and **ensure their safety**.

A slightly smaller proportion of respondents agree as they feel the scheme will **improve neighbourhoods** surrounded by HMOs (3%). A similar proportion of respondents feel the scheme will be **good**, but **only if it is enforced effectively and strictly**, or feel that the scheme is a **generally good idea** (3% each). 55% of respondents did not expand on their answer and gave no comments.

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*"Accommodation needs to be safe and regulated for all tenants regardless of the number of tenants living in the accommodation and to stop unscrupulous landlords."*

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*"It could help if carried out effectively and maintained."*

---

Table 28 on the following page shows responses from respondents who 'neither agree nor disagree' with the proposal to introduce additional licensing across the whole city.



Table 28: Reasons for **neither agreeing nor disagreeing** with the proposal to introduce additional licensing across the whole city

Comment	Percentage of respondents (%)
Will only work if the council monitors regulations effectively	7
Proposal is not necessary or adequate	7
Unfairly penalises 'good' landlords and should target 'rogue' ones	6
It is not reasonable or proportionate for all houses	4
General disagreement with number of HMOs	4
Will not work	4
Other	15
No comment	55

Base: Respondents who 'neither agree nor disagree' (71)

The highest proportion of respondents neither agree nor disagree with the proposal as they feel it will **only work if the council monitors regulations effectively** or as they feel the proposal is **not necessary or adequate** for its intentions (both 7%). Several respondents feel the proposal **unfairly penalises 'good' landlords and should only target 'rogue' landlords** (6%). Similar proportions of respondents feel that the proposal **is not reasonable or proportionate for all HMOs**, express **general disagreement with the number of HMOs**, or feel the proposal **will not work** (all 4%). 55% of respondents did not expand on their answer and gave no comments.

---

*"Good if it does improve standards. Bad if there's a lot of beaurocracy and wasted money because rules keep changing and proposals don't end up being fruitful or meeting end goals. Bad for already compliant landlords who end up funding the scheme to catch the rogues."[sic]*

---

Table 29 shows responses from respondents who 'slightly' or 'strongly disagree' with the proposal to introduce additional licensing across the whole city

Table 29: Reasons for **disagreeing** with the proposal to introduce additional licensing across the whole city

Comment	Percentage of respondents (%)
Standards are already in place/ waste of time and money	19
Additional costs increasing rents for tenants	13
Should direct focus on 'bad' landlords and areas	10
Scheme is for council profit	8
Will negatively affect rental market and availability	7
General disagreement with number of HMOs	6
Scheme is too expensive	3
Will drive out landlords	3
Conditions need revising	3
Uncertain about council's capability to enforce conditions	2

Other	12
No comment	33

Base: Respondents who 'slightly' or 'strongly disagree' (203)

Nearly a fifth of respondents who disagree with the proposal as they feel that **these standards are already in place**, and that the scheme will be an **unnecessary waste of time and money** (19%). Some respondents express **concern over increased rents for tenants** associated with the additional costs (13%), while others feel the council should **direct its focus on 'bad' landlords and areas** rather than a blanket scheme (10%).

Several respondents feel like the scheme will **benefit the council more than tenants** through profit (7%) or are concerned that the scheme will **negatively affect the rental market and availability** (6%). 6% of respondents express a general disagreement with HMOs. Smaller proportions of respondents feel that the **scheme is too expensive, will drive out landlords**, or that the **conditions need revising** (all 3%). A small number of respondents express concern about the **council's capability to enforce the conditions** (2%). 33% of respondents did not expand on their answer and gave no comments.

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*"Not necessary and will just increase costs for everyone."*

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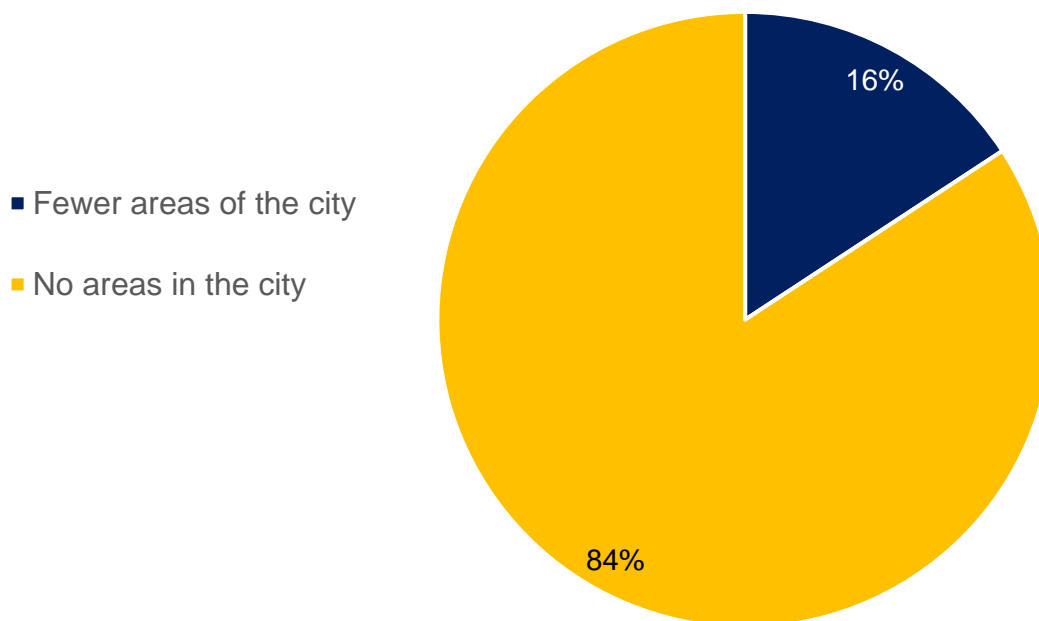
*"It will result in increased rents for tenants and may discourage good landlords from renting their properties. It will not deal with poor landlords."*

---

Respondents who 'slightly' or 'strongly disagree' with the proposal to introduce additional licensing across the whole city were asked whether they would like the scheme introduced in fewer areas of the city, or no areas of the city instead. Figure 25 on the following page shows that the majority of respondents would not like the scheme introduced in any areas of the city (84%), whilst 16% disagree with the proposal as they would like the scheme introduced in fewer areas of the city.

## Additional HMO Licensing

Figure 25: If you disagree with the proposal to introduce additional HMO licensing across the whole city, where would you like the scheme introduced?



Base: Respondents who 'disagree' or 'strongly disagree' with the proposal to introduce additional licensing in the whole city (203)

Respondents who would like the scheme introduced in fewer areas of the city were asked to detail where they would like to see the scheme introduced in Portsmouth. Table 30 shows these responses.

Table 30: Areas of the city where respondents feel additional licensing should be introduced

Comment	Percentage of respondents (%)
Area with high concentrations of HMOs (PO1, PO3, PO4, PO5)	16
Inner city/ close to the university	13
Areas of student accommodation	9
Areas with substandard housing	6
Southsea	3
Fratton	3
North of Portsmouth	3
Other	9
No comment	38

Base: Respondents who feel additional licensing should be introduced in 'fewer areas of the city' (32)

### 5.7 Further comments

Respondents were asked to leave any further comments they had relating to the consultation. Table 31 shows responses from respondents who left comments.

Table 31: Most common themes from respondents leaving further comments

Comment	Percentage of respondents (%)
Generally unsupportive of the scheme/ additional licensing is not necessary	8
Generally supportive of the scheme/ additional licensing is necessary	5
Suggested improvement for the scheme	5
Concern over additional cost of the scheme to landlords	4
Parking issues	3
Should target 'rogue' landlords	2
Focus should be on standards of current HMOs and regulations instead	2
Too many HMOs in Portsmouth	2
Adds unnecessary/ unreasonable regulations for landlords	1
Other	6
No comment	69

Base: Total sample (892)

Over two-thirds of respondents did not have any further comments to make (69%). Of those that did, respondents express that they are **generally unsupportive** of the scheme and feel that **additional licensing is not necessary** was most common (8%). A slightly smaller proportion of respondents however, express that they are **supportive of the scheme** and feel that **additional licensing is necessary** (5%). The same proportion of respondents left comments with some **suggested improvements** for the scheme, including **strict enforcement, giving landlords sufficient time to make the changes**, or suggesting that the scheme should **apply to all rental properties**, not just HMOs (5%).

4% of respondents express concern over the **additional cost of the scheme** to landlords, fearing that this will **increase market rents**, and therefore, **contribute to poverty and homelessness**. Several respondents raise concerns over **parking issues** as a result of HMOs in the area (4%). 2% of respondents feel that the **focus should be on targeting 'rogue' landlords** or on **standards of current HMOs and regulations** instead. The same proportion of respondents generally feel that there are **too many HMOs in Portsmouth** (2%). A smaller proportion of respondents feel that the scheme will **add unnecessary or unreasonable regulations for landlords** (1%).

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*"As a former tenant living in an HMO and now as a landlord of an HMO I am all in favour of regulation through licensing to set minimum standards and improve living conditions."*

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*"Target the unlicensed rogues first. Then improve social housing standards to those already seen in private sector. Then take the action proposed if still deemed necessary."*

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*"I would like to see this as we need to protect people from poor housing and in some places unsafe."[sic]*

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*"The proposed Additional Licensing Scheme will drive many shared houses out of the market. with the expected result that those that are left will need to charge higher rents to cover the additional costs of licensing and the associated improvements and many single people will have no choice but to move elsewhere."[sic]*

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## Appendix 2 - Written responses to consultation

- University of Portsmouth Students Union
- National Residential Landlords Association
- Portsmouth and District Private Landlords Association

## HOUSING POLICY RECOMMENDATIONS IN RESPONSE TO THE PCC HMO SURVEY

I'd like to start by saying thank you for including me in this process and providing me with an additional opportunity to consolidate our students' rights. From analysing the recent PCC HMO survey results, I have a few thoughts and recommendations. This response is as an Elected Officer and PRS Governance Board member. We will seek further student consultation on creating formal priorities on housing and are grateful for the opportunity to do so.

### **Recommendation One - HMO licensing should be strengthened.**

The need for this is evident in at least 33% of tenants stating that their property isn't safe and well managed, and 30% indicating that their property isn't in a good standard of repair and condition.

- We could improve this by necessitating three-year renewals instead of five-year renewals for HMO licences. This would help to ensure that the information kept on HMO properties is accurate and relevant. Moreover, by doing this, HMO's will more likely be kept to a higher standard since landlords want to keep their licence, raising living standards. This will also set a best practice precedent that may inspire other councils to do the same.
- PCC should enhance the criteria for their regulation of HMOs by setting more stringent specifications for building standards and their history of HMO leasing as a prerequisite for being awarded an HMO licence. Thus, landlords are forced to keep their properties better maintained for the benefit of tenants and living standards in Portsmouth.
  - This could be measured via an increased quantity of inspections for HMO properties.
- Receipts should be provided by landlords for deposit deductions as a condition of an HMO licence, specifically deductions for cleaning and repairs. The need for this is exemplified in 22% of respondents stating that they fear repercussion from their landlord consequent to asking for repairs. Further, 88% of respondents said that the council should intervene in HMOs more. By implementing this, landlords are held more to account for the way they treat tenants, and a fairer system is born.

### **Recommendation Two - There should be stricter policies on HMO repairs.**

Repairs in HMOs are a prevalent issue, shown in a large proportion of tenants saying that their repairs are delayed, or that they feel intimidated by their landlord when asking for repairs.

- This could be done by mandating repairs to be completed within a specified time frame, with penalties for those failing to meet said timeframes without evidence of unavoidable delays (such as a verifiable email).

Ergo, resolving issues in HMOs become more efficient and tenants feel safer and more comfortable in living within said premises. This also stresses the importance of timely repairs, which is quintessential in maintaining adequate living standards.



**Recommendation Three - There should be better reporting structures available for students.**

The discrepancy between landlord and tenant responses is significant. For instance, 98% of landlords feel confident in their property conditions. This is a stark contrast to 33% of tenants disagreeing that their property is safe and well-managed, and 30% of tenants indicating that their property is in a poor state of repair and condition. These patterns of divergence are also visible in the age of respondents for both landlords and tenants. Subsequently, it can be inferred that the perceptions of an adequate property condition differ between the two groups, which causes less investment and reduced living standards for tenants.

- We should establish clearer definitions on what constitutes suitable living conditions and ensure understanding of both tenants and landlords of maintaining those living standards

**Recommendation Four - Landlords proven to be responsible for subpar living standards (such as poor building conditions) should receive harsher penalties (e.g fines).**

**Recommendation Five - PDPLA, PCC, UoP and UPSU should do more to increase community cohesion.**

- A large number of residents stated that they have faced problems from HMO tenants.
- Negative perceptions towards HMO tenants.
- Perceptions from tenants are okay regarding the relationship with the community - clear divergence.

To conclude, UPSU is pleased to be involved in further conversations about how we can increase living standards within Portsmouth.

For example, we can collaborate by, but not limited to:

- Representing student needs.
- Helping publicise content.
- Providing new solutions.
- Utilising pre-existing connections.
- Create and disseminate campaigns.
- Lobby entities to create positive change.

We have developed a student-specific survey in partnership with the University to collect more data on a granular level. This will be going out shortly and we would appreciate your support in this activity. I hope that we keep the dialogue open to make students' tenants' and landlords' lives better, since we have swathes of expertise from numerous fields, in addition to direct feedback from students. In terms of the next steps, I believe that we should discuss these recommendations and how they can be best implemented.

These will improve the lives of tenants, and as a result, landlords, in Portsmouth.

**Dom Owen**

UPSU Elected Democracy & Campaigns Officer



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## Introduction

The National Residential Landlords Association (NRLA) exists to protect and promote the interests of private residential landlords.

The NRLA would like to thank the council for the opportunity to respond to the consultation. We are happy to discuss any comments that we have made and develop any of the issues with the local authority.

The NRLA seek a fair legislative and regulatory environment for the private rented sector, while aiming to ensure that landlords are aware of their statutory rights and responsibilities.

## Summary

The NRLA believes that local authorities need a healthy private rented sector to compliment the other housing in an area. Portsmouth has seen the development of an unhealthy situation due to policies delivering high rents and where the poor have greater difficulty renting in the private rented sector. The ability to provide a variety of housing types and can be flexible around meeting the needs of both the residents that live and want to live in the area and the landlords in the area. There are already significant challenges around housing in Portsmouth, and we have concerns that this will be exasperated by this policy.

The sector is regulated, and enforcement is an important part of maintaining the sector from criminals who exploit landlords and tenants. An active enforcement policy that supports good landlords is important as it will remove those that exploit others and create a level playing field. This has been lacking in Portsmouth. We have concerns around the council's approach to licensing, you have failed to inspect properties that come under HMO regulations and currently are poor on inspections compared to comparable local authorities. Some schemes are delivering multiple inspections, up to 3 of every property during a scheme. This is not being proposed within your scheme, why? Multiple inspections pushes criminals out of the sector and drives up the standards for landlords and tenants. Why have Portsmouth not adopted best practise.

We understand that the council have a reactive enforcement policy, but it is important to understand how the sector operates. Landlords are often victims of criminal activity with their properties being exploited, both through subletting and criminals exploiting properties through county lines and other criminal activity such as people smuggling, drugs and prostitution..

We believe the council should adopt an approach similar to the Leeds rental Standard, which supports the compliant landlords and allows the local authority to target the criminals and inspecting all properties.

Having considered the evidence presented, as well knowing the area very well and having undertaken our own evaluation of the circumstances faced by landlords, tenants and residents of Portsmouth, a number of questions are raised:

- In following Hemmings and the Gaskin court cases, and with the fee is split. Monies paid by a landlord clearly now coming under the service directive (which has been adopted into UK legislation). Can the council provide a breakdown between part A and part B monies paid by a landlord and how you make sure that it is apportioned to the individual landlord and works done in connection to the license. Money follows the individual and not pooling of monies.
- The documentation provided fails to indicate what additional funding will be available to support the expansion of licensing. Adult social care will have to be involved as many tenants have mental health, alcohol, or drug related illnesses. How do landlords' access this for their tenants?
- The council fails to say how it will prevent malicious claims of poor housing being made, which could result in tenants losing their tenancies. Can this be provided and how will it operate?
- How will the council support landlords with tenants causing Anti-social behaviour – to require tenants giving evidence can cause problems within HMO's.
- The council fails to say how the proposal will tackle rent-to-rent, modern day slavery, indentured labour, subletting, criminal enterprise/county lines or even Airbnb. These are all increasing within Portsmouth.

We would like clarification on these points so that the private rented sector has confidence in any scheme that is delivered, and it will deliver against its set aims. Equally the current proposal for fees is not outlined, we expect these to be corrected in line with the law, monies individually allocated. What is the service that a landlord can expect in line with the service directive which has been incorporated into UK law.

The NRLA will judge the scheme against the criteria that the council is proposing the scheme under. We are not opposed to licensing schemes, what we wish to see is them delivered against what they are proposed to do. As you will be aware, the NRLA publishes data against performance against peer councils.

We believe that any regulation of the private rented sector must be balanced. Additional regulatory burdens should focus on increasing the professionalism of landlords, improving the quality of private rented stock and driving out the criminals who act as landlords and blight the sector. These should be the shared objectives of all the parties involved, to facilitate the best possible outcomes for landlords and tenants alike. Good practice should be recognised and encouraged, in addition to the required focus on enforcement activity. How does the local authority plan to communicate best practice to the landlord and tenants of Portsmouth? Will Portsmouth inspect each property at least once?

Additional licensing will also introduce new social economic group of tenants into licensing. The law is clear landlords do not manage their tenants; they manage a tenancy agreement. If a tenant is non cooperative, or causing a nuisance a landlord can end the tenancy, will the council make it clear in the report that they will support the landlord in the ending of the tenancy? Will the council support the landlord going to court to regain possession, if they are what is the process? If not as the House of Commons report says its not the landlords responsibility who's is it?

## Consultation

Licensing is a powerful tool. If used correctly by Portsmouth Council, it could resolve specific issues. We have historically supported/worked with many local authorities in the introduction of licensing schemes (additional and selective) that benefit landlords, tenants and the community. From what has been presented there is still work needed to be done to make a scheme work.

You are proposing one of the most expensive licensing regimes in the country and propose to detrimentally affect the poorest the most. Equally you have not looked at other more successful schemes which have delivered better outcomes, and managed to inspect all the properties multiple times for the local authority, tenants and landlords.

## Costs

While any additional costs levied on the private rented sector runs the risk of these being passed through to the tenants, as has previously been established. We are disappointed that the local authority has not looked at a cost in a monthly basis. Is the council going to allow landlords to pay monthly, thus following best practice? If other councils are able to do this, why cannot Portsmouth? The introduction of licensing post Covid 19 will have an impact on cash flow for many landlords, and tenants therefore following best practice a monthly fee as highlighted by other councils does seem appropriate. As other local authorities are able to deliver this, we hope Portsmouth follows these examples as it benefits all parties.

This will also the issue of insurance is often overlooked as a cost, as premiums increase for everyone (homeowners and landlords) when a local authority designates an area with licensing it is indicating problems in the area. This will add costs to those renting as well as to owner-occupiers. Already Portsmouth is expensive and this will continue affecting those on the lowest income.

A joined-up coordinated approach within the council will be required. Additional costs in relation to adult social care along with children's services and housing will be incurred if the council's goal is to be achieved. Yet there is no evidence from the council that this will be done – can this be provided? How will landlords feed into system if they suspect a tenant is at risk? What support will be put in place so a landlord can support a tenancy where a tenant has mental health, alcohol, drug issues or they have problems and need support. The NRLA works with many local authorities on this.

## Criminal Activity

In addition, the proposal does not take into account rent-to-rent or those who exploit people (both tenants and landlords). Landlords who have legally rented out a property that has later been illegally sublet, the property still has a license, with the council not inspecting they know there is no risk. The landlord does not rent the property as an HMO, but is illegally sublet. The license holder can end the tenancy (of the superior tenant, the sub tenants have no legal redress) but the landlord would need support the local authority in criminal prosecution. But what is the process for landlords, it would help if the council could document how this would work. Often, landlords are victims, just as much as tenants. What support will the council provide for landlords to whom this has happened? Will the council support an accelerated possession order?

The issue of overcrowding is difficult for a landlord to manage if it is the tenant that has overfilled the property. A landlord will tell a tenant how many people are permitted to live in the property, and that the tenant is not to sublet it or allow additional people to live there. Beyond that, how is the landlord to manage this matter without interfering with the tenant's welfare? Equally, how will the council assist landlords when this problem arises? It is

impractical for landlords to monitor the everyday activities or sleeping arrangements of tenants. Where overcrowding does take place, the people involved know what they are doing and that they are criminals, not landlords. The council already has the powers to deal with this.

## Tenant behaviour

Landlords are usually not experienced in the management of the behaviour of tenants, and they do not expect to, with the expansion of the scheme this will be drawn into licensing. The contractual arrangement is over the renting of a property, not a social contract. They do not and should not resolve tenants' mental health issues or drug and alcohol dependency. If there are allegations about a tenant causing problems (e.g. nuisance) and a landlord ends the tenancy, the landlord will have dispatched their obligations under the additional licensing scheme, even if the tenant has any of the above issues. This moves the problems around Portsmouth, but does not actually help the tenant, who could become lost in the system, or worst moved towards the criminal landlords. They will also blight another resident's life. There is no legal obligation within additional licensing for the landlord to resolve an allegation of behaviour, as outlined by the House of Commons. Rather, a landlord has a tenancy agreement with a tenant and this is the only thing that the landlord can legally enforce.

## Tenancy Management

In many situations, the council should consider enforcement notices and management orders against the tenant causing problems. The use of such orders would deliver immediate results.

We would also like to see the council develop a strategy that includes action against any tenants who are persistent offenders. These measures represent a targeted approach to specific issues, rather than a blanket licensing scheme that would adversely affect all professional landlords and tenants alike, while leaving criminals able to operate covertly. Many of the problems are caused by mental health or drink and drug issues. Landlords cannot resolve these issues and will require additional resources from the council.

Often when tenants are nearing the end of their contract/tenancy and are in the process of moving out, they will dispose of excess household waste by a variety of methods. These include putting waste out on the street for the council to collect. This is in hope of getting their deposit back. Local authorities with a large number of private rented sector properties need to consider a strategy for the collection of excess waste at the end of tenancies. We would be willing to work with the council to help develop such a strategy. An example is the Leeds Rental Standard, which works with landlords and landlord associations to resolve issues while staying in the framework of a local authority.

## Current law

A landlord currently has to comply with over 180 pieces of legislation, and the laws with which the private rented sector must comply can be easily misunderstood. A landlord is expected to give the tenant a 'quiet enjoyment' of the property. Failure to do so could result in a harassment case being brought against the landlord. The law within which landlords must operate is not always fully compatible with the aims of the council. For example, a landlord keeping a record of a tenant could be interpreted as harassment.

## Changes to section 21

We would like clarification on the council's policy in relation to helping a landlord when a section 21 notice (or future notice as currently being consulted upon under the Renters Reform Bill) is served, the property is overcrowded or the tenant is causing antisocial behaviour. What steps will the council take to support the landlord? It would be useful if the council were to put in place a guidance document before the introduction of the scheme, to outline its position regarding helping landlords to remove tenants who are manifesting antisocial behaviour.

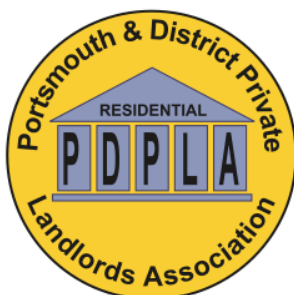
The change to how tenancies will end and a move to a more adversarial system, especially in the student market. Landlords will become more risk adverse to take tenants that do not have a perfect reference and history. It also poses a question where does the council expect people to live who have been evicted due to a tenancy issue.

# Portsmouth City Council proposal to introduce Additional Licensing

2022 Consultation Input

## Abstract

The PDPLA reject the need for city-wide Additional Licensing for small HMOs and the associated higher costs and standards and argue that these proposals will make 1,000-1,500 vulnerable residents homeless in the city



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## Summary Response

The Portsmouth & District Private Landlords Association rejects the need for Additional Licensing in the city on the grounds that it is not justified by the evidence, it did not work last time, it will not resolve the issues that are being raised this time and it will make a large number of vulnerable residents homeless.

Much of the logic used to justify the introduction of Additional Licensing is flawed (see 'Confirmation Bias?' for specific examples). PCC assert that there are 6,000 HMOs in the city, yet our evidence shows only 2,600. (See 'HMO Count' for details that confirm this number). The proposed scheme is overblown and excessively expensive and sets standards which will push thousands out of their homes in the city as they will no longer be able to afford to live here.

There is no evidence whatsoever presented that suggests the need for a city-wide scheme and the restrictions planned appear to bear no relation to the issues raised and will not resolve them. Additional Licensing can ONLY be introduced IF "a significant proportion of the HMOs (that will be subject to the proposed designation) 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" – the evidence does NOT support a citywide implementation even if there may be a case for limited action in some specific cases.

PCC state that "the council have found upon inspection that approximately one third of HMOs in the city have significant hazards, which present potential health and safety issues to the occupants" and asserts that as HMOs are used to house the poorest and most vulnerable and that this group are least likely to complain about poor conditions, then a scheme that ensures conditions are checked automatically would be a good thing.

We have 4 main issues with this logic:

1. The data is flawed. Assuming that small HMOs are the same as large HMOs, with no evidence to support this view, is illogical
2. It did not work last time (See 'Additional Licensing Failed 2013-2018')
3. The supporting evidence is worthless (See 'PCC 'Survey' Data Inadmissible')
4. The Risk Analysis grossly underestimates the possible negative impact (Risk Analysis)

The proposal is to extend Licensing to all 3 and 4 bed HMOs city wide and 'other self-contained flat type HMOs – PCC attempted to include '257' type properties before and it just does not work. (See 'Why You Cannot Include 257s') and is not justified on the evidence provided.

To proceed with Additional Licensing, the council must consider whether "there are any other courses of action available to them that might provide an effective method of dealing with the problem or problems in question." We make several suggestions which will help resolve the perceived issues without the need for the overhead of Additional Licensing – we urge Portsmouth City Council to seriously consider them before deciding.

# 1 - Issues with PCC Proposal

## Obvious Confirmation Bias

In too many parts of this process, a fact is stated and then a conclusion is drawn without any evaluation of possible alternative outcomes or confirmation of associated logic.

If that were not bad enough – other ‘facts’ such as the number of HMOs in the city (see Number Of HMOs Grossly Over-Estimated) appear to have been established despite the available evidence to the contrary.

One example: the opening logic in the Additional Licensing consultation documentation states that “the council have found upon inspection that approximately one third of HMOs in the city have significant hazards, which present potential health and safety issues to the occupants” followed by the statement that this is above the national average of 12% for this type of property.

This is important because a lot of the justification for the introduction of a scheme is based on the premise that there are serious issues with standards in Portsmouth HMOs.

However, that is not logical. For Portsmouth HMOs to be 3x worse than the national average, you would expect there to be large numbers of 19<sup>th</sup> Century tenements (not the case), areas of dereliction like Liverpool (not the case), large immigrant populations like Haringey or Bradford (not the case) or ‘beds in sheds’ like Hackney (not the case). If none of these situations exist, how can Portsmouth HMOs be 3x worse than those in Brighton (which has much more older housing) or Southampton? If we really had poor housing compared to other cities, you would expect our HHSRS ratings to be 20 or maybe 30% worse, not 300%.

From our perspective, the answer is simple – HHSRS is not a great tool (and is undergoing a major overhaul because of this) but even when applied properly it is very subjective. The staff in Portsmouth tend to train ‘on the job’ learning from those currently doing the job. This is not how professional development works – you need highly skilled operatives (CIEH or similar) and you need constant EXTERNAL validation and update. Doing it all internally simply imprints and exaggerates current bad practices and mistakes.

HHSRS Category 1 hazards are problems with a high risk / significant probability of death – think exposed cables. Category 2 hazards are problems with a high risk / significant probability of serious injury – think trip hazards on stairs.

Yet we have members who can attest that:

- A property with 1 square metre less communal space than the PCC Standard required was reported as being a Category 1 hazard until this decision was challenged
- A property where a tenant had left the vacuum cleaner in the hallway instead of putting it away in the cupboard was adjudged to have a Category 1 hazard as the fire escape route was blocked
- A property where one tenant had left post/mail for other tenants on the stairs was adjudged to have a Category 2 ‘trip hazard’
- And numerous examples of upper floor windows which meet Building Regs Approved Documents K3 but not guidance intended for rooms occupied by children. The lack of some form of window restrictor is stated as a Category 1 hazard regardless of the type of occupant

or the impact on ease of escape if needed. (Low cills are a high risk for children who very rarely occupy HMOs)

Therefore, our hypothesis is that Portsmouth has 3x more hazards than the national average because the people carrying out the inspections are less well trained and apply the process differently to other Local Authorities. We would recommend that this hypothesis be tested by exchanging staff with other Authorities and / or asking inspectors from several authorities to inspect several properties and compare results. This is the rigour required throughout the whole process to ensure that evidence is correctly reported and interpreted and that conclusions drawn are the correct ones.

Similarly, when looking at survey responses, data that is collected is not weighted to ensure balance and samples are not corrected to ensure accuracy. See section entitled PCC 'Survey' Data Inadmissible for many examples of this type of failing.

This is important. For example – if the consultation had 100 respondents, 66 from residents and 34 from landlords, it appears that PCC would weight the analysis 2:1 in favour of residents as they had twice as many responses from those than from landlords. However, in this hypothetical example, if there were only 34 landlords in the borough and 66,000 residents then there would have been responses from 100% of landlords and just 0.1% of residents – that in itself says something, which with the current approach PCC would not notice, even before you factor in the fact that landlords better understand the specifics of the proposal as it directly impacts their business, so their responses are likely to be more carefully considered and thus probably justify more weight.

An inability to properly articulate what the issues are, how many there are and how significant they are is why so many of our members see this as simply a 'tick box' exercise. "We asked for input, we got some, we found an interpretation that supported our original intent and will proceed to introduce Licensing accordingly." – The PDPLA would really like to be proved wrong on this assertion.

### The 'Evidence' Is Misinterpreted

"HMOs statistically present significantly greater risks to tenant's health and safety than comparable single occupancy dwellings." - It is odd that in a property with 8 occupants, it is 8 times more likely that someone will have an accident cutting carrots than in a single occupancy dwelling. You could argue that it is better to live in an HMO when cutting carrots as there is a greater likelihood that help will be at hand before you bleed to death – same data, same risk, less negative interpretation.

The higher incidence of HHSRS hazards than normal is covered elsewhere in this document as are our thoughts on the Licence Conditions attached to a licence. However, PCC state "HMO licences are issued with a number of conditions attached to them. These conditions include the need for Landlords to provide certification such as gas safety certificates to the council on an annual basis. Since 2018 the Private Sector Housing team have had to issue 1397 formal written letters to landlords to chase up late certification" In the past, PCC would send an automated reminder (in fact this was never automated and involved manual admin) but this practice has been dropped – so now a property manager either remembers to send the correct paperwork in at the correct time or waits until he or she receives a reminder. PCC sent 1397 reminders but chose to do it as a form of enforcement after the date had been missed. This is not evidence of failings in local landlords and property managers – just a poorly designed administrative solution which takes no account of the fact that many landlords will become forgetful about sending copies of certificates to the Council, under the weight of the bureaucracy forced upon them.

There is also a table that crudely attempts to outline the 306 special conditions applied to Licensed HMOs (where they did not meet the standards and inspectors had to call out deficiencies after an inspection), for us, this is more evidence that the amenity space and standards document is hard to understand, open to interpretation and not fit for purpose. We hope that the updates debated as part of this process will improve the situation, but we do need clearer and simpler rules whatever the outcome of the consultation.

We suspect that the data includes demands for minor improvements, unrelated to safety, such as where officers decided the wash hand basins in ensuite cubicles were not big enough to wash a full lower arm despite there being a shower in the same cubical? (We know of several cases where the landlord decided not to appeal the condition as the process would cost more than changing the basins and could result in a deterioration in his working relationship with PSH – sadly, this is a story we have heard many times).

In terms of ‘justification for Additional Licensing’ the PCC case appears to rely on just 2 items – the view that HMOs have lots of hazards when they are inspected (which we argue is not the correct interpretation – properties in Portsmouth are not 3 times more dangerous than those in Southampton or Brighton) and the conclusions drawn from the survey run at the end of 2021 which we argue should not be taken into consideration (see PCC ‘Survey’ Data Inadmissible) – based on this, our view is that there is no evidence of a widespread problem that needs resolving, no suggestion that there is a widespread problem across the city and no evidence that there are particular problems with the converted flats that Portsmouth City Council also seek to include in this scheme.

#### Additional Licensing Failed 2013-2018

Additional Licensing was introduced in 2013 specifically to:

Our aims and objectives by designating an Additional Licensing area are:

1. To improve housing standards and maintenance within HMOs, with particular emphasis on amenity levels, fire safety and thermal comfort.
2. To allow tenants to live in safe and effectively managed HMOs.
3. Landlords to exercise appropriate management and supervision of the buildings to help reduce any adverse impact of HMOs on the neighbourhood.
4. To expand existing partnerships with landlords, letting agents, tenants, the University, and partner agencies.
5. Maintaining effective two-way communication, promoting joint working and best practice and through these, facilitating improvements to the HMO sector.
6. To support owners and managing agents of HMOs to work proactively with the Council in achieving clearly defined standards and enhanced management of HMOs.

(This is taken from Appendix 1 of the Evidence produced by Portsmouth City Council at that time)

Our view is either it did these things (vague as they are) in which case there is no need to repeat the exercise or it failed, in which case why would you do the same thing again and expect a different outcome?

We would add that then, like now, Portsmouth City Council mistakenly believed (points 4, 5 and 6) that forcing landlords to conform to badly written guidance and respond to demands for evidence of fire alarm testing and enforcement letters for production of certificates in some way improves 'partnership' or 'two-way communication'. In our view, introducing a Licensing scheme alienates and criminalises the very people you are trying (unsuccessfully) to build a relationship with.

The last round of Additional Licensing, according to the minutes of the final Governance Board meeting during that period, dated 9<sup>th</sup> April 2018, claim to have made the following progress on each of the 6 points:

1. To improve standards: 2286 inspections undertaken in the period, complaints about standards in licensed properties have been reduced.
2. To allow tenants to live safely: Complaints have been increasing... Overall for this year we have seen an increase in complaints of 5% on the number of complaints received about poor living standards
3. Landlords to exercise appropriate management... The main issue is still complaints from residents about rubbish to the front of properties, car parking or general noise from residents.
4. To expand partnerships. No new actions
5. Maintain effective 2-way communication. HMO database waiting to be loaded onto website. SPD has been consulted upon.
6. To support owners and managers to work proactively with the Council. PSH has developed better clearer guidelines for Landlords.

What can we conclude? An increasing level of complaints about poor living standards does not suggest that the focus on amenity space or window restrictors and 5 years of officer time, 2,286 inspections and all of the associated paperwork and discussions, not just for the council but also for the affected landlords actually improved the standards that matter. The majority of complaints were then, as now, nothing to do with Licensing but related to rubbish (which hopefully has now improved as PCC have moved away from black bags in the street), parking and noise.

And on points 4, 5 and 6, to claim that the introduction of Licensing did anything other than alienate those landlords who participated and drive further underground those who did not, is pure fantasy.

Our conclusion then, as now, is that Licensing does nothing to improve the lot of tenants living in HMOs and its only real effect is to push up costs which are reflected in rents, and this hits the most vulnerable who have no alternative.

### Number Of HMOs Is Grossly Over-Estimated

Much of the justification for the introduction of Additional Licensing is based on the belief that there are 6,000 HMOs in the city with only 1,200 currently licensed under the Mandatory Licensing scheme. The logic being that all HMOs are the same and if they find problems with the big HMOs, they will find the same problems in the same proportions in the small HMOs. This is not logical, but the bigger question which this section seeks to answer is how many HMOs there are in the city.

Portsmouth City Council seems to rely solely on the BRE data which we assume is based on total number of dwellings divided proportionately into types of dwelling based on national averages and is not actually based on any local evidence.

We have looked at all of the available data points and conclude that there are actually between 2,600 and 3,000 HMO's in the city of which 1,200+ are already licensed under the mandatory licensing scheme.

#### *2013-18 Additional Licensing*

In the justification put forward for Additional Licensing prior to its introduction in 2013, PCC claimed there were 6,000 HMOs in the city, the same claim as they make today.

After 5 years of Licensing, according to the minutes of the HMO Governance Board dated 9<sup>th</sup> April 2018, there were 3,103 HMOs of which 3,074 had been licensed and there were 190 Section 257 properties of which only 126 had been licensed.

Based on this specific data source – PCC argued that there were 6,000 HMOs but after 5 years of operation, they were only able to identify 3,074 (or 3,200 if you include S257 properties).

#### *Portsmouth Local Housing Needs Assessment 2019*

“As of June 2018 there were 2,801 licenced properties in Portsmouth, which amounts to over 3% of the housing stock and over 10% of the private rented. Therefore, HMOs form an important part of the housing market in Portsmouth.”

“in an area such as Portsmouth the private rented sector is the major source of accommodation for low income households and students and therefore, should be treated as a priority in the area. It is probably equally as important for Portsmouth to seek to improve conditions in its private rented sector as it is for it to deliver additional affordable housing”

#### *Planning Applications*

One of our members made a review of all planning applications over the past 5 years analysing the rate and volume of change from family let (C3) to mixed use (C3/C4) or HMO (C4) and similarly, the increasing trend which is seeing small HMOs being converted into ‘Super HMOs’

All of this data can be made available, but the net result was an estimate of 3,026 HMO's in the city. This total comprised 1,535 small HMOs (3 or 4 bed as would be covered by Additional Licensing) in the south of the city plus a further 253 in the northern wards not covered by the previous round of Additional Licensing.

#### *HMO Database*

This database is a combination of Planning data and Licensing data and has 4,271 entries. However, this document is widely accepted as inaccurate because:

- It includes many C3/C4 properties where letting agents applied for flexible use when the Article 4 Direction was originally introduced to ensure the option to switch from C3 to C4 usage remained in the future so they could accept, say 3 nurses in a family house without having to wait 8 weeks + for planning consent. Many of these were never HMOs at any point.
- It includes many C3/C4 properties which have switched to family use because of the drop in student numbers over the past few years (demographics, Covid, etc)
- It includes many 1 and 2 bed flats which are not HMOs

- It includes S257 properties

Our analysis quickly found HMOs in Gunwharf and Port Solent, where they are not allowed under the local rules, collections of 1 and 2 bed flats in parts of Southsea, such as Campbell Rd which could not possibly be HMO's and many, many family let properties listed as being HMO's.

So far, without a great deal of effort, we have identified 400+ incorrect entries. Whilst this does not confirm our estimate of a maximum 3,000 HMO's in the city, we suggest that a proper review will show that our estimate is much more accurate than the 4,271 currently listed – so with potentially one third of entries being inaccurate, this document is not fit for the purpose to which it is put.

#### *Student Council Tax*

According to the Additional Licensing documentation, there are only 835 student occupied HMO's and 53% of these are currently licensed under the Mandatory Licensing scheme. If we assume the larger ones average 6 occupants and the smaller ones 3.8, this gives a total of around 4,100 students living in the community in shared accommodation. We will not argue with these figure – they appear logical and fit with other sources, but we would argue that there are not 5,000 non-student HMOs in the city.

#### *Black & Green Bins*

In response to a Freedom of Information request, Portsmouth City Council told us:

the number of black bins handed out since the roll out of September 2018 according to our records:

- 140L (standard size): 48,000 bins
- 180L (provided to larger families and HMOs): 1,600 bins
- 240L (provided to larger families, households with certain medical needs and HMOs): 1,450 bins.

Given that the larger bins regularly get stolen by households wishing a larger bin and thus needing to be replaced, and it is not just HMO's that get larger bins, these figures confirm our upper estimate that there are no more than 3,000 HMO's in the city.

#### *Changing HMO Market*

We have evidence as above, of there being 2,600-3,000 HMO's in the city – half of which are smaller HMOs in the southern wards, predominantly serving the student market.

Over the past 4 years, since Additional Licensing finished, we have seen significant movement away from HMO letting for a host of reasons:

- Demographic / Population changes resulting in fewer students over past few years
- Market conditions now make it more profitable to let a small house to a family than as an HMO
- Current fuel and utility prices exacerbate this latter point
- Increasing levels of regulation and changing tax rules (both personal and in the use of disaggregation of HMO rooms) have also forced many from this market segment
- The introduction of minimum room sizes took several hundred rooms out of the local market

- The extension of Mandatory Licensing for all 5-bed+ HMOs caused many 5-beds to change to 4-beds as the loss in revenue was considered acceptable given the increase in profitability associated with the lower costs and higher rents afforded by the change

As a result, we believe the city has lost 250-300 HMO's in the past 4 years, which further supports our estimate of probably 2,600 HMO's in the city up to a maximum of 3,000.

### Updates To Amenity & Space Standards Will Make People Homeless

Our general concern is that whilst the document seems to remove previous confusion and to ensure what is and is not required is much clearer – by specifying specific requirements, removing discretion and seeking to specify comfortable living arrangements, it goes beyond defining the minimum requirement for safe and habitable dwellings and sets a standard that many would aspire to but few can afford. The net result is that we predict at least 1,200 rooms being taken out of use in the city with the obvious result that rents will rise as the same costs need to be covered and those least able to afford it, will either be pushed out of the city or left homeless. And this is not a small rent increase – see 'Economics of HMOs', we foresee a rise in the median HMO rent of around 40-45% as small HMOs are pushed out of the market and 'Super HMOs' become the only option for the majority.

It would be good if the document was clearer on what is a minimum requirement, what would be ideal / preferred, etc as words like 'ideally' are open to interpretation.

"A floor to ceiling height of 2.3m over at least 75% of the usable room area is expected in any habitable room" This would exclude a 100 sq m penthouse room with a sloping glass façade where only 24% of the room (24 square metres) is above 2.3m – obviously ridiculous, why not just stick with the RICS and Building Regs convention of not counting areas where ceiling height is less than 1.5m?

"and in some cases circulation spaces behind doorways and around staircases will not be counted." – PCC lost on appeal when they tried to exclude door swings and similar spaces. Please don't include illegitimate definitions of space – just stick with the accepted (RICS) measurement criteria for a room.

"All Bedrooms should have adequate means of lighting, view and outlook" – what does adequate mean here and how do you define an adequate outlook? If you can see a brick wall is that OK, what about a brick wall with a pot plant on it? Too vague and too prescriptive. Millions of people live with poor views from their homes – why does a Portsmouthian HMO dweller have special needs that are not prescribed in law for anyone else?

"A conservatory will not be used as a bedroom, lounge, dining room or kitchen." Would be better worded as 'an uninsulated conservatory, lean-to or outbuilding...'

Your table showing 'Communal living space required where the kitchen is separate:' specifies, for example, 11 sq m of communal space for 3 people, yet the next table states that each room (ie kitchen and lounge) must be 11 sq m each. Sadly, this type of very specific requirement is going to exclude a lot of properties which are perfectly adequate, yet which do not quite fit the very specific profile you obviously have in mind.

"Kitchens should be located not more than one floor distant from the bedrooms unless a kitchen with dining space is provided or a communal room is available not more than one floor distant from the kitchen" – so a nice Victorian property in Victoria Road North (like the one Cllr. Sanders lives in)



would not get a licence if the kitchen was on the ground floor and the councillors room was on the 2<sup>nd</sup>, unless a communal dining room was provided on the 1<sup>st</sup> floor?

Minimum width of 2.4m for galley kitchens will exclude many, many properties. This one restriction, in our estimate, will take 1,200 rooms out of the Portsmouth HMO market due to the narrow kitchens on the back protrusion of a huge number of terraced houses in the city.

We appreciate that one wants a safe environment but specifying that “Mechanical ventilation to the outside air at a minimum extraction rate of 30 liters/second if the fan is sited within 300mm of the center of the hob or a rate of 60 liters/second is sited elsewhere in the kitchen. This is in addition to any windows” is oddly specific. So, does that mean within 300mm vertically or 300mm of a line vertically through the centre? If the latter, is it OK if, due to the high ceiling, the fan is actually 5m away from the hob? Does it need to work? What if the residents refuse to use it because they don’t like the noise? Does it then matter if it does not meet the specific requirements?

“Refuse facilities must be provided for the number of occupiers” – how much is enough? We had a case recently where an inspector requested 2 bins internally, even though that would have reduced the available space and made the kitchen undersize. We agree some households need a lot of help from the landlord, others are pristine with little input from us – sadly, adding bins does not affect that outcome.

“Bathrooms and shower rooms must be constructed to ensure privacy.” – We have had this debate before. If a couple wish to share a room and when they look at the property, they are quite happy with the clear glass screen to the en-suite, they will take the room. If they have issues, they will not. Since when did the personal views of one PCC officer become the basis for how people can and cannot live in the city.

It is also permissible, according to Building Regulations for a bedroom to have a standalone shower yet currently some PCC officers are demanding these are either removed or fully enclosed. Again, this is unnecessarily prescriptive.

No of people sharing	No of bathrooms or shower rooms	No of toilets	Additional Notes
3 to 4	1	1	toilet can be located within a bathroom/shower room
5	1	1	toilet must be separate*
6	2	2	Toilet can be located within a bathroom/shower room
7 - 10	2	2	1 toilet must be separate*
10 to 15	3	3	1 toilet must be separate*

Regarding toilets within bathrooms - we acknowledge that the Council has amended the requirement in line with the findings of the 235 Francis Avenue tribunal case, but we still argue that 2 bathrooms with toilets are adequate for up to 8 occupants. (If 1 bathroom with included toilet works for 4, why would 2 bathrooms each with an

included toilet not work for 8?).

“Wash hand basins suitable for upper body wash” – what is the big deal with upper body washes? Most people clean their teeth or their hands in a basin and use a shower for everything else. Is there a particular Portsmouth custom our guests and tenants need to honour for which we need larger basins or is this just one more example of Portsmouth being ridiculously and unnecessarily prescriptive?

For bedsitting HMOs you specify a minimum of 17m2 yet the PCC standard of 13m2 was used in a recent Tribunal case. Where has 17m2 come from? Likely to cause major problems for many

occupiers within the city forcing them out of their long-term accommodation. Need to see an impact assessment for this. Just one of our members has 5 properties that this may affect. One of them containing approximately 12 bedsits. At least 10 of them are under 17m<sup>2</sup>. All are above 13m<sup>2</sup>.

Will these same rules be applied to self-contained accommodation, for example in student halls or apartment blocks?

The standards appendix also includes a detailed section on Fire Safety – rather than extend this document even further, we have chosen not to comment here but please be aware that we have as many concerns with the way in which this section has been drafted as we do with the amenity standards discussed above. As these rules need to be clear for all, whether PCC proceeds with Additional Licensing or not, can I propose that we host a workshop to ensure we all end up on the same page with a set of clear and workable rules that ensure affordable fire safety without introducing unnecessary bureaucracy.

Overall - We have done the best that we can to point out where we are not happy with the latest draft of the standards but as they are complex and over prescriptive in many areas. We reserve the right to support members in challenging any demands based on these standards in the future.

### Proposed Licence Conditions Illegitimate

You state that PAT tests "*are to be provided by a competent person (fully qualified Electrician who is a member of a recognised Electrical association such as NAPIT or other similar association)*" – a competent person can and should include any landlord or other person who has had the appropriate training.

Condition 1 is unacceptable in its current form. It would create a criminal offence if all the listed documents are not supplied to the council '*on or within 2 weeks of each anniversary of the granting of the licence*'. It would be much better to suggest that all documentation is submitted to the council within 14 or 21 days of a written request. Not only would this save both parties considerable time, it would also ensure that the manager/operator of a property is not criminalised if, for example, there is a postal delay.

Condition 3 is poorly drafted as it indicates room occupancy arrangements with reference to 'room number on plan'. The plan does not form part of the licence and there is no reference to make clear what plan is being referred to. We would expect the location of each room to be given e.g. Bedroom 1 (ground floor front).

Clause 14 - this would be reasonable if each room is let on a separate tenancy. If the property is let to a group of sharers on one tenancy, some councils will accept alternative wording that documentation can be provided at the tenancy sign up.

You state there must be "*An inventory of contents and condition at the commencement of the tenancy.*" This is not a legal requirement and should not be portrayed as such, but it is good practice. You also need to be clear if this is a reasonable condition for every individual room let, and whether the inventory just applies to their bedroom or includes the shared facilities.

Clause 15 - "***Ensure the property is maintained in such a condition that category 1 hazards, within the meaning of Part 1 of the Housing Act 2004, are not present or quickly eliminated.***" Whilst it goes without saying that a property should be safe, only a sophisticated assessment by a trained professional can ascertain if a hazard is category 1 (and even their judgements are often overturned on appeal). We suggest that a delay in this area until the new 'open source' HHSRS standard is implemented (hopefully later this year or early next if the government is to be believed) as this will take away all of the 'dark arts' and make HHSRS a much clearer and simpler evaluation for all.

You also you need to define 'quickly' when stating they need to be 'quickly eliminated'.

We also have concerns about this condition as it requires interim property inspections with the frequency determined by the licence holder and Portsmouth City Council (PCC). This creates a compliance risk and this is not something our expert advisor has come across anywhere else in the country. Far better to specify the frequency in the licence which for HMOs, would probably be at least every 3 months for a mixed group or less for a group of friends or colleagues.

The RLA solicitor, Richard Jones (RJ) commented-

"Laying down a licence condition that says you have to do something of this kind which is specified afterwards by the local authority is unreasonable. It gives the Council unilateral powers without following the procedures laid down in the legislation. It takes away the right of appeal. If they specify an annual frequency then you might have no objection but if they required you to go every week it would be a different matter. In any case the following sentence, the frequency of inspections, will be determined by Portsmouth City council and the licence holder is unclear. Does this mean by agreement or either/or. It is ambiguous to say the least.

Paragraph C of this condition also concerns me because how is a landlord able to judge whether or not there is a Category 1 Hazard. This has to be done by a sophisticated assessment by an EHO."

**Clause 16 - "The licence holder will provide to the council copies of all the current tenancy agreement(s), and details of where any security deposit is held, on demand."**

Again, a comment from the RLA solicitor, "I think an obligation to produce tenancy agreement is excessive and unreasonable. Giving details of current occupiers might be acceptable. As regards the tenancy deposit condition again this is unacceptable in my view as there is a separate regime laid down for enforcing tenancy deposit protection. I think it comes from a category of clauses which might be acceptable in individual cases if the landlord was known not to protect deposits on a regular basis but to lay it down as a blanket conditions is inappropriate."

Clause 18 - "*The licence holder (or his manager) will attend the property as may be reasonably necessary for the purposes of inspection by the council.*"

More input from the solicitor, "again, poorly worded and unclear exactly what it is intended to mean. A condition cannot require the landlord to attend and provide access to a tenant's room without giving the required period of notice and seeking permission to enter."

Clause 20 - *"The licence holder and, where appropriate, their nominated managing agent are required to undertake a detailed investigation of any complaints which have been made either directly to them, or via the Local Housing Authority, regarding their tenants and keep a written record."*

The solicitor said, "again, poorly worded and unclear about the council's expectations. To require the landlord to undertake a detailed investigation of any complaints about their tenants is open-ended and may not be reasonable. For example, alleged drug dealing, benefit fraud, etc? Such clauses are normally restricted to investigating any complaints about ASB."

Clause 25 - ***"A written record of visual inspections of the property undertaken by the licence holder relating to the overall condition of the property and Management Regulations shall be maintained by the licence holder and produced to the council when requested."***

This is over the top – it may be necessary for a 12 room block occupied by formerly homeless tenants with dependency and mental health issues where multiple people are involved in management, but it would be intrusive, unnecessary and an expensive overhead for a small local landlord when checking the 3 nurses in his property are all OK. (Plus this type of report is easily faked just to meet the bureaucratic request – so what is the real value?)

The solicitor also observed that "no timescale is stated for providing inspection records." And again, failure to meet any such obligation should definitely not be a criminal offence.

Clause 26 - **"Produce to the local housing authority for their inspection a written copy of the Fire Risk Assessment. (Reviewed annually)."**

**The solicitors view:** "the requirement for a Fire Risk Assessment (FRA) only applies if the HMO is let out on separate room tenancies. Even then, it should say to provide the FRA within 21 days of a written request, as with previous conditions."

He added that "there is a note at the end of the conditions saying 'on demand' means within 7 days. I would suggest this is changed to providing the information to the council with 14 or 21 days of a written request, as 7 days is a very short period of time. It would also be preferable to add the timescale to the condition itself rather than as a supplementary note." This note has been deleted from the version of the conditions in appendix 3, we assume unintentionally.

### Proposed Enforcement Changes Unclear

It appears that more extensive enforcement Aims and Objectives have been added to the new policy, including the stated desire to ensure the enforcement policy is more transparent and making homes safer and more affordable although it is not clear how it can create affordable housing.

The transparency of the enforcement policy is adversely affected by the length, lack of structure and inconsistent levels of information in the wrong places due to the apparent cut and paste from other documents and different sections written by different people at different times.

There are no footnotes or links to documents, overall it is poorly structured and therefore not easy to follow.

It is unclear within the policy if an informal approach will be attempted first. In section 13.1 it mentions 'breaches of statutory requirements'. Will this include Management regulations? Is it possible to make this clearer? List the statutory requirements if necessary.

Section 7 Tenure Groups - might have been better framed as what PSH can do for each group. Agents are only named briefly (once) under "Landlord and Tenant" group and there is no acknowledgement of the existence of 'Rent 2 Rent' relationships and how enforcement will be undertaken in these circumstances.

There appears to be an avoidance of admitting bluntly they cannot act upon council owned property.

Section 8 - Breaks down their process into three stages: 1) Informal action, 2) Formal Enforcement action, 3) Formal Action progressed by Courts and Tribunals (e.g. prosecution and rent repayment orders) and explains what might happen in each but that some stages may be skipped. We would prefer further information regarding when and where the specific enforcement actions can be taken (i.e. emergency orders/actions only when there is a category one hazard and better explanation of HHSRS in general). Cautions are mentioned but not explained in document. Agents are only mentioned briefly – again, the document and thus the council need to acknowledge that in many cases, it is the agent or the Rent 2 Rent operator who is at fault and the landlord is as much the victim as the tenant. Always assuming that, as the owner, the landlord is responsible assumes a level of understanding of the legalities that many landlords know they cannot provide when they decide to outsource responsibility for day-to-day management to an agent – if things go wrong in this situation, the council needs to target the rogue or failing agent – not the poor landlord who probably handed responsibility to the agent in good faith.

Section 12 Informal action – nice to see that landlord associations have been mentioned, but this section seems very small compared to the pages upon pages of formal action information. It says formal enforcement will be taken when 'Statutory requirements have been breached' however there is no link to or explanation of what statutory requirements are referred to here. For example, management regs and 257 regs (as mentioned above). We would prefer further information regarding when and where the specific enforcement actions can be taken (i.e. emergency orders/actions only when there is a category one hazard and better explanation of HHSRS in general). Cautions mentioned but not explained in document.

Para 24.8 mentions **part 3 of the housing act** – This is Selective licensing, why is it even being mentioned as PCC do not currently operate this scheme or is this confirmation of a wider strategy?

Section 23 Legislative Powers - Banning Orders (agents mentioned) and Rogue Landlord Database indicated in this section but not referred to earlier in the enforcement policy. Too much information on some areas (5 pages on EPCs) and not enough on others (less than one page on the Housing Act and HHSRS Inspections which is the primary tool this department would use). States that a Licence may not be granted for the full five years but no indication as to what circumstances might warrant this.

Management regulations 2006 are mentioned several times, however no mention of Licensing and Management of HMO 2007 which covers 257s. If the scheme is going to include 257s why is there no mention of these regulations, yet there is mention of Part 3?

28.3 this is likely to change by the end of the year to CO2 alarms near any boiler. Shouldn't there be a side note to explain this, as the document will need to be amended then anyway.

29. We were under the impression that Trading Standards were enforcing the EPC regs. Need clarity.

29.7 what happens to properties that have had an EPC because they were told to get one now they are on the register but cannot get the property to the required rating, however they did not need an EPC in the first instance. What approach will be taken in this instance?

Cap of £450.00 per week. Where has this come from, why? What if you earn £451 per week? A 50% reduction is a substantial amount in some cases. Shouldn't the CPN be based on each case and the earnings of that individual? That would make the penalty fairer and more proportionate.

32 – what are the other statutory provisions? List them or provide a link to a list of them. Not clear.

Appendix 1 (1.6) Sorry – makes no sense. What portfolio holder?

Appendix 1 (3.3) shouldn't PACE interviews be completed in all instances unless the landlord admits guilt immediately? These CPNs are being treated as if they are parking fines. Offences under The Housing Act are serious offences and need to be treated as one. The send a 'Notice of Intent' of £30k and try your luck attitude must stop. Some of the fines currently issued are over £20,000. Doesn't the Council need to be sure the 'offender' did actually commit the offence first?

Note 3 page 29 - The wording 'units' is unclear. Some people classify 1 bedroom in an HMO as 1 unit. That may mean small portfolio holders then fall under this bracket.

Failure to comply with an Improvement Notice - £5000 (1<sup>st</sup> offence) This seems low in comparison to unlicensed HMO. After-all an Improvement Notice is only usually served if informal approach failed. If the landlord then fails to comply with an improvement notice (after they were already given a chance informally) is a much more serious offence as opposed to a landlord who thought his planning permission was the license etc. Especially as PCC claim these are only really going to be served in relation to serious hazards

Appendix 7 page 35. Does not mention that the council can also withdraw the notice of intent or final notice at any time. It then mentions extenuating circumstances which in some cases could be seen as a reasonable excuse and reason to withdraw the notice.

Note 5 page 30. Is this logical, fair and proportionate. Is no window restriction on a student HMO really going to cause injury to an under 5... no because no under 5s generally live or visit.

Tables on page 31/32 seems to be a lot of mention of unlicensed HMOs and Improvement Notices however no mention of the several other tools they can use. Are these just examples, if so, this is not clear. Again, table D mentions failure to apply for a licence under part 3 yet there is no part 3 scheme in place. Yet no mention of Emergency Remedial Notice etc. which are powers PCC can currently use. If Selective Licensing is introduced and PCC make as much effort advertising this as has been done with this consultation then you will be serving a lot of these £10k penalties.

Page 32 - £5000 for a licence breach seems fairly excessive (again in comparison to failure to comply with an improvement notice). If we forget to send Gail the GSR are we going to get hit with this? We can understand if it is a breach of a special condition, as long as that condition is reasonable and not relating to a wash hand basin that isn't big enough to get your arm in....

We would also like to see more information about what a reasonable excuse is and how PCC tackle enforcement in that situation. PCC have given an example of what an extenuating circumstance is, would like to see example of a reasonable excuse (such as landlord lives abroad and agent are fully in control).

Page 34 mentions PCC Fire Safety Protocol. We need to see a link to this and LACORS.

### Additional Licensing Risk Assessment Underestimates Council Costs

This table demonstrates the failure of PCC officers to understand landlords and the true cost of licensing. Comments have been added against each point.

Risk	Implications	Likelihood	Mitigation	Comment
Unprofessional landlords improve or leave area with possible displacement to other areas within the city, or to neighbouring local authorities.	Properties managed by more professional landlords, reducing the issues identified. Properties become empty as a result. Reduced private rented sector.	Low	Other neighboring authorities with similar demand for HMOs already have similar schemes so unlikely to have significant impact. City-wide scheme will prevent displacement to other areas of the city.	Not Low. Not true. Other authorities have considerably lower standards (not LOW but fair and affordable) and lower cost schemes. Good landlords are looking at Havant and Gosport to invest. This will benefit tenants there and leave a void for rogues and criminals in Portsmouth who operate below the radar whilst the overall shortage in the city will push rents up even further in relation to neighbouring areas.
Lenders not lending in areas where discretionary licensing is in place.	Landlords may not be able to access mortgages from some companies.	Low	Most current landlords will already have a mortgage. A mortgage company cannot prevent a property being licensed purely on the grounds that it doesn't wish it to have one.	Not Low. PCC do not understand the problem. Lenders are already refusing to mortgage because they do not understand the risks and because surveyors are being ultra-cautious trying to interpret the current HMO standards and rejecting perfectly suitable properties as a result.
The proposed fee could be challenged.	Judicial review can only be considered if the fee does not reflect the cost of licensing process only. A lower fee will prevent the scheme from being self-financing.	Low	The proposed fee structure has been carefully calculated by breaking down the costs of the proposed process and including only permitted costs. The fee needs to be reasonable and justifiable in order to withstand challenge.	Not Low. The fee proposed is considerably higher than that of other Authorities who have exactly the same amount of work to do. This fee level was challenged at the April 2022 Cabinet meeting and will be again when it comes back for update, as agreed at that meeting, in the Autumn.
The proposed fee structure could be insufficient to recover costs of running the scheme.	The process proves to be more resource intensive than predicted.	Low	A full review of processes and a detailed analysis of the costs involved, have been undertaken as part of the financial modelling. As we already run a mandatory licensing scheme, we have a good understanding of the resources required to run such a scheme.	Questionable. There is an acute shortage of qualified and trained officers who can operate schemes successfully. If temporary contract staff are required the cost will be higher than anticipated. When the Government bring in their New Deal For Renters, Authorities will require more officers and their wages will go up.

The fees collected could be insufficient to recover costs of running the scheme.	The estimated number of HMOs in the city could be significantly inaccurate (as HMOs do not need to be legally declared to the council our financial modelling for the scheme is based on an estimated number of HMOs compiled from several sources of data).	Low	We will need to carefully manage the resources for the scheme to ensure that we do not incur large costs upfront before knowing the true extent of applications received.	As PCC have grossly overestimated the number of HMOs in the city, the overall cost should be much lower but economies of scale will be lost.
Licensing does not achieve the aim of improving the management and standards of HMOs in the city	Future schemes could be compromised. Reputational loss for the council.	Medium	Sufficient resources will need to be committed to effectively manage the scheme including administering licenses and carrying out inspections under the Housing Health & Rating System (HHSRS).	We would argue the risk here is EXTREMELY HIGH. PCC made little impact on the sector last time so how will outcomes be better this time around. Reputational damage is already high – any ‘partnership’ that was fostered has been lost.
Rent Increase	Landlords may pass on the costs of the licence to the tenant.	Medium	The proposed cost of a typical licence for a 4 bed HMO would equate to approximately £3.75 per month, or £0.90 per week per occupant.	Incorrect. Rents have gone up disproportionately as a result of PCC policy already and will continue to do so. It is not only the cost of the fee but all the extra admin and dealing with what can sometimes be overzealous officers. Look at the rate of increase in rent in Portsmouth compared to neighbouring boroughs for confirmation.

PCC also fail to acknowledge increasing costs and making life more difficult for landlords<sup>1</sup> will reduce supply. This already has the following impacts which will be made worse-

- The impact to the economy of making affordable HMO rooms less available, already being felt by staff at the QA.
- Increased homelessness. (After PCC / PSH “cleaned up” Waverley Road the police reported that some residents ended up on the streets despite the best efforts of housing officers.)
- High tech contract workers struggle to find shared housing when on contracts in the City and will naturally prefer locations where this is not a problem.

<sup>1</sup> Apart from proving compliance with various obligations landlords often must argue or appeal overzealous demands. PCC lose more appeals against their demands than they win. If one considers that it often costs more to appeal than pay for the alterations, we can see that officers are inclined to be overzealous. We see many landlords just comply rather than appeal even where they know the demands are unreasonable or they are being asked to make alterations or improvements that have not been requested on other properties.



Our view is that the overall cost that needs to be budgeted is significant. With at least 1,200<sup>2</sup> rooms removed from the market by the proposed standards changes and many landlords switching to other forms of let partly because of current market conditions but triggered by the 'final straw' of Additional Licensing, the impact on the local authority will be high.

Housing / Housing Options will see the much higher costs of putting those displaced into temporary accommodation and housing costs for the council will increase overall as demand increases and supply diminishes due to these council introduced changes and the gap between DWP benefit rates and local rents increases. The cost to the Legal team supporting landlords and tenants through the eviction process as you remove properties and rooms from the system will be high. The impact on Adult Social Care as the most vulnerable are pushed out of housing needs to be included, the high cost of agency staff to perform inspections, the impact/cost of attending tribunals when the new HHSRS process comes in – as the outcomes will be clear, expect many more challenges – none of these costs can be included or recouped as part of the Licence fee. There are other areas where other council departments will be impacted and none of these are costed in the Risk Assessment. Add to this, the potential reputational damage (League Tables of Inspections Carried Out will be published later this year and PCC are already in the lower quartile before the requirement to do many more inspections under Licensing pushes them further down the table).

All of these cost increases across PCC if Additional Licencing is introduced will be exacerbated by the proposed changes in the Renters Reform whitepaper and removal of Section 21 as landlords will require more security around tenants with poor credit history or past behavioural problems.

We would also suggest the need for a thorough Equality Impact Assessment as the changes proposed here will hit some specific groups particularly hard – those on benefits, international students and others.

### PCC 'Survey' Data Inadmissible

Much of the justification for the introduction of Additional Licensing now is based on the PCC survey conducted 2021-22. We argue that no data from this survey should be used as part of the justification for Additional Licensing because, in their own words: "The survey was not mandatory, and was completed by those tenants, landlords and residents who wanted to complete it. This should be taken into consideration when considering the value of the responses given. It should also be considered that the survey outcomes are based upon the respondents and cannot necessarily be assumed to represent the whole population of the city, or even of tenants, landlords and residents living near HMOs"

At the time the survey was being produced and promoted, we urged PCC staff to involve us to ensure questions were balanced and results could be sensibly analysed, but sadly they chose to ignore us.

Our concerns raised at that time (from an email to key staff at PCC from the PDPLA):

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<sup>2</sup> The estimate of 1,200 rooms removed from the market is based solely on the introduction of a minimum kitchen width of 2.4m for galley style kitchens, which will exclude the 'lean-to' kitchens of many of the terraced houses in the city. We fear the figure will be much higher, given the increase in minimum room space from 13m<sup>2</sup> to 17m<sup>2</sup> for bed-sitting HMO rooms – we have one member who has 5 houses which will be affected, one of which has 12 rooms all above 13m<sup>2</sup> but he will be forced to lose 10 of them if this rule change is adopted, putting 10 elderly long term tenants on the street.

*“Market Research is different to Marketing. A communications plan is an essential part of a marketing plan but is a periphery component of a research project if it exists at all. Market research is immensely challenging to get right and people spend their whole careers learning to do it properly, but if I were to boil it down to 3 very basic components, they would be:*

- 1. Define the market you are trying to research and the data that you hope to collect, then build plans to ensure that you sample in a way that ensures you either get a valid cross section of the market or if you don't, you can identify why not and take steps to correct the data to better reflect the whole market. (For example, if you just publicise a survey for tenants there is a strong likelihood that those who respond are those currently experiencing problems and if you extrapolate that to the whole market, you get a misleading picture. Thus, the more normal approach is to identify and canvas a specific cross section of the market rather than letting respondents self-select).*
- 2. Compose a survey that is open and does not lead respondents. Test it in the market and then correct and update it as required. (see comments below for examples of why I state that this has not happened)*
- 3. This is actually the hardest part – analyse the data. This is a job for a statistician or similar – to collate and interpret the data and then make adjustments such that it can be presented as a valid picture for the overall market. Frequently achieved with control group input and 3<sup>rd</sup> party corroboration.*

*On point 2, I asked several people to attempt the survey and if they saw anything that they thought could be asked in a better way, to please let me know. From the feedback I received, I include these extracts:*

***I am happy with the amount of HMOs in Portsmouth***

*If I say no will there be a false assumption that I think there are too many? Have to ask if not happy, why?*

***I have lived in my current HMO for more than two years***

*They don't ask it the tenant is a student so result will be meaningless.*

***Q to Landlords***

***I consider my HMO property/is safe and well managed.***

*Why would anyone admit otherwise? Perhaps if they use an agent but they don't ask that v basic question. This means the results of many questions to landlords are meaningless.*

*All they ask is are you a Landlord / Managing Agent / Other Property Manager / Other NOT Landlord using an agent to manage. We know there are landlords stuck with agents they are not happy with.*

***I am happy to rent a room in my HMO to someone in receipt of housing benefit or Universal Credit as a means to pay their rent.***

*So 90 % of respondents say not happy to take claimants but what if the same 90% are student landlords? (Council Tax, marketing strategy and lifestyles make it difficult to mix.)*

*Have you ever been instructed by the council to make improvements to your HMO property?*

*Have you ever received or been made aware of complaints made regarding your HMO property?*

*I should imagine everyone has been instructed to make petty ridiculous improvements, I had a slight rip in the vinyl flooring and the garden gate was operated by using a key 🗝️ apparently that's a secondary*

*means of escape! They never came out to inspect works so it was a waste of everyone's time as usual. Also surely most HMO landlords have received a complaint from someone over the years, tenant or neighbour, they are not specific, so again they are likely to get a high number of 'yes's' to that. Of course that's probably what they want."*

Given that so much weight is given to this survey by PCC – there is very little justification for Additional Licensing without it, we argue that it provides no data of any value and the analysis of that data at best, is skewed to get the result councillors wanted and at worst is inept, incorrect and damaging in that it will encourage the introduction of a licensing scheme which is not needed and which, itself, will significantly push up rents in the local market.

## Why You Cannot Include 257s

Shelter defines a 257 as:

*"Section 257 of the Housing Act 2004 applies to whole converted properties rather than individual dwellings and describes a HMO as a building:<sup>[10]</sup>*

- *which has been converted into and consists of self-contained flats*
- *where the conversion work did not comply with the appropriate building standards and still does not*
- *where less than two-thirds of the flats are owner-occupied*

*The appropriate building standards are those required by the Building Regulations 1991 or 2000 (whichever were in force at the time of the conversion).*

*Owner-occupiers are those with a lease of more than 21 years or who own the freehold in the converted block of flats, or a member of the household of the person who is the owner."*

257 HMOs are a complex area of law and the Councils main task will be the identification of these HMOs – there were only 159 identified during the last period of Additional Licensing and assuming that any major issues with them will have been identified and resolved, we would argue that it is not cost justified to include them in any future scheme.

If the Council do decide to include them, then:

Step 1 - the Council will need to identify which converted blocks within the city do not comply with the Building Regulations. Are the building control team aware of the increased workload that they may be burdened with? Should this task not have already been completed prior to this consultation. Or as part of it? An expert advised us that in big old buildings, for a conversion carried out in the 50's or 60's, just to ascertain whether *"the conversion did not comply with the appropriate building standards and still does not"* would require the skills of a very experienced and informed surveyor. It is also likely to require some destructive investigation.

Step 2 – identify how many flats within the block are rented (must be more than a 3rd). This will mean contacting all freeholders and requesting the details of the occupation of each flat. Assuming a low response from this, the Council will need to door knock. This will of course be labour intensive. Should this not have been completed as part of the consultation process?

Step 3 – Constantly monitor 257 HMOs to ensure that 1 flat has not been sold to an owner occupier meaning that the building is not classified as an HMO anymore. It is likely they will therefore need their own set of licence conditions which is not outlined within this proposal (such as inform the Council when leaseholds are sold etc).

Due to the reasons above and the struggle to identify 257s within the city, we believe that they should not form part of this proposal. Also, in addition to this there are several 257s that do not have any common areas (2 storey, 2 flats 2 separate entrances), what actually are the Council then licensing?

And properties where the rented threshold is missed by 1-2% - these cannot be licensed under current rules, so should we assume that these properties are fine and do not need attention / is the council creating a loophole for rogues to avoid licensing by selling 1 flat on leasehold for example...

For the very limited number of properties, the general lack of evidence of major problems in this area and the huge workload involved, we strongly advise that 257 type properties are not included in any future scheme.

### Failure of Portsmouth City Council Housing Strategy

“Any additional licensing scheme must form part of the local authority’s housing strategy and seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties, and anti-social behaviour affecting private rented property. This has to be combined with other courses of action available to the local authority and those available to other persons.”

14 of the 23 actions in the Portsmouth PRS strategy involve working hand in hand with local landlords. Sadly, the whole strategy is a sham. Local landlords are hounded by over-zealous housing officers, HMOs are reported to the VOA to be disaggregated at a higher rate than anywhere else in the country and wave after wave of regulatory change drives more and more local landlords out of the area and creates a greater and greater homelessness problem.

HMOs are the only affordable option for many, yet at every turn, Portsmouth City Council seeks to deprive the most vulnerable of somewhere to call home.

You could argue that Additional Licensing is consistent with other policies and practices – but not in reducing the stated problems as it would actually worsen them.

**Section 57 of The Housing Act - (2)**The authority must ensure that any exercise of the power is consistent with the authority’s overall housing strategy.

This proposal is not consistent with the strategy in that ‘Good landlords will be welcomed, supported and promoted through the use of accreditation’. The accreditation scheme is still non-existent. Resources should have been focused on the implementation of successful accreditation prior to consultation of this scheme’.

From reviewing the strategy it appears that none of the objectives have been implemented yet (with exception to No 6).

Strategy number 8 ‘fair and transparent’ as concluded in our response. The consultation documents are not fair and transparent.

Strategy number 7 - Work with other local authorities to find new ideas to support PRS. Have Southampton/Brighton even been contacted with regards to their current scheme? If so, please provide the outcome. It is not included in the consultation.

Strategy number 10- Where is the new Planning SPD? If this is going ahead as outlined within the strategy surely now would be a good time to do it alongside the new amenity standards.

The strategy mentions on several occasions that the Council will work with a range of stakeholders. Several local Property Networking groups were completely unaware of this proposal, and many currently licensed landlords do/did not know about the scheme due to failure to send an email to all landlords on the public register (albeit this may be a system error but it is still not engaging with stakeholders).

No proposals on how the licensing scheme will tackle ASB – as per strategy No1. This also identifies that they want to help avoid evictions... introduction of AL will encourage evictions as we are already seeing landlords change back to family lets.

NO ACTIONS ON THE STRATEGY HAVE BEEN IMPLEMENTED YET.

Would it not be beneficial to work on the overall strategy aims and objectives before this scheme is implemented to ensure that it is consistent? How can you prove consistency if nothing has been done yet?

11. Ensure that officers responsible for regulating the PRS are trained to a professional standard and capable of meeting the needs of this strategy. Unsure if this has happened.

Officers should not be undertaking HHSRS inspection until they have been on a suitable training course (CIEH 3 day or equivalent). NO officers should be serving penalties of circa £30k without necessary enforcement training (CIEH or equivalent). We appreciate there is a national shortage of Environmental Health Officers, however officers should be expected to complete a minimum of 10 hours housing related CPD per year (same as Associate level in CIEH). The current introduction plan of officer shadowing is clearly having an effect where new officers are picking up the bad habits of old officers.

From Section 57 of the Housing Act:

(3)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—

(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.

What is the coordinated response? The risk assessment does not outline how they the Council will tackle the homelessness problem that will be caused by the re-introduction of this scheme.

## 2 - The Economics Of HMOs

We fear that councillors and officers have little understanding of the economics of HMOs or the impact of their actions. With that in mind, we asked our Vice Chair, Alwin Oliver, to summarise his view which we include below and encourage reviewers to read in full.

### The HMO Economy - The case for tenants and landlords

Portsmouth legislators are proposing additional licensing for small (3 & 4 bed) Houses in Multiple Occupation. The licensing fees can only be used for the operation of the scheme. Licensing cannot be used as a fund raiser for wider enforcement of standards, for example HMOs that already require mandatory licensing. We have no dispute about that activity, enforcement against poor standards is always worthwhile if it is genuinely targeted at poor standards.

But some of the debate has been ill informed and occasionally abysmal. Put simply, the perspective of people living in HMOs and the owners of small HMOs, the ones being considered for additional licensing has not been sufficiently considered.

### (Working) Tenant Economics

First the economic facts. Don't worry you will not need a calculator, but the numbers do need consideration, not least to avoid unintended consequences.

Let's start with the tenant perspective. A person over 21 on the minimum wage earns £9.50 per hour. In a city the size of Portsmouth there are tens of thousands of people in this bracket of the economy, predominantly concentrated in the "three C's" jobs, care, cleaning, and catering (or hospitality if you prefer). They need somewhere to live.

Not all of them will live in HMOs but many will, particularly those who are single. Let us put ourselves in their shoes and go shopping around for accommodation.

Assuming a single person on minimum wage works full time for a typical 37.5 hours per week they will earn £18,525 per annum gross. Without allowing for a pension, that yields a take home pay of £1378.75 or a little less if they pay into a pension (which we hope they do). Let's have a look what that gets them (the matter is more complicated for the many on Zero Hours contracts and even worse for those who depend upon benefits – but we will let you draw your own conclusions on the housing prospects for these groups based on the figures below).

### Letting Agent Economics

As an agent I have several duties to my landlords and a duty of care to tenants and applicants. The one that interests us here is the affordability criteria. I use these to ensure that the landlord does not take on a tenant who simply can never afford the property, but I am also very aware that I do not do anybody any favours if I set a tenant up to fail by putting them in a property they cannot afford.

As an illustration, we recently had an applicant for a 2-bed flat, offered at £825 per month. On carrying out the income checks the applicant could only demonstrate an income of £850 per month. We politely declined and offered information about benefits but there is little doubt that had that person become a tenant, in short order they would be repossessed and seeking emergency

accommodation from the city. In short, get this wrong and sooner or later the whole community pays.

Of course, when we adopt an affordability criterion, we must be objective and avoid direct or indirect discrimination. We should take a rounded view but avoid excluding potentially worthwhile applicants. In short, finance matters and nothing else relating to status should be considered. As an aside these things do matter to us, we are citizens, we live and work in the city and want to live in and contribute to a fair society. We also take a pride in our job, as do Councillors.

So, in setting affordability criteria we are objective. If an applicant wishes to rent a bills excluded property, for example a studio or flat the industry standard is that the rent should be not more than 40% of take-home pay. This figure aims to ensure that a tenant can afford to pay utility bills, council tax and so on and has sufficient funds to eat, buy clothes and go to and from work and hopefully at least a little left for leisure and community activities. Join a political party, perhaps.

Incidentally, Shelter and others define rent poverty as the rent being more than 35% of take-home pay, so our affordability criteria are a bit less stringent than theirs, although we are doing 2 slightly different things.

So, to recap, our applicant has a take home income of £1378.75 Our 40% criteria show an affordable rent for a bills excluded property would mean they can afford £551.50. Given that the Local Housing Allowance is £585 (if the applicant is over 35) you will not be surprised to learn that there are no flats or studios available in this price bracket.

It is worth noting that I can and should take savings into account (if for example the applicant has savings sufficient to cover the initial rental period, following the guidance from the Shelter “Jane” case (where a no DSS policy was held to be discriminatory because the applicant had savings) but one must wonder about long term sustainability. That though is for another day, and I will come to housing supply later.

Of course, some people in this income bracket live with family or friends, some are in relationships, perhaps with children and some will find their way to Social Housing, but let’s stick with our single applicant, perhaps coming to Portsmouth for work.

As a city, we should extend them a warm welcome, newly arrived or lifelong residents alike and our housing policy should reflect that. As legislators, you will wish to achieve a welcoming City for all citizens with viable housing availability.

#### HMO Room Affordability

Now let us look at a room in a HMO. The first thing to say is that we can be a bit more generous on our affordability criteria, because the landlord is paying the bills and Council Tax. We allow 50% of take-home pay to be allocated to rent, still leaving enough for food, clothes work and leisure. Thus, our applicant can afford around £690 in a HMO room.

This helps a lot of people on less than full time hours as well, or those on Zero hours contracts, but conversely it also makes HMO rooms a popular choice for those saving for a deposit to purchase a property.

So, this brings us to what is available. HMO rooms like other properties vary considerably. We will look at the cost of ownership and operation below, but for now what can applicants get for their money?

With student numbers going down (20% drop on the last 5 years) and relatively costly halls springing up, a few “Ex Student” properties are available to our applicant in PO4 & PO5, at least for the moment. These are important as some at least will be the 3 & 4 bed properties that students tend to occupy.

Traditionally, these were offered to groups and excluding bills, with tenants paying bills themselves. But in recent years it has been all but impossible to let properties ‘bills excluded’ to students and recent price rises in energy have exacerbated this tendency.

For students a bill splitting service can be a viable option, thereby taking the risk of excess use away from the landlord, but for our professional applicant that is not an option. Bills included is what is expected and what makes sense, at least for the applicant.

Many of the properties on the portals (rightmove, zoopla) are aimed at students, particularly south of Goldsmith Avenue, more professional rooms are found on the likes of Spare Room and Gumtree. Prices for the more economic options start in the mid £400-£500 range.

For a bit more luxury, perhaps an En-Suite, the Super HMO rooms (the 7 bed plus Sui Generis conversions) go from £525 to around £700+ if our applicant is looking for a short stay or “Propod” super high spec property. So nearly everything in the city is affordable or something a bit more basic will allow higher disposable income or accommodate those with a little lower provable income. So far so good.

#### HMO Room Economics

Let’s now look at the economics of providing the accommodation. I have already hinted at 2 different types of providers, ex-student landlords and the swanky conversions with loft extensions and so on, often referred to as Super HMOs. These are typically high-end conversions, energy efficient, ensuite, good communal space, highly desirable but undeniably high-density housing.

There are lots in-between but let’s give them names. Smaller HMO landlords, with 3-4 bed properties often, but not always, live close to their properties and tend to have bought as part of their pension arrangements. They typically own between 1 and 4 properties, do their own maintenance or use local handy person services. The money they earn from rent is often spent locally for the most part and tax yield to HMRC is not often minimised, through for example incorporation. I refer to them for shorthand as community landlords.

As local taxpayers and voters both they and their tenants are worthy of your consideration in preparing legislation, including additional licensing. But licensing does not exist in a bubble, any more than we could expect a single legislative instrument to tackle housing issues, HMO or otherwise. Other costs and national legislation all have an impact.

I have hinted at a major issue facing community landlords but I think we should tackle it head on - the extraordinary hikes in the cost of energy. One of our landlords with a 4 bed HMO wrote to us recently, telling me that he has checked his utility bills, they have risen from a little over £3,000 per year to £4,300 now, expected to approach £6,000 in October. His rental income, fully let, is a little under £1800 pcm.

Because there is a shortage of family let properties, prices have risen in the city, it seems by about 50% in the past 4 years. As a family let, unfurnished, or landlord expects the property to achieve around £1250 pcm.



Additionally, the pending abolition of section 21 proposed in the renters reform white paper impacts on his ability to manoeuvre. To him, the options seem simple “I will give notice while I still can” he told PDPLA glumly, but added “My workload will be down by about 90%”.

So, with the Renters Reform Bill coming, the utility price hikes and the threat of additional licensing – the case for a community landlord to switch his/her small HMO to a family let is most compelling.

I can hear the silent cheer from Councillors and neighbours as I write, at least until the family turns up and actually has more cars than the HMO tenants (very few HMO occupants are actually car owners). But the fact is 4 tenants will now be looking for accommodation.

The tenants will have to go somewhere and this particular landlord is not alone, nor are his tenants.

The impact of a couple of hundred houses being sold or released onto the family market over the next year or two will not reduce rent significantly for those tenants, but once they are gone from the HMO market they are gone. Property of all kinds is subject to the laws of supply and demand and it is well to consider it as part of the legislative process.

In fact, we think the hike in energy prices will have a great impact on the economy of HMOs regardless of whether licensing is introduced or not – but if it is and the current proposed changes to standards remove an additional 1,000-1,500 rooms the city will face a dire shortage of affordable accommodation and it will be of its own making. Legislators need to be aware of the wider context in which they set forth licensing or any other proposals.

#### Super HMOs

But let’s look at what is left standing, the super HMO. Every month seems to bring more applications and the public response has at times appeared to us near hysterical.

So how does it work and why are they springing up? A number of landlords have realised there is a gap in the market for high end and ensuite rooms in properties that almost feel like mini hotel rooms, often but not always ensuite, with large, luxurious communal spaces, thanks to permitted development rules.

These are sophisticated financially savvy businesses. As much property developer and entrepreneur as landlord, almost always operating from a limited company. Let’s call them Company Landlords for now. They are well beyond the means of our community landlords, very few break through to this status.

For simplicity, let’s look at an example, it pays to understand how it works. Our company landlord sees a property for sale, perhaps with C4 planning usage, perhaps in one of the shrinking areas with less than 10% density where C4 can be achieved without difficulty, but increasingly from community landlords selling up.

A typical example would cost around £250,000 perhaps a bit more. Typically they may be purchased without finance. Looking at the development stage, our corporate landlord already knows what the finished product looks like, they have either done them before or work with builders who have a proven track record.

A typical development would be under permitted development rules, and involve extensions to the rear, and into the loft. The finished product would cost around £150,000. Part of the development

process will be to make the property as energy efficient as possible and include remote setting of the heat, but with a boost function for tenants. In any event the building will cost not much more to heat as a refurbishment than in original condition, but the costs will be split across 7 rooms not 4. The rental income will have jumped from around £1800 to just under £4,000 and the finished product will be energy efficient, and highly desirable to our single tenants, who can afford it, even on a modest income.

The Company landlord, having got a highly desirable product to market, can now apply to a lender, on the basis of income, for a higher “commercial” valuation. In our example, the property may value at £500,000 and the lender may agree to lend up to 80%, so on to the next one and the number of ‘Super HMOs’ will continue to grow apace.

The company landlord will employ specialist builders, may well not live in Portsmouth but they are providing a product and a service that many in the community want and need. The whole operation will of course be highly tax efficient, in some cases going offshore. It may not be the biggest consideration for legislators, but neither should it be disregarded.

### Our Conclusions

Our prediction is a significant increase in community landlords exiting the market, or repurposing for family let and a demand led net growth in company landlords creating more super HMOs. We have members who provide both, it is for the city to decide which is the preferred model, or if a mixed economy, not to do anything that skews the balance too much.

It may be too late for many because of energy costs, but serious reconsideration of extraneous space requirements for example, should be a priority, as should helping landlords with energy efficiency measures.

### Looking at each party

#### Applicants and tenants

Energy and other costs will have an impact, less so on super HMOs than smaller ones, I predict rent rises of around 10% in Super HMOs and up to 15% in smaller HMOs in order to keep them viable (variable rate mortgages are also on the way up)

#### Landlords

Some community landlords will convert to family lets, a great choice for ageing landlords, but one bad experience will put them out of the market. Tenant referencing will be the key to success.

#### Neighbourhoods

Small HMOs will reduce in numbers. Some will keep going, at least for now, but expect hundreds of properties to change, some will become super HMOs, the overall number of HMOs will reduce, but the number of HMO rooms will fall but not significantly and will be concentrated into less properties.

This may sound like a good outcome, but remember the rent differential between a small HMO (400-500 set to increase 15%) and Super HMO (525-700 set to increase 10%). The issue though is that Additional Licensing coupled with high rents available for family lets, increasing Council Tax burdens for HMO and energy prices seemingly rising exponentially, the number of small HMOs will drop significantly and the median renter will now be a Super HMO resident, so the median rent will

rise from £517 (midpoint of 400-500 +15%) to £674 (midpoint of 525-700 +10%), an increase of 30% on top of the increase in today's rents (so in effect a 50% increase for the median tenant).

Also, because the homes that are sold or let as whole properties will go into the family market, the net impact will be an ever higher demand for parking which will be an unexpected consequence of Additional Licensing.

### Summary

Overall, these proposals will push up rents (the median rent will jump 50%) – this analysis has looked at those in work who can afford to live in an HMO. The people who will suffer are those on benefits who currently struggle to survive in the cheapest HMOs as these will be pushed right out of the market.

Add to this the loss of community landlords and their positive input to the local economy, being replaced by corporate landlords who add little to the local economy and the net effect of Additional Licensing will be severely negative on the city, even before you consider the crisis of removing homes from the 1,000-1,500 people most in need of affordable housing in the city.

### 3 - If PCC Proceed in Spite Of Our Objection

#### Proposal On Licensing Fees

The pricing approved at the April 2022 Cabinet Meeting was exorbitant. We have already shared the pricing and underlying costs for several other authorities obtained under freedom of information. When we asked the same questions of Portsmouth – they could not even give us an answer, either because they actually have no data and all of their numbers are based on assumptions or because sharing the figures would highlight how inefficient Portsmouth is compared to others. We have no view as to what the issue is but would recommend careful analysis of other authorities pricing approach with the aim of matching or bettering their efficiency.

At the April Cabinet, it was proposed that the pricing be reviewed this coming Autumn. We look forward to that meeting. We would like to see:

- Pricing split as legally required into 2 parts (this was introduced at the April Cabinet)
- A recognition that a small HMO costs considerably less to inspect and licence than a large HMO
- A reduction in price if an external/private inspector is used to perform the property inspection
- A reduction in price if the application is made within the 1<sup>st</sup> year of operation (ie a surcharge for those who apply late)
- A reduction in price for those who create a new HMO after the 1<sup>st</sup> year (so in effect, they apply for less than a 5 year licence)
- The option for a small registration fee instead of a licence fee for those HMOs managed within the PDPLA scheme (so no work for PCC other than to record the existence / status as passed through from the PDPLA)

#### Proposal On PDPLA Management of Members

Obviously, we would prefer that the perceived issues are resolved without the need to introduce Additional Licensing. However, if Portsmouth City Council decide to proceed on this path, we would ask that PCC reduce the overall cost of the scheme by allowing the PDPLA to manage their own members.

We would manage a scheme for those of our members with HMOs who choose to use it, where we inspect members properties and handle the administration equivalent to obtaining and administering a licence for those members. The PDPLA would pass a small registration fee (say £10 per property) to PCC to cover the administrative cost of maintaining an overall list and would undertake, for any properties / members who breach licencing regulations who will not or do not satisfactorily resolve any issues, to pass those issues to PCC for them to enforce at cost.

We believe this will significantly reduce the PCC workload and costs thus allowing them to focus on those landlords where focus is needed

## Standards - What Landlords Need

It is good that requirements in the Amenity and Space Standards are being clarified – as we have had much confusion in the past over what was and was not required. However, we are very concerned that when the new standards come into operation the intention is to treat them as the very minimum requirements.

When the HMO standards were last updated, space standards only changed a little but the ability of officers to apply their discretion was considerably reduced. The result was that properties that previously had been inspected and found safe and acceptable to the team previously were then found to be unacceptable.

One of the important consequences was, for example, that 5 occupant HMOs had to drop to 4, a considerable impact on the businesses affected. Portsmouth lost hundreds of affordable rooms and rents went up to compensate landlords. On appeal the Judge concluded that PCC were entitled to insist on high standards. It was not relevant that we had found that PCC were demanding considerably higher standards than any other Local Authority in the land.

The impact of high standards on housing costs was also not a factor in his decision. (PCC did not see the impact of this policy as many landlords reduced occupancy prior to being inspected. This approach avoided conditions being added to their licence and avoided licensing with all the bureaucracy that that entails.)

If there is yet another reduction in the discretion officers are permitted yet more rooms will be lost and expensive alterations made that do nothing to improve the safety of the tenants.

PCC lose more appeals against their demands than they win. If one takes into account that it often costs more to appeal than to pay for the alterations, we can see that officers are inclined to be over zealous. One could draw the conclusion that if clear standards were available there would be less argument. In some cases, this is true (If the standards are fair in the first place). However, it is often not that simple. Just because a bedroom meets the legal minimum floor area does not mean it is functional. Imposing a minimum width may help but clever design such as under or over bed storage can make a very small room more than adequate. Rigid standards can hamper ingenuity and flexibility. Other local authorities have simple basic standards. Where these are strict minimums, this is made clear but where rigid application of rules would result in loss of accommodation or major structural alterations it must be clear to the landlord that flexibility will be allowed.

PCC standards are currently more about comfort and an ideal than about what tenants need and what is needed to make a property safe. There is a failure to realise that there is a cost in striving for perfection. If you have been living on the streets for years, do you really need so much communal space, a decent sized wash basin or a door between the ensuite shower and the sleeping area. The demands of a young student going home most weekends are very different from a self-employed person using their bedroom as an office.

We insist that the wording in the 2014 HMO standards or similar should be reintroduced and that officers are instructed to inspect properties on grounds of safety rather than an ideal standard. The standards are however very helpful where landlords are developing new HMOs and less constrained by the original framework of the building.

If the Standards are to be applied more strictly it is essential that a full impact assessment is carried out to determine how many properties currently do not meet the proposed standards. As stated previously, we estimate that the 2.4m kitchen width will remove 1,000-1,200 rooms from the city housing stock, the increase from 13m to 17m for single bedsitting rooms could easily double that number.

The statement in the 2014 HMO standards dropped in 2018-

*Portsmouth City Council when making a judgement accepts that some properties do not wholly meet these standards and when taking account of the whole property and the liveable space available to the occupants. Officers will assess the usability of the space available in the whole property for the use of all the occupants.*

Under Fire Precautions it stated-

*The requirement expected by Portsmouth City Council will vary according to the observations and findings arising from any inspection undertaken, but in most cases the following will be deemed appropriate*

### Proposal On Inclusion / Exclusion of Properties

There is no evidence to suggest the need to police 257 properties under this regulation and similarly, no evidence that properties in the north of the city are currently a problem. We appreciate that councillors are keen to discourage the spread of HMOs – but Planning is the correct tool for that specific concern, not Licensing.

### Must Focus On Letting Agents and Rent2Rent Operators

As often as not, the small HMO landlord is as much the victim as the tenant. Focussing the licensing system on the owner of the property rather than the person who manages it is illogical. It needs to be made clear that the licence holder needs to be the person responsible for day-to-day management of a property and any enforcement activity needs to be directed at them, not at the owner.

And where the person managing the property is a tenant themselves, as is increasingly common with Rent2Rent implementations, the process needs to recognise that and have the tools to work with and manage that situation, such that all parties benefit. Too often today the landlord is blamed solely because it is the easy option, not the right one.

## 4 - Suggested Solutions

### Change the way you manage certification

Whether you introduce Additional Licensing or just stay with the current implementation of Mandatory Licensing, you need to change the way you manage and administer certification.

Currently, PCC chases every landlord on the Mandatory Licensing scheme to submit their gas, electrical, PAT, Fire Alarm testing and other certificates every year. Initially this was a friendly reminder followed by a stern enforcement letter. As the friendly reminders so rarely resulted in the desired outcome, the process was changed such that now the 1<sup>st</sup> step of the process is the enforcement notice.

The downside of this, apart from the huge workload for all parties, is that it criminalises landlords who may not have a calendar system which calibrates precisely with the councils or who may just have forgotten to scan and send the relevant documents. Being a landlord can be very time consuming and getting the checks done is the priority – finding the time and the office equipment to scan and send the certificates to the council is obviously much less important – it is wrong for property managers to be criminalised on this basis, let alone to threaten them with a £5,000 fine.

PCC state they have issued 1,397 of these letters just to the 1,200 or so HMOs in the Mandatory Licensing scheme – this either proves that Licensing really does not work or that the process is wrong.

We suggest that the Council operate based on trust. Assume a property manager knows his/her responsibilities and complies with them – there is no value in constantly chasing the good guys when time would be better spent focussing on those who really don't understand what they should be doing.

Yes of course, do the occasional spot check to ensure the Licence is being complied with, but change the wording in the Licence Conditions to "ON DEMAND" as many other authorities do, thus saving a huge workload for all and freeing resources to focus on those who are genuinely non-compliant.

### Resolve the underlying issue with 257's

We do not deny that some of the worst properties in the city fall into the '257' category – poorly converted houses now operating as flats, some owner occupied, some on leasehold and others rented either by the freeholder or the leaseholder.

The issues with these properties typically relate to a lack of overall responsibility for maintenance and an inability of the parties involved to agree on required expenditure, improvements, etc.

This is exacerbated by the need to take down portions of ceiling and the like to ascertain whether building control regulations were met when the property was converted and even then, it will require expert inspectors / surveyors to undertake the task.

As stated previously, trying to solve this problem by adding these properties to a licensing scheme is not going to work – apart from the major difficulties associated with working out whether the property falls within the ownership guidelines before licensing can be applied.

Additionally, there are properties, like Windsor House which do not meet the 257 definition yet which suffer from all of the problems associated with absentee freeholders, lack of overall management, etc. We know of properties where the council served (or threatened to serve) several EPOs due to absent freeholders not paying electric bills meaning no lighting, or fire safety precautions in the common areas – the success rate was poor and the rate of progress in resolving issues positively glacial.

What is needed is an approach to leasehold properties aimed at giving those involved the tools to resolve their issues and to take control of their properties.

The Council should start by promoting the leasehold advice service. Any leasehold/freehold disputes should be referred directly there. Staff need better training to ensure the legalities of who can do what and who is responsible for what, are better understood. If there is an absent freeholder, the leaseholders can apply to take over management. This is a better option than to chase some freeholder who is abroad living the dream and not a care in the world about their shabby block of flats in Southsea, after all it would not be them getting kicked out if an EPO was served.

### Wait For Government Reforms & New HHSRS

We recommend that Portsmouth hold fire on Additional Licensing as what the Government have proposed under their major reforms will overtake any need for licensing as landlord registration and other schemes are introduced. We suspect that often, your biggest issue is establishing ownership of a property – the proposed government registration scheme will resolve that issue.

Additionally, with the shortage of skills in this area and the increased workload the reforms will bring, it will be hard enough for Portsmouth to meet its commitments, without adding the overhead of Additional Licensing and all that entails.

Our understanding of the overhaul of HHSRS is that:

- The new / updated format will start to be introduced later this year
- It will be a simpler, clearer model much easier to apply
- Its format will be open source such that anyone will be able to use it or to see how it was scored
- Because of its open format, property owners will better be able to compare their assessment with the Officers
- If interpretations or scoring differ, we expect them to be resolved at the First Tier Tribunal
- Apart from safety, the format will introduce minimum standards (removing the need for individual authorities to create their own)
- Our understanding is that there will be no option, within law, for a Local Authority to impose any higher standards than the minimum required in the new HHSRS
- If this latter point proves true, any Licensing schemes based on local space or amenity standards will need to be withdrawn or completely redrafted.

For all of these reasons, we recommend a delay to assess the implications of national changes before advancing with Additional Licencing.

### Help Landlords 'Green' Their HMOs

If Portsmouth City Council really believe that those living in HMOs are most at risk of fuel poverty and most likely to experience poor property standards, we encourage the Council to help local



landlords – for example by including local landlords in schemes to ‘Green’ the city and reach net zero.

Given that the Council now have a borrowing facility of up to £30m for projects of this nature in the city, we ask that a portion of it is focussed on those residents of the city who are most vulnerable, most likely to be living in fuel poverty and least likely to otherwise benefit from these investments.

That is the 10-15 thousand people who live in HMO’s in the city.

We ask that the council put in place a small team of retrofit advisor, assessor, co-ordinator, designer and evaluator skills to focus on this sector, to work with local retrofit installers and to administer a system of grants from this funding to quickly allow property owners to ensure our cities most vulnerable residents are not left even further behind.

## Appendix 1 – Letter to Gerald Vernon Jackson dated 1<sup>st</sup> June 2012

This letter was sent 10 years ago, ahead of and as part of the PDPLA response to the consultation on Additional Licensing which was subsequently introduced in 2013.

It's points were valid then and are valid now – but more specifically, they are still valid now a decade later despite 5 years of Additional Licensing in the interim which obviously did nothing to address the problems perceived then and asserted to exist now:

Dear Gerald

I am sure that as this is a complex issue with implications for more than just housing you will want to read our full consultation response. (Attached) However since it was produced we have had a chance to discuss the issue further. As someone not directly affected as my property is in Havant and not HMOs I like to think I can look at this issue without prejudice. Initially I thought that anything that would help Bruce eradicate the rogues would be worth the small pain on good landlords. Sadly after much research I no longer think that licensing will eradicate the rogues and the cost to Landlords is often considerably more than the license fee. In Scotland few of the rogues have been picked up and prosecuted. As they are attempting to license all landlords you would think it would be easier. Good, well informed landlords pay the price and the rogues hide. While we have a desperate shortage of accommodation the rogues will sadly continue to prey on the most vulnerable who fear eviction if they complain.

The issue of a licence does not require a full HHSRS inspection but it is likely. As I mentioned at our last meeting, I am concerned that the HHSRS System allows over eager officers to specify 'Hazards' where none exist and by removing the alleged 'Hazard' give the false impression they have improved safety. It makes it easy to miss real hazards completely. The 'System' generates statistics that misguide policy decisions and most importantly fail those living in really hazardous conditions. We know we have a lot of kitchens without heating but is reporting on these distracting the officers from real problems? In a small survey half the 'Hazards' detected were found to be exaggerated on appeal. (9/20 examined) The president of the Lands Tribunal (similar to the High Court) has been highly critical of the 'System'. The industry will never admit to a failing System where it serves them well. In hard times enforcement agencies will go for the easy targets. Licensing will make it very easy for the guys to spot easy targets and request improvements that will make a lot of property just a little better but at considerable cost. I respect the work they do but the stated ambition to remove all hazards from the city is not practical. If it was realistic we would have to convert to 110 volt electrics as used in the USA and ban cars as this would save far more lives than some of the improvements we are called to make but, as always, at a cost. (I am, as yet, not sure if the HHSRS in itself is the problem or as suggested by a safety expert today, it is a training issue. The latter presents us with a problem if we have to increase the number of inspections required.)

The Housing act and DCLG guidance specify that other low cost measures must be tried first. PCC have not tried Simpler options such as;

- Providing clear and consolidated information on standards and how to deal with problems to Landlords, tenants and neighbors. Many landlords are not even aware of the extra regulations appertaining to HMOs or even that they have an HMO.
- Using housing benefits data and support workers to ensure the most vulnerable are safe.
- Discussing complaints from tenants with known and accredited landlords first, rather than sending an officer and prioritizing and encouraging complaints from the tenants of known poor performers. (Tried in Southampton.)

- Following representations from landlords Bournemouth have abandoned their licensing plans and will be trying some of these low-cost measures first.

In the last year according to government data (VOA) Portsmouth rents for shared accommodation have gone up 5% twice as much as other accommodation. Is this landlords recovering the costs of increased HMO regulation. The figures show that those on LHA will be very lucky to find anything they can afford.

Licensing is not impact on the residents main concerns; Noise and Rubbish for which there are better solutions. It will not improve ASB (even licensed landlords struggle with this issue.)

We believe that, especially for HMOs, agents are the main problem, they find managing HMOs a challenge and most fail to meet this well.

Consumer groups, Landlord and agent associations and tenant representatives such as Shelter are lobbying housing minister to license agents. I do not believe that the new housing minister understands the gravity of the problem. He has stated that if tenants or landlords have issues with agents they should go to Trading Standards or the Office of Fair Trading. This is not effective. With better evidence we could convince him. It is only a matter of time. This would fix most of the local issues at little cost to PCC.

I have just heard that The All Party Parliamentary Group for the Private Rented Sector is launching an inquiry into how to improve standards and how to regulate the private rented sector. Perhaps you should wait for it to report. (I will be presenting my evidence regarding the HHSRS.)

For these reasons I would urge you to reject the proposal to introduce Additional HMO licensing.

It it is accepted two of my concerns could be partially mitigated if Additional Licensing is adopted. Even 3 locum doctors wanting to share will need a licence. 3 bed properties could be left out of the scheme. This would not make the difficulty single working professionals already have finding shared accommodation any worse.

Lastly some help could be offered to landlords prepared to take single Housing Benefit claimants.

Regards Tony  
Portsmouth and District Private Landlords Association

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## Portsmouth City Council

### Private Sector Housing Enforcement Policy 2022

#### 1. Introduction

- 1.1 The Council, through its Private Sector Housing team, aims to support local landlords and agents in understanding their duties and legal obligations as part of its Private Rented Sector Strategy (Private Rental Sector Strategy for Portsmouth 2021- 2026). Where suitable, Officers will work with landlords, agents, tenants, and other stakeholders to achieve desired outcomes and promote good housing standards in Portsmouth.
- 1.2 The main objective of enforcement action is to ensure that non-compliance in the local housing market is addressed in the most effective way for the benefit of all.
- 1.3 The Council is committed to fair and effective enforcement, which protects residents and communities, and will take action against those who disregard the law and endanger the safety of others. Council Officers will consider what is proportionate based on individual circumstances.
- 1.4 The Council aims to provide information and guidance for landlords and has a dedicated Landlord and Tenant Support Officer. The Council produces regular newsletters, provides information on the Council's website, and holds workshops aimed at assisting landlords and agents.
- 1.5 This document sets out the Council's enforcement policy when dealing with non-compliance of relevant legislation related to private sector housing. Legislation will be outlined within this policy.
- 1.6 The content of the Private Sector Housing Enforcement Policy has been written having regard to;
- A. The Regulators Compliance Code - which promotes proportionate, consistent and targeted regulatory activity through transparent and effective dialogue and understanding between regulators and those who they regulate. Regulators must have regard for this code when developing policies and procedures that guide their regulatory activity. A copy of the code is available on request or may be downloaded at [www.gov.uk/government/publications/regulators-code](http://www.gov.uk/government/publications/regulators-code).
  - B. In certain situations the council may decide that a provision in the Regulators Compliance Code is either not relevant, or is outweighed by another provision. Officer will ensure that any decision to depart from the Regulators Compliance Code will be properly reasoned, based on material evidence and documented.

C. The Enforcement Concordat - The concordat is a voluntary, non-statutory code of practice which the Council is committed to. It sets out principles with regards to good enforcement practice which are:

- Standards of Service and Performance
- Openness
- Helpfulness
- Proportionality
- Consistency
- Complaints about Service

## **2. Human Rights and Equality Issues**

2.1 Investigations and any enforcement action will be conducted in a manner which does not conflict or undermine the fundamental principles of the Human Rights Act 1998.

2.2 Enforcement decisions will be fair, impartial and objective and will not be influenced by issues such as the ethnicity or national origin, gender, religious beliefs, political views or sexual orientation of the suspect, victim, witness or offender. The Council's full equalities policy is available at [www.portsmouth.gov.uk/services/council-and-democracy/policies-and-strategies/equality-law-and-its-significance-for-the-council](http://www.portsmouth.gov.uk/services/council-and-democracy/policies-and-strategies/equality-law-and-its-significance-for-the-council)

## **3. Aims of the Policy**

3.1 This enforcement policy aims to:

- demonstrate transparency of approach with respect to enforcement of private sector housing and caravan sites in Portsmouth, by setting out legal requirements, policies and principles that officers will follow when enforcing legislation;
- improve housing conditions and raise the standard of property management within the private rented sector;
- provide safer, healthier and warmer homes in the private sector to enable all people within Portsmouth to benefit from healthy housing and environments;

## **4. What is Enforcement Action?**

4.1 Enforcement in its simplest sense is the process of ensuring a law or rule is met or complied with. For the purpose of this policy, it means an action carried out by the authority using statutory powers in relation to Housing. Enforcement is not limited to formal action, such as a prosecution or service of a legal notice; it includes inspections, investigations, interventions and the provision of advice and assistance, with the aim of ensuring service users comply with regulatory requirements

## 5. Enforcement Objectives

5.1 The main objectives of this enforcement policy are to ensure that:

- privately rented accommodation, including houses in multiple occupation (HMO), and accommodation provided by registered providers of social housing, are free from actionable hazards\* that affect the health and safety of the tenant, licensee or any visitor
- private rented accommodation and tenancies are managed in accordance with relevant statutory requirements;
- privately rented accommodation meets minimum energy efficiency ratings
- all licensable properties are licensed, with licence conditions being met
- empty properties are tackled with the aim of addressing security, visual amenity and statutory nuisance issues and also returning them back into occupation
- owners or occupiers of privately owned accommodation or land do not cause statutory nuisance, or an unacceptable risk to public health and safety, or to the environment or neighbourhood
- lettings and property management businesses are registered with a government-approved redress scheme and comply with relevant legislation and codes of practice\*\*
- caravan and camp sites are managed in compliance with site licence conditions and relevant statutory requirements

\*An actionable hazard is one that has been assessed to be a Category 1 or 2 hazard using the Housing, Health and Safety Rating System (HHSRS) under the Housing Act 2004 and the Housing Health and Safety Rating System (England) Regulations 2005. The authority has a duty to act where Category 1 hazards are identified. The authority has a discretionary power in respect of Category 2 hazards and will take enforcement action in cases where there is a significant risk to the health and safety of the occupiers. More information about the HHSRS can be found on the government website [Housing health and safety rating system \(HHSRS\): guidance for landlords and property-related professionals - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/housing-health-and-safety-rating-system-hhsrs-guidance-for-landlords-and-property-related-professionals)

\*\*Potential non-compliance will be referred by the Private Sector Housing Team to Trading Standards who regulate this.

## 6. Shared enforcement and primary authority

6.1 Officers may work with other services within the authority, such as the planning department and building control; benefits and council tax teams; Housing Needs Advice & Support; Neighbourhoods teams, as well as other enforcing authorities who have the power to take enforcement action. These authorities may include:

- Hampshire and Isle of Wight Fire and Rescue Service
- Hampshire Police
- UK Visas and Immigration
- Health and Safety Executive
- Trading Standards
- other local authorities

6.2 In circumstances where shared enforcement or joint working is required, officers will ensure that:

- investigations are undertaken by the most appropriate enforcing authority;
- enforcement action is undertaken in accordance with agreed protocols and will involve the relevant authority or service in the investigations, information gathering and sharing to ensure it is carried out effectively;
- officers will have regard to the Data Protection Act 1998 (DPA) when handling all manual and computerised personal data. Any requests for access to information to the council can be done in accordance with the Freedom of Information Act 2000 and the DPA;
- where a business has registered with a Primary Authority under the Regulatory Enforcement and Sanctions Act 2008 for legislation which this service is enforcing, the council will comply with these Primary Authority requirements.

## **7. Tenure Groups**

7.1 The private sector housing service has investigative and enforcement powers relating to all private housing regardless of tenure. However the approach may vary depending on the tenure of the household.

### **7.2 Private landlords and tenants**

7.2.1 Tenants within rented accommodation do not have the same level of control of their homes as owner occupiers. They are reliant on landlords or their agent to adequately maintain their homes in accordance with legal requirements. The council will take enforcement action where required, against landlords or agents who are putting the health and safety of their tenants at risk, or in circumstances where conditions are causing serious issues to neighbouring property.

### **7.3 Owner occupiers**

7.3.1 Owner occupiers are usually in a position to make informed decisions about maintenance or safety issues in their own homes. Formal enforcement



action against this tenure group would therefore be limited. Officers would always aim to provide owner occupiers with appropriate advice and recommendations as to how they can mitigate any hazards identified. However, in cases where there is a severe risk to the health and safety of occupiers, or where there are conditions that have the potential to cause serious issues to neighbouring property, the council may take formal action against owner occupiers.

#### 7.4 Registered Social Landlords (RSLs)

7.4.1 These are usually housing associations, being a private, non-profit making organisation that provides low-cost social housing for people in need. Their performance is scrutinised by the Homes and Communities Agency and the Housing Ombudsman. RSL's have written arrangements for reporting problems and clear response times for addressing these issues, in addition to having systems for registering any complaints about service failure. The council will not normally take action against an RSL, unless the problem in question has been properly reported to the RSL, who has then failed to take the appropriate action. The council will consider enforcement action against an RSL where there are significant risks to the health and safety of tenants and/or the wider public.

#### 7.5 Portsmouth City Council Housing stock

7.5.1 Council owned and managed property is run through the Councils Housing Management team. The Housing Management team has written arrangements for reporting problems, clear response times and systems for registering any complaints about service failure. Their performance is also scrutinised by the Housing Ombudsman. The Private Sector Housing team works with colleagues from the Councils Housing Management team and, at their request, can provide advice on housing standards required in their stock. Formal enforcement action cannot be taken by Portsmouth City Council against itself.

### **8. Reactive Inspections**

8.1 Officers will carry out inspections following a request for service from a tenant or referral from a partner or enforcement agency concerning unsatisfactory housing or overcrowded conditions. Tenants making requests for service will be asked to confirm that they have informed their Landlord of the disrepair and they have failed to act in a reasonable timescale. Inspections will take place where initial communications between this service and the landlord, agent or owner have not successfully resolved the issues for the customer.

8.2 There will be circumstances where an inspection may be undertaken in the first instance, for example where:

- there appears to be significant risks to the health and safety of occupiers and/or visitors
- the tenant or prospective occupier is vulnerable
- the issues are complex or involve neighbouring properties
- there is a poor history of compliance with legal requirements for housing conditions and/or management practices
- the property is empty

8.3 Where an inspection is undertaken, officers will assess compliance with all enforceable legal requirements, including a risk assessment under the Housing Health and Safety Rating System (HHSRS) and also licence conditions if applicable. This may involve referrals to other agencies or local authority service areas.

8.4 It is the council's aim to action requests for service within appropriate timescales. Requests for service can be received from:

- tenants/occupiers
- the general public
- property letting and managing agents
- referrals from other council services
- referrals from agencies

8.5 Details of the source of the service request will not be divulged when dealing with Landlords or agents.

8.6 In most circumstances this service will not be able to act on anonymous complaints, although each case will be considered separately. Where an anonymous request cannot be accepted the relevant information will be recorded in case of any future complaints.

## **9. Proactive Inspections**

9.1 Inspections will be carried out by the private sector housing service on a pro-active basis in private rented accommodation that is subject to HMO Licensing, under Part 2 of the Housing Act 2004, for assessing compliance with:

- licence conditions, or where evasion of licensing is suspected
- legislation relating to housing conditions, including for example HHSRS, drainage and refuse
- legislation relating to property management
- the councils' adopted standards

9.2 Inspections of caravan sites licensed by the council, will be undertaken in order to assess compliance with licence conditions.

9.3 The Private Sector Housing Team may also carry out proactive inspections in the following ways if information comes to light that requires proactive investigation:

9.3.1 Inspections of all homes within a small targeted geographical area (such as a specific road, block of flats, or cluster of properties) with significant problems, in which all owners will be notified in advance of the start of the initiative. Through a combination of property inspections, liaising with owner occupiers and working with partners, this proactive approach aims to improve housing and the standard of housing management. This initiative aims to bring empty homes back into use as well as making social, financial and environmental improvements to areas whilst creating stronger and more stable communities.

9.3.2 Inspections of property owned or managed by landlords or agents who have a poor history of compliance with legal requirements for housing conditions and /or management practices. This may include identifying those with a previous history of enforcement action, lack of engagement with the authority or where there is intelligence about breaches in legal requirements from partner agencies. The aim of this proactive intervention is to target resources for improvements to housing conditions and tenancy management, as well as creating more sustainable tenancies, particularly for vulnerable tenants.

9.3.3 Inspections in areas to identify licensable properties, empty homes, poor housing conditions and environmental matters that are detrimental to a neighbourhood or locality.

9.3.4 Inspections undertaken according to property type; mode of occupation; low energy efficiency rating as stated in an Energy Performance Certificate; or overcrowded conditions for example.

9.3.5 Investigations to establish whether or not a letting agent or property manager has joined one of the Government-approved Property Redress Schemes.

## **10. Delegation & Decision Making**

10.1 Officers carrying out enforcement functions have been authorised by the council in accordance with the Director of Housing, Neighbourhoods and Building services sub delegation scheme. Each officer within the private sector housing service will carry an identification card.

10.2 Decisions about the most appropriate action to be taken will be made in line with:

- this policy

- professional judgement
- legal guidelines and advice
- statutory codes of practice
- strategic priorities set by the Council and/or Central Government

10.3 A decision to instigate any type of enforcement action will be taken by the investigating officer with the agreement of a delegated manager, in accordance with the council's Scheme of Delegation.

## **11. Power of Entry**

11.1 In carrying out their duties, duly authorised Officers have a range of far reaching powers, including the right to enter any premises at any reasonable time in order to:-

- Ascertain whether or not a breach of legislation exists
- Carry out any action or works authorised in accordance with this enforcement policy

Such powers will be used when a duly Authorised officer has reason to believe that entry is required because of a potential breach of legislation or requirement of this enforcement policy. Entry to any residential property shall not, except in an emergency, or in investigating potential contraventions of Licensing, be demanded as a right unless a minimum of 24 hours' notice has been given. If entry is refused, an Officer may apply to a Justice of the Peace for a Warrant to enter the premises, if needs be, by force.

## **12. Purpose and Method of Enforcement**

12.1 The private sector housing service offers an opportunity to work informally with landlords, agents, owners and service users, by providing a range of information and guidance. In cases where there has been a complaint about a private rented property or empty home, and where it is the first contact about property standards, the service will normally notify responsible parties and/or will provide an inspection report outlining breaches in legal requirements. This approach is detailed in section 13 under "stage one" enforcement action.

12.2 The purpose of an informal approach is to enable responsible landlords, agents and owners to comply with regulatory requirements and agree to undertake the works required by the authority in a short timescale.

12.3 The underlying aim of these communications is to establish good management practices from the outset that ensure compliance with regulatory

requirements for property standards and that this approach continues through each subsequent tenancy.

12.4 All powers available to the private sector housing service will be used in order to meet the enforcement objectives set out in this policy. Enforcement action can be separated into 3 stages, as outlined in sections 13, 14 and 15 of this policy. Decisions will be made by competent and authorised officers, in accordance with guidance, as to the most appropriate course of action to be taken.

12.5 Different types of enforcement action may be undertaken in relation to any given case depending on legislation used. In some instances, multiple actions may be taken as the case progresses through the different stages of the regulatory process.

12.6 Where there is non-compliance with legal requirements, after an informal approach has been made, formal action will be taken as detailed in section 15 (Stage 2 enforcement) and section 16 (Stage 3 enforcement) below.

12.7 However, where there are serious breaches in legal requirements, the authority will take a formal approach in the first instance and will move immediately to stages two and three.

12.8 To safeguard the health and safety interests for occupiers, visitors and members of the public, formal action will also be considered in the first instance, where:

- the landlord or owner has previous history of non-compliance with legal requirements
- the landlord, agent or owner has previously been made aware of their legal responsibilities through letters and reports for other properties

11.9 In a small number of cases, there may be circumstances where a decision is made to not take formal action. These may include, for example:

- Where there are low risks to the health and safety of occupiers, visitors or members of the public
- Where there are special circumstances regarding the person against whom action would be taken
- Where legal action would be disproportionate or inappropriate, taking into account the circumstances of the case
- Where the tenant does not want action to be taken and a decision is taken that it is not appropriate to take any further action at that time, given the present circumstances.

### 13. Stage 1 – Informal Enforcement Action. Providing Assistance, Information, Education and Inspection reports

13.1 The Council will help property owners to meet their legal obligations by providing clear and concise information about what they need to do to comply with the relevant legislation. However, whilst help can be provided, property owners should always seek out and rely upon their own independent advice to ensure legal compliance.

Information and leaflets	A wide range of information and links are available on our website by searching "information for landlords".
Telephone calls, emails and letters	To advise of works or actions to be taken, following a request from a tenant or as a result of an inspection by this service. These will cover deficiencies in regulatory requirements.
Inspection report	A report showing deficiencies or areas of non-compliance with specific legislation. The report may also include recommended works of good practice.
Landlord workshops	The service hosts regular landlord workshops on a variety of subjects aimed at educating landlords of their obligations and best practice.
E-newsletters	Regular updates are provided in newsletters, which are emailed to addresses registered with our service. Subscribe for updates privaterentalupdate@portsmouthcc.gov.uk
Referrals to other services/agencies or regulators	For specialist areas within their remit.
Landlord and agent associations	Information and support can be obtained from industry-led organisations such as the NRLA, ARLA and NALS as well as local association PDPLA. Please refer to the organisation's website for details.

### 14. Stage 2 – Formal enforcement action issued by the local authority

14.1 The Council expects full compliance with the law and will not hesitate to use enforcement powers where necessary. Formal action will be taken against those who wilfully contravene the law, act irresponsibly, or do not learn from informal enforcement action.

Formal action, including the service of formal notices, will be taken in situations where:

- the council has a duty to serve a notice or take a specified action;
- statutory requirements have been breached;

## Appendix 3 - Private Sector Housing Enforcement Policy 2022

- remedial action needs to be taken quickly;
- an owner, landlord or agent has a history of non-compliance;
- a property has actionable hazards that create risks to an occupier's health and safety (or that of a visitor);
- there is a long-term empty property.

In cases where an officer decides it is more appropriate to take formal enforcement action without first giving an opportunity to resolve the issue informally, the officer will explain to the person concerned the reasons for this decision.

Where notices and orders are served, the authority will provide copies to other interested parties, such as the occupier; mortgagee; freeholder; leaseholder or agent in accordance with the specific legislative requirements. They will also provide details on how such notices can be appealed where applicable.

Certain notices, orders and charges are required to be registered as a local land charge and whilst the matter is outstanding, these will be disclosed to any prospective purchaser making a local land search.

There are a number of different types of formal notices, licences, warnings and charges that can be issued by the authority:

Formal notice, order or licence	Served to require works or actions to be undertaken in accordance with specified legislative requirements.
Notices to recover costs and expenses incurred by the authority in taking enforcement action	Served in connection with Housing Act 2004 notices for the recovery of costs and expenses.
Power of Entry notices	Served when access is required into residential premises at a specified date and time.
Notices requiring information or documents	Served to require prescribed documents or information to be supplied.
Emergency Prohibition Order	Served under the Housing Act 2004 to immediately prohibit use of premises (or part of) where a serious health and safety issue exists.
Emergency remedial action	Serious, emergency works undertaken immediately by the local authority in default. Costs incurred by the council in taking this action will be recovered.

Revocation or variation of an improvement notice, prohibition order or emergency prohibition order	Notices served to vary or revoke the terms of a previously served enforcement notice or order.
Revocation, variation or refusal to licence premises	Notices served to vary the terms or revoke a previous licence issued, or to refuse to licence a property.
Works in default	Works undertaken in default by the authority to ensure compliance with a legal requirement. Costs incurred by the council in taking this action will be recovered.
Civil penalty	A notice issued by the local authority to impose a financial penalty. It is to be paid to the authority in situations where there are breaches of legal requirements or where offences have been committed.
Simple caution	Issued by the local authority where offences have been committed.
Compulsory Purchase Order and enforced sale	An Order served by the authority for a long-term empty home where it is causing blight and statutory nuisance in an area. It is used only where there is proven demand for this house type. A sale of a property can be imposed to recover unpaid debts incurred by the authority for undertaking essential repair works in default.
Management orders and empty dwelling management orders	Orders served by the authority where no responsible person can be identified to manage a privately rented or empty home.

Further information about the types of notices and when they would typically be considered can be found in the government enforcement guidance document [Housing health and safety rating system \(HHSRS\) enforcement guidance: housing conditions - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/housing-health-and-safety-rating-system-hhsrs-enforcement-guidance-housing-conditions) as well as a short updated government guidance document [Local authority enforcement powers under the Housing Act 2004 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/local-authority-enforcement-powers-under-the-housing-act-2004)

### 15. Stage 3 - Formal enforcement action progressed by courts or tribunals

15.1 Failure to comply with legal requirements, such as a formal notice may result in a stage three action. Before considering a stage three action, the investigating officer will consider the appropriate actions available for the legislation concerned.



Prosecution in criminal courts (Magistrates and Crown Court)	Legal proceedings instigated where there is a flagrant breach of law; non-compliance with a legal notice or legal requirements; a history of non-compliance and for serious offences where there is a community benefit.
Warrant to enter premises	Warrants issued by the Magistrates Court for officers to enter premises by force, if required.
Rent Repayment Order	An Order issued by the First Tier Tribunal for the repayment of rents received where there has been an offence or breach of legislative requirements.
Proceeds of Crime Actions	An Order issued by the courts for confiscation and civil recovery of proceeds from criminal acts.
Injunctions	Issued by the courts to prevent certain actions, activities or threats being carried out by a specific person.
Criminal Behaviour Orders	Issued by the courts to take specific actions in cases where harassment, alarm or distress is proved.
Civil Penalties	Issued as an alternative to prosecution where there is a flagrant breach of law; non-compliance with a legal notice or legal requirements; a history of non-compliance and for serious offences.

## 16. Prosecution

16.1 Prosecution will be considered for more serious offences with the purpose of

- Punishing serious wrong doing
- Avoiding a reoccurrence of the offence and/or
- To act as a deterrent to others

16.2 The Council will have regard to the Code for Crown Prosecutors and will only prosecute where there is sufficient admissible and reliable evidence that the offence has been committed. There should also be a realistic prospect of conviction, taking into account any applicable defences, and the Council believe that it is in the public interest to do so.

## 17. Civil Penalties

17.1 The Housing & Planning Act 2016 introduced changes to the Housing Act 2004 to allow the Council to issue civil penalties of up to £30,000. Appendix 1 to this policy sets out the decision making process regarding whether to use a civil penalty notice and at what level it should be charged.

## 18. Works in Default

18.1 Works in default may be considered as an alternative to, or in addition to a prosecution or financial penalty. The Council will carry out works in

default where it is proportionate and seek to recover full costs associated with the works, including officer time and administration costs.

18.2 Where appropriate, the costs will be placed against the property as a local land charge. The Council may seek to use its powers to enforce the sale of the property to recover costs.

18.3 Each case will be looked at individually and a decision will be made whether to undertake works in default, based on the type and extent of the issues, as well as the protection of the health, safety and welfare of any person affected.

## **19. Proceeds of Crime**

19.1 The Proceeds of Crime Act 2002 allows the courts to deprive perpetrators of criminal offences of any proceeds they have accrued as a result of criminal activity. Officers from across the council will work collaboratively to ensure the best outcome.

## **20. Costs of Enforcement**

20.1 The Council is able, in certain circumstances, to charge for enforcement action. The amount to be charged will depend on the type of action taken. When costs are charged, an invoice will be sent to the relevant party outlining the amount, what it covers, and the payment terms. The charge levied will only cover the cost of the enforcement action to the local authority. Examples include;

- Costs associated with determining whether to serve a notice
- Costs involved in identifying any action required
- Costs associated with serving a notice

20.2 The full break down of the charges applicable for each Notice or Order can be found on the councils website by searching "private sector housing enforcement charges".

## **21. Appeals**

21.1 Any person served with a notice/order has the right to appeal on grounds set out in the relevant legislation.

21.2 Full details of the appeals process will be contained in the notice/order.

21.3 The Council will rigorously defend any appeals where the notice/order has been correctly served.

## **22. Review**

10.1 This Enforcement Policy shall be reviewed periodically and amended to reflect changes in legislation, corporate policy or official guidance. Any amendment shall be in line with meeting the requirements of the legislation and the public interest.

### **23. Legislative Powers**

23.1 The principal piece of legislation used by the Private Sector Housing team is the Housing Act 2004 (referred to as “the Act”). However, there are circumstances where other pieces of legislation may be more appropriate in dealing with the identified problem. Officers are expected to use professional judgement to determine the most appropriate piece of legislation to use. In some cases it may be appropriate to use a range of enforcement tools.

23.2 A list of legislation is attached at Appendix 3. This list is not exhaustive

23.3 A list of enforcement powers under the Housing Act 2004 at Appendix 4.

23.4 The Council has a statutory duty to act in the case of category 1 hazards and a power to act in the case of category 2 hazards.

23.5 The Council will exercise enforcement action in the following circumstances;

- Where a category 1 hazard or hazards are present in the dwelling
- Where a category 2 hazard is progressive and will likely become a category 1 hazard unless action is taken
- Where there are a number of category 2 hazards present in the dwelling likely to have a cumulative negative effect of the occupants
- Where there is a vulnerable individual or group in occupation or likely to be in occupation

Detailed information about the Housing Health & Safety Rating system, and Category 1 and Category 2 hazards can be found in the Government guidance document [Housing health and safety rating system \(HHSRS\): guidance for landlords and property-related professionals - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/housing-health-and-safety-rating-system-hhsrs-guidance-for-landlords-and-property-related-professionals)

23.6 Part 1 of The Housing Act 2004 includes the type of notice or order that can be issued, detailed in Appendix 4.

23.7 When any notice or order is served, officers will have full regard to the relevant areas within part 1, Housing Act 2004 and the appropriate schedules.

### **24. Houses in Multiple Occupation - Licensing**

24.1 Mandatory Licensing of Houses in Multiple Occupation under part 2 of the Housing Act 2004. The Council is required to have a licensing scheme in place, identify properties that require licenses, and license properties that are licensable.

24.2 From 1st October 2018 HMO licences are required for all HMOs of any storey height that are occupied by five or more persons, who form two or

more households and share facilities (such as kitchens, living rooms and bathrooms).

OR

Purpose built flats where there are up to two flats in the block and one or both of the flats are occupied by 5 or more persons in 2 or more separate households. This will apply regardless of whether the block is above or below commercial premises. This will bring certain flats above shops on high streets within mandatory licensing as well as small blocks of flats which are not connected to commercial premises.

- 24.3 A person commits an offence if they manage or are in control of an HMO which should be licensed but does not have one or if they allows the property to be occupied by more than the agreed number of households or persons authorised in the licence conditions. Prosecution can result in unlimited fines and court costs or instead of prosecuting, the council can issue penalty charges of up to £30,000.
- 24.4 Rent re-payment orders – if a person has committed the offence of operating as an HMO without having an HMO licence, the Council or the tenants can apply for a rent repayment order. The First Tier tribunal (FTT) can award the order, which requires the appropriate person to repay all rents, periodical payments and housing benefits for the period up to a licence being issued. The order would state the amount to be repaid.
- 24.5 Termination of Tenancies – Landlords will not be able to issue any section 21 notices under the Housing Act 1988 (termination of a shorthold tenancy and possession of the property), whilst a licensable HMO is unlicensed.
- 24.6 Licences will be granted for a maximum five year period. The Council may grant licences for appropriate lesser periods. Details of such policies will be detailed on the Council's Website with details of how to apply for a licence.
- 24.7 Prospective applicants for a license will be vetted to determine whether they are a 'Fit and Proper' person to hold a licence as required by section 66 of the Housing Act 2004. Where a person is found not to be a 'Fit and Proper' person to hold a licence, this information will be stored within the Council's records and shared as necessary with other Departments and Local Housing Authorities.
- 24.8 The Council may, at its discretion bring into force licensing of other residential accommodation, as defined by parts 2 and 3 of the Housing Act 2004, which allows local authorities to require landlords of some privately rented properties to apply for a licence. There are two types of discretionary licensing, Additional, and Selective. Any introduction of such schemes will be

publicised in accordance with legislative requirements and details of such designations will be available on the Councils website.

24.9 HMOs will be inspected having regard to the Housing Health and Safety Rating System and the Management Regulations, and the Council Private Sector Housing Space and Amenities Standards (this can be found on the Councils website by searching "HMO standards"). If after an inspection it is found the HMO does not meet the Council's standards or has serious hazards under the rating system, enforcement action will be considered.

24.10 The Management Regulations apply to Houses in Multiple Occupation (HMOs) in England, but do not apply to converted blocks of flats to which section 257 of the Act applies. These are buildings that have been converted into and consist of self-contained flats where the building work undertaken in connection with the conversion did not comply with the appropriate building standards and still does not comply with them, and less than two thirds of the self-contained flats are owner occupied.

24.11 A Public Register of

- Licensed HMO's,
- Dwellings with interim/final/empty dwelling management orders,
- HMO's with Temporary Exemption Notices,

will be available upon request for public inspection at the Civic Offices, Guildhall Square, Portsmouth, in line with the requirements of the legislation and guidance. A copy of the register can be provided by the Council, subject to a reasonable fee to cover administration costs as per section 232 of the Housing Act 2004.

24.12 The Council will consider suspending, revoking or refusing to renew a licence, or to grant a new licence, where licensing conditions are not being met and there are clear failings by the landlord in relation to Part 2 of the Housing Act 2004. The general principles of this policy will also apply to any action taken under this part.

24.13 Management Orders under the Housing Act 2004 will be used as a last resort where other attempts have failed, where there is no reasonable prospect of a licence being granted or it is necessary to protect the health, safety or welfare of occupiers, visitors or persons living in the vicinity. It will also be considered where anti-social behaviour is affecting other occupiers, visitors or persons in the vicinity of the premises.

## **25. Caravan Sites**

23.1 Caravan and camping sites provide accommodation both for residential, holiday and touring purposes. It is a requirement that all sites are registered with the council and that owners apply for a caravan site licence.

23.2 Licences are issued with conditions attached in accordance with their planning permissions and Model Caravan Standards.

23.3 The requirement to apply for a caravan site licence refers to all sites, including park home sites. However, it does not apply to council managed gypsy and traveller sites, nor to unauthorised sites without the appropriate planning permissions as these cases would require investigation from other enforcement bodies.

23.4 Caravan sites will be inspected on a cyclical basis or as a result of a complaint made to the service. This is to ensure that there is compliance with conditions listed on the site licence and also, where appropriate, with other legislative requirements.

23.5 Where there is non-compliance with licence conditions or legal requirements, these deficiencies will be notified to the licence holder, owner or manager. Formal action will be taken where there is insufficient progress, limited co-operation or, in the first instance, where serious issues are identified.

23.6 The council has the power to charge annual fees for residential caravan sites and mobile home parks under the Mobiles Homes Act 2013. All charges, where applicable, are set out in the Portsmouth City Council Fee Structure.

## **26. Empty Properties**

26.1 This council will encourage owners of private sector empty homes to bring their properties back into occupation through letters, advice and referral to assistance schemes such as the Councils Rent it Right service, to assist in bringing the property back into use.

26.2 Where informal action is not successful, the service will consider using a range of enforcement measures shown in Stages 2 and 3 of the Enforcement Action which can include:

- the service of a statutory notice
- arranging for works to be carried out in default of the owner
- serving Empty Dwelling Management Orders (Part 4 of the Housing Act 2004)
- enforced sale (Law of Property Act 1925)
- compulsory Purchase Order action (Part 2 of the Housing Act 1985)

## **27. The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020**

24.1. The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 (ESSPRS) came into force on 1 June 2020. The regulations are designed to ensure electrical safety within the private rented sector in England by requiring landlords to have the fixed electrical installation within rented properties inspected at least every five years.

24.2. The Council must serve a remedial notice on the landlord within 21 days of deciding that it has reasonable grounds that a landlord has breached one or more of their duties under:

- 13.2.1 Regulation 3(1)(a) – electrical safety standards have not been met during the period of a tenancy, or
- 13.2.2 Regulation 3(1)(b) – that the electrical installation has not been inspected at regular intervals (5 years or shorter as required), or
- 13.2.3 Regulation 3(1)(c) – that the first inspection was carried out before the tenancy began (for new tenancies) or by 1st April 2021 (for existing tenancies), or
- 13.2.4 Regulation 3(4) – that remedial or investigative work was required to the electrical system and that this was not undertaken within 28 days (or a shorter period where required), or
- 13.2.5 Regulation 3(6) – that remedial or investigative work was required to the electrical system as a result of 3(6) (above) and that this was not undertaken within 28 days (or a shorter period where required) of the further investigations; and the most recent inspection report does not indicate that urgent remedial action is required

13.3 The Council may impose a financial penalty where it is satisfied, beyond reasonable doubt, that a landlord has breached their duty under these regulations.

## **28. Smoke and Carbon Monoxide Regulations 2015**

28.1 Smoke and Carbon Monoxide Alarm Regulations 2015 The Council has a duty to serve a remedial notice (within 21 days of having reasonable grounds to believe that a breach of the landlord's duty has occurred) on a private landlord if there is no smoke alarm fitted on each storey of the premises on which there is a room used wholly or partly as living accommodation.

28.2 The Council has a duty to serve a remedial notice (within 21 days of having reasonable grounds to believe that a breach of the landlord's duty has occurred) on a private landlord if there is not a carbon monoxide alarm fitted in any room of the premises which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance. The notice will require the landlord to take action within 28 days.

28.3 There is a penalty charge of up to £5,000 for not having a smoke alarm on every level of a premises used as a private rented dwelling and for not having a Carbon monoxide alarm fitted in rented dwellings where there are solid fuel appliances. The council has published a statement of principles regarding its fine structure. See Appendix 2 for more details.

### **29. Banning Orders**

29.1 The Housing and Planning Act 2016 introduced (from 6 April 2018) a new power for local housing authorities to apply to the First-tier Tribunal for an order that bans a rogue landlord or agent from letting housing in England. The Housing and Planning Act 2016 (Banning Order Offences) Regulations 2017 set down the offences that can lead to an application for a banning order to be made. Once granted, a banning order remains in place for at least 12 months.

29.2 Once a banning order is in place, the Council can take over the management of the property or properties of the landlord or agent receiving the order.

29.3 The Council will pursue a banning order for serious offences. Where the Council decides to pursue a banning order, it will consider the scope for working together with other local housing authorities. For example, through using the Rogue Landlord Database, the Council will be able to establish whether a landlord has committed offences in other local authority areas.

29.3.1 When considering a banning order the Council will take into account:

- The seriousness of the offence
- Previous convictions/Rogue Landlord Database
- Harm caused to a tenant
- Punishment of the offender
- Detering the offender from repeating the offence
- Deter others from committing similar offences

### **30. Rogue Landlord Database**

30.1 The council can enter details of landlords considered to be “rogue” onto the government database. It is available to all Local Authorities to enable them to share information about criminal landlords who operate in multiple areas.

### **31. Other Statutory Provisions**

15.1 There are a number of other statutes which give powers to Local Housing Authorities for a range of different issues. These will be used where appropriate.

### **32. Compliments and complaints policy**

26.1 The council recognises the need to provide an excellent public service which is responsive to the views of both residents and businesses. We are therefore



committed to continually improve the Private Sector Housing Service in Portsmouth and want customers and service users to provide feedback, which may be used to improve our services further.

26.2 As required by the Regulators' Code, the council has a compliments and complaints procedure which allows all service users to give a compliment, give feedback or make a formal complaint. This can be accessed through our website by searching "complaint" or by telephoning the complaints line on 023 9283 4702.

26.3 Through the compliments and complaints procedure, it is the aim that complaints are resolved speedily, effectively and fairly. The tone of our contact is open, responsive and avoids unnecessary formality. Our written correspondence uses plain English and where appropriate, will be backed up with action to resolve such complaints.

26.4 If a complainant is not satisfied at the end of the complaints process, the matter can be raised with the relevant ombudsman service.

## Appendix 1

### Financial Penalties

#### **Housing Act 2004 (as amended by the Housing and Planning Act 2016) and the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020**

##### Part 1

##### 1.0 Introduction

- 1.1 The Housing Act 2004 was amended by the Housing and Planning Act 2016 to allow local authorities to impose a financial penalty as an alternative to prosecution of housing offences. These are known as Civil Penalty Notices (CPNs). On 1 June 2020, the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 came into force and CPNs were extended to include breaches under these regulations.
- 1.2 The value of the civil penalties, set by the Council and based on national guidance and legislation and a risk based process, can range from £25 to £30,000, per offence, dependent upon the nature of the offence and the resulting harm and culpability.
- 1.3 Importantly, once an individual is subject to a civil penalty fine for Housing Act offences, the Council must consider a Rent Repayment Order (RRO) to recover monies paid through Housing Benefit or through the housing element of Universal Credit.
- 1.4 The purpose of this Policy is to set out the framework within which decisions will normally be made to issuing civil penalties in relevant cases. This policy may be departed from where the circumstances so justify. Each case will be dealt with on its own merits, having regard to its particular circumstances.  
  
This policy is designed to ensure transparency, consistency and fairness in how and when CPNs are imposed.
- 1.5 The list of offences under the Housing Act 2004 that that can currently be dealt with by way of a financial penalty are as follows:
  - Failure to comply with
    - improvement notice (Section 30)
    - with overcrowding notice, (Section 139(7))
  - Licensing of HMOs under Housing Act 2004 Part 2 (Section 72)
  - Licensing of houses under Housing Act 2004 Part 3 (Section 95)
  - Management regulations in respect of HMOs (Section 234)
- 1.6 If new legislation is introduced that permits the use of CPNs this Policy will be used (in consultation with the relevant Portfolio Holder).

## **2.0 Determining the appropriate course of action**

2.1 Offences under the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 are only eligible for financial penalty fines and not prosecutions.

2.2 For eligible offences, when the Council is satisfied that a relevant offence has been committed and that it is in the public interest to proceed formally it must decide whether to prosecute or issue a civil penalty. This will be determined on a case-by-case basis but whilst not an exhaustive list, the following factors are some of the issues that will be considered in determining if a civil penalty or prosecution should be applied to an individual offence:

- The severity of the offence and the resulting potential harm
- The offending history of the alleged offender
- If the offence was committed by mistake or with knowledge
- The health and capacity of the alleged offender
- The public interest in taking the alleged offender into court where the offence will be publicised and the individual held to account in public.
- The likely impact of Court action versus a civil penalty, in deterring further offending.

2.3 The following are situations where a prosecution may be appropriate;

- The offence was serious, for example breach of a Prohibition Order or where there was imminent risk of serious injury or loss of life;
- The offender has been prosecuted for similar Housing Act offences

2.4 The following factors, whilst not exhaustive, are situations where the issuing of a civil penalty may be appropriate;

- No history of previous non-compliance with relevant legislation
- No previous convictions of relevant offences
- The offence was committed as a result of a genuine mistake or misunderstanding. This must be balanced against the seriousness of the offence.
- Prosecution is likely to have a serious adverse effect upon the offender's physical or mental wellbeing, but this must be balanced against the seriousness of the offence.

## **3.0 Civil Penalties**

3.1 The law currently allows a maximum financial penalty of £30,000 to be imposed per offence under the Housing and Planning Act 2016. The Government recommends that, to ensure that the civil penalty is set at an appropriate level, the local housing authority produce its own Policy to ensure fair and transparent application of penalties.

- 3.2 In determining whether to impose a financial penalty the Council will have regard to any relevant local enforcement policy and the Code for Crown Prosecutors. Due regard will also be given to any potential defences which will be considered by way of the representation received following the service of the 'Notice of Intent' to serve a CPN.
- 3.3 In certain circumstances, it may be appropriate to undertake an interview under caution in accordance with the Police and Criminal Evidence Act 1984 (PACE) to explore the defences but this will be entirely a decision for the Council. In total, we consider the procedure for issuing these penalties to be robust enough by way of providing fairness for the respondent.
- 3.4 In particular the factors set out in 3.6 of the Government Guidance on Civil penalties under the Housing and Planning Act 2016 have been incorporated into the charging table adjustments set out in Part 2 of this Appendix.
- 3.5 In determining the amount of penalty the Council will use the Financial Penalty Matrix (contained in Part 2 of this Appendix) which takes into account relevant matters including, but not limited to:
- The penalty should act as a deterrent to repeating the offence ,and to others from committing similar offences;
  - The penalty should remove any financial benefit obtained as a result of the commission of the offence;
  - The severity and seriousness of the offence;
  - The culpability and past history of the offender;
  - The harm, or potential harm, caused to the tenant and the impact on the wider community;
- 3.6 In determining the financial value of an imposed penalty, this Council shall have regard to the charging table and guidance notes in Part 2 of this Appendix.

#### **4.0 Process for imposing penalty charges**

- 4.1 Where it has been determined that a financial penalty may be appropriate to impose as an alternative to prosecution, the Council will follow the following process.
- 4.2 A "**Notice of Intent**" shall be served on the person suspected of committing the offence. The Notice shall specify:
- a. The amount of any proposed financial penalty
  - b. The reasons for proposing the financial penalty
  - c. Information about the right to make representation to the Council.
- 4.3 The person to whom the notice relates will be given 28 days to make **written representation** to the Council about the proposal to impose on them, a financial penalty. The representation may be via any legible written format, but to aid respondents, a template form will be included with the Notice of Intent.

- 4.4 Following the 28 day period the Council will decide:
- a. Whether to impose a financial penalty on the person, and
  - b. The final value of any such penalty imposed.
- 4.5 If the Council decides to impose a financial penalty, a **final notice** shall be issued imposing that penalty. The final notice will specify:
- a. the amount of the financial penalty,
  - b. the reasons for imposing the penalty,
  - c. information about how to pay the penalty,
  - d. the period for payment of the penalty,
  - e. information about rights of **appeal** to the first tier tribunal
  - f. the consequences of failure to comply with the notice.

#### 5.0 **Consequences of non-compliance and miscellaneous provisions**

- 5.1 If, after any appeal has been finally determined or withdrawn, a person receiving a financial penalty does not pay all or part of the penalty charge, the Council will recover the penalty by order from a County Court. Where appropriate, the Council will also seek to recover the costs incurred in taking this action from the person to which the financial penalty relates.
- 5.2 Financial Penalties are an alternative to criminal proceedings and as such if a penalty is imposed, no criminal proceedings can be initiated for the same offence.
- 5.3 The Council may, at any time:
- A. withdraw a notice of intent or final notice
  - B. reduce the amount specified in a notice of intent or final notice

Where the Council decides to take either of these actions, it will write to the person to whom the notice was given.

- 5.4 Where a person has received two financial penalties under the Housing legislation in any 12 months period, irrespective of the locality to which the offences were committed, the Council will consider making an entry on the national database of rogue landlords and property agents. When considering making an entry, the Council will have regard to any guidance issued by the Secretary of State. The Government is consulting on making changes to this and any such changes will be applied as adopted under this policy.

## **Appendix 1 Part 2**

### **Charging Table for determining value of Financial Penalties imposed under:**

- a) Housing Act 2004 (as amended by the Housing and Planning Act 2016)
- b) The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 and the

**NOTES: The following notes relate specifically to the tables of charges and would be applied as appropriate depending on the offence.**

#### **Note 1 – Offences that may be dealt with by way of imposing a financial penalty**

The starting point for a financial penalty is based on the type of offence, number of previous convictions or imposition of a financial penalty for the same type or similar offence in the previous four years.

After the starting point has been determined for the relevant offences, relevant premiums are added to the starting amount to determine the full financial penalty to be imposed. More than one premium can be added, where relevant.

No single financial penalty may be over £30,000. Where the addition of all relevant premiums would put the penalty above the maximum, it shall be capped at £30,000

#### **Note 2 - 2nd subsequent offence by same person/company**

The Council will take into account any such convictions or financial penalties secured irrespective of the legislation and the locality (including outside of Portsmouth) to which the offence relates.

#### **Note 3 - Housing portfolio of 10 or more units of accommodation**

The premium is applied where the perpetrator has control or manages 10 or more units of accommodation.

For the purposes of this premium, the definition of a person having control and person managing are as defined by Housing Act 2004 Section 263.

#### **Note 4 - Multiple Category 1 or high Category 2 Hazards**

This premium will apply where the failure to comply with the Improvement Notice relates to three or more Category 1 or high scoring Category 2 hazards (under the Housing Health and Safety Rating System) associated with different building deficiencies. For the avoidance of doubt this means that where two hazards are present but relate to the same property defect, they are counted as one hazard for purposes of this calculation.

For the purpose of this premium, a high scoring Category 2 hazard is defined as one scored following the Housing Health and Safety Rating System as “D” or “E”.

#### **Note 5 - Vulnerable occupant and/or significant harm has occurred as result of housing conditions**

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This premium will be applied once if either the property is occupied by a vulnerable person or if significant harm has occurred as a result of the housing conditions.

For purposes of this premium a vulnerable person is defined as someone who forms part of a vulnerable group under Housing Health and Safety Rating System relating to hazards present in the property or an occupant or group of occupants considered by the Council to be at particular risk of harm that the perpetrator ought to have had regard.

For purposes of this premium, significant harm is defined as physical or mental illness or injury that corresponds to one of the four classes of harm under the Housing Health and Safety Rating System Operating Guidance. At the time of publication of this Policy, this document can be found at [www.gov.uk](http://www.gov.uk) and a summary table is below.

<b>Hazard</b>	<b>Vulnerable age group (age of occupant)</b>
Damp and mould growth	14 and under
Excess Cold	65 or over
Excess Heat	65 or over
Carbon Monoxide	65 or over
Lead	under 3 years
Personal Hygiene, Sanitation and Drainage	under 5 years
Falls associated with baths etc.	60 or over
Falling on level surfaces etc.	60 or over
Falling on stairs etc.	60 or over
Falling between levels	under 5 years
Electrical hazards	under 5 years
Fire	60 or over
Flames, hot surfaces etc.	under 5 years
Collision and entrapment	under 5 years
Collision and entrapment - low headroom	16 or over
Position and operability of amenities etc.	60 or over

**Note 6 - Perpetrator demonstrates Income to be less than £450/week**

This premium (acts as a reduction) will be applied after all other relevant premiums have been included and if applicable will reduce the overall financial penalty by up to 50%.

To be applicable, the person served by the Notice of Intent must provide sufficient documented evidence of their income to the Council. Where the property is managed by a company then they will need to provide evidence relating to the company income. The responsibility to do this rests with the person served with the notice.

The figure of £450 per week is to be calculated after omission of income tax and national insurance.

The Council reserves the right to request further information to support any financial claim by the person served with the Notice, and where this is incomplete or not sufficiently evidenced may determine that the premium / reduction in financial penalty should not be applied. This decision rests with the Council.

**Note 7 - Previous history of non-compliance with these provisions**

This premium is applied where there has been a conviction or imposition of a financial penalty for the same type of offence in the previous four (4) years. The Council will take into account any such convictions or financial penalties irrespective of the locality to which the offence relates.

**Note 8 – Acts or omissions demonstrating high culpability**

This premium will be applied where, the person to which the financial penalty applies, acted in the opinion of the Council in a reckless or deliberate manner in not complying with the statutory notice or previous relevant formal advice. This premium may also be added where the Council considers that the person / company has also sought to mislead the Council in the exercise of its statutory duties.

**Tables of Civil Penalty Notice – Financial Level of Notices to be applied**

<b>A. Failure to comply with an Improvement Notice - Housing Act 2004 (Section 30)</b>		
1st offence	<i>(note 1)</i>	£5,000
2nd subsequent offence by same person/company	<i>(note 2)</i>	£15,000
Subsequent offences by same person/company	<i>(note 7)</i>	£25,000
<b>Premiums</b>		
<b>The following additional charges will be added to the charges above. All relevant charges will be applied i.e. more than one premium can be applied if relevant.</b>		
Acts or omissions demonstrating high culpability	<i>(note 8)</i>	+£2,500
Housing portfolio of 10 or more units of accommodation	<i>(note 3)</i>	+£2,500
Multiple Category 1 or high Category 2 Hazards	<i>(note 4)</i>	+£2,500
Vulnerable occupant and/or significant harm occurred as result of housing conditions	<i>(note 5)</i>	+£2,500
Perpetrator demonstrates to the satisfaction of the Council that their income is less than £450 per week	<i>(note 6)</i>	-50% of overall charge



<b>B. Offences in relation to licensing of Houses in Multiple Occupation (HMOs) under Part 2 of the Housing Act 2004 (Section 72)</b>		
<b>Failure to obtain Property Licence (section 72(1))</b>	<i>(note 1)</i>	£10,000
2nd subsequent offence by same person/company and any subsequent offences	<i>(note 2)</i>	£30,000
<b>Premiums</b> <b>The following additional charges will be added to the charges above. All relevant charges will be applied i.e. more than one premium can be applied if relevant.</b>		
Acts or omissions demonstrating high culpability	<i>(note 8)</i>	+£2,500
Housing portfolio of 10 or more units of accommodation	<i>(note 3)</i>	+£2,500
Vulnerable occupant and/or significant harm occurred as result of housing conditions	<i>(note 5)</i>	+£2,500
Perpetrator demonstrates to the satisfaction of the Council that their income is less than £450 per week	<i>(note 6)</i>	-50% of overall charge

<b>C. Breach of Licence conditions under Part 2 and 3 of the Housing Act 2004 (Section 72(2) and (3))</b>		£5,000 per licence breach
<b>Premiums</b> <b>The following additional charges will be added to the charges above. All relevant charges will be applied.</b>		
Acts or omissions demonstrating high culpability	<i>(note 8)</i>	+£2,500
Vulnerable occupant and/or significant harm occurred as result of housing conditions	<i>(note 5)</i>	+£2,500
Perpetrator demonstrates to the satisfaction of the Council that their income is less than £450 per week	<i>(note 6)</i>	-50% of overall charge

<b>D. Offences in relation to licensing of HMOs under Part 3 of the Housing Act 2004 (Section 95)</b>		
<b>Failure to Licence (section 95(1))</b>	<i>(note 1)</i>	£10,000
2nd subsequent offence by same person/company	<i>(note 2)</i>	£30,000
<b>Premiums</b> <b>The following additional charges will be added to the charges above. All relevant charges will be applied.</b>		
Acts or omissions demonstrating high culpability	<i>(note 8)</i>	+£2,500
Housing portfolio of 10 or more units of accommodation	<i>(note 3)</i>	+£2,500
Vulnerable occupant and/or significant harm occurred as result of housing conditions	<i>(note 5)</i>	+£2,500
Perpetrator demonstrates Income to be less than £450 per week	<i>(note 6)</i>	-50%
<b>Breach of Licence conditions (Section 95(2)) -</b>		£5,000 Per licence breach
Acts or omissions demonstrating high culpability	<i>(note 8)</i>	+£2,500
Vulnerable occupant and/or significant harm occurred as result of housing conditions	<i>(note 5)</i>	+£2,500

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Perpetrator demonstrates to the satisfaction of the Council that their income is less than £450 per week <i>(note 6)</i>	-50% of overall charge
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<b>E. Offences of contravention of an overcrowding notice Housing Act 2004 (section 139)</b>		
1st relevant offence <i>(note 1)</i>		£5,000
2nd subsequent offence by same person/company <i>(note 2)</i>		£15,000
Subsequent offences by same person/company <i>(note 7)</i>		£30,000
<b>Premiums (use all that apply)</b>		
Acts or omissions demonstrating high culpability <i>(note 8)</i>		£2,500
Vulnerable occupant and/or significant harm occurred as result of overcrowding <i>(note 3)</i>		£2,500
Perpetrator demonstrates to the satisfaction of the Council that their income is less than £450 per week <i>(note 6)</i>		-50% of overall charge

<b>F. Offences of failure to comply with management regulations in respect of Houses in Multiple Occupation (HMOs) under the Housing Act 2004 (Section 234)</b>		
1 <sup>st</sup> relevant offences <i>(note 1)</i>		£1,000 per offence
Second subsequent offences by same person/company for the same offence		£3,000 per offence
All subsequent offences by same person/company for the same offence		£5,000 per offence
<b>Premiums (use all that apply)</b>		
Acts or omissions demonstrating high culpability <i>(note 8)</i>		+£2,500
Housing portfolio of 10 or more units of accommodation <i>(note 3)</i>		+£2,500
Vulnerable occupant and/or significant harm occurred as result of housing conditions <i>(note 5)</i>		+£2,500
Perpetrator demonstrates to the satisfaction of the Council that their income is less than £450 per week <i>(note 6)</i>		-50% of overall charge

<b>G. Offences of breaches under the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020.</b>			
	<b>Relevant Offences</b>	<b>Relevant Regulation</b>	<b>Fine Amount</b>
	<b>Note that the maximum fine per breach is £30,000</b>		
1	Failure to obtain a report from the person conducting an inspection and test, which gives the results of the inspection and test and the date of the next inspection and test;	(3)(a)	£5,000
2	Failure to supply a copy of that report to each existing tenant of the residential premises within 28 days of the inspection and test;	(3)(b)	£3,000
3	Failure to supply a copy of that report to the local housing authority within 7 days of receiving a request in writing for it from that authority;	(3)(c)	£2,500

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4	Failure to retain a copy of that report until the next inspection and test is due and supply a copy to the person carrying out the next inspection and test;	(3)(d)	£1,000
5	Failure to supply a copy of the most recent report to— i) any new tenant of the specified tenancy to which the report relates before that tenant occupies those premises; and ii) any prospective tenant within 28 days of receiving a request in writing for it from that prospective tenant.	(3)(e)	£3,000
6	Failure to ensure that further investigative or remedial work is carried out by a qualified person within— (a) 28 days; or (b) the period specified in the report if less than 28 days	(4)	£2,500
7	Failure to obtain written confirmation from a qualified person that the required further investigative or remedial work has been carried out and that— (i) the electrical safety standards are met; or (ii) further investigative or remedial work is required;	(5)(a)	£2,500
8	Failure to supply written confirmation, together with a copy of the report under sub-paragraph (3)(a) which required the further investigative or remedial work to each existing tenant of the residential premises within 28 days of completion of the further investigative or remedial work; and	(5)(b)	£1,000
9	Failure to supply that written confirmation, together with a copy of the report under sub-paragraph (3)(a) which required the further investigative or remedial work to the local housing authority within 28 days of completion of the further investigative or remedial work.	(5)(c)	£1,000
10	Failure to follow due process in respect of that further investigative or remedial work. Where further investigative work is carried out in accordance with paragraph (4) and the outcome of that further investigative work is that further investigative or remedial work is required, the private landlord must repeat the steps in paragraphs (4), (5a), (5b) and (5)(c).	(6)	£1,000

**Premiums for offences under G**

**The following additional charges will be added to the charges above. All relevant charges will be applied i.e. more than one premium can be applied if relevant.**

Acts or omissions demonstrating high culpability	(note 8)	+£2,500
Housing portfolio of 10 or more units of accommodation	(note 3)	+£2,500
Vulnerable occupant and/or significant harm occurred as result of housing conditions	(note 5)	+£2,500
Perpetrator demonstrates to the satisfaction of the Council that their income is less than £450 per week	(note 6)	-50% of overall charge

**Section A**

**Mitigating factors that may be considered by the council and may reduce the level of a final penalty notice.**

The council in considering written representation against Civil Penalty Notices will consider the information provided, if any, by the landlord (including from their agent). Where the council is satisfied that this provides mitigation in line with one or more of the following, the council may reduce the fine levied by a rate as stated by this policy.

The decision to apply a 'Mitigating reduction' in Final Penalty Notice fine rests with the council. The council's decision will be based on the landlord's written statement and any accompanying documents provided by them. It is their duty to provide their full evidence in support of their representation and not for the council to seek it out on their behalf.

**1. Steps already taken to mitigate the offence(s) (up to 25% reduction in fine)**

This will include but not be limited to:

- Submission of valid HMO licence application including making the relevant fee. Where an incomplete and or invalid or partial application is made this will not be considered sufficient to provide mitigation (25% reduction in fine).
- Completion of all (not part only) remedial works that were required under the Improvement or Remedial Notice:
  - Outside the Improvement or Remedial Notice specified period but within the Notice of Intent Period (15% reduction in fine). This is only applicable where all the specified improvement works have been completed to the satisfaction of the council including providing certificates where relevant. The onus is on the landlord to enable the inspection of completed works within the relevant Intention Notice period of 28 days.
  - Outside the Improvement or Remedial Notice specified period and outside the Notice of Intent Period (10% reduction in fine) but before the Final Notice is issued. This is only applicable where all the specified improvement works have been completed to the satisfaction of the council and relevant certificates provided. The onus is on the landlord to enable inspection of completed works within relevant times.

**2. Full written acceptance of guilt for the offence(s) (10% reduction in fine)**

This is only applicable where landlord accepts guilt (in writing) for all offences that have been listed within the Notice of Intention by writing to the council as part of their representation.

**3. Written evidence from the landlord showing that the breach of the statutory requirements was by virtue of an omission and or an extenuating circumstance (up to 10% reduction in fine)**

An example would be where the council has advised a landlord of their duty to apply for an HMO licence and the landlord has been unable to apply within a reasonable time period due to them having a serious and documented medical condition (evidenced by a medical practitioner).

4. Any further factor that the council considers to be sufficiently mitigating nature that is not covered above or within the culpability and harm factors. (10% reduction in fine)

### Other situations

The council is aware that in some situations the landlord and their contractors may not be able to undertake the necessary repairs within the specified period of the Improvement or Remedial Notice as a result of a circumstance beyond their normal control. This may for example, be due to the tenant not giving access to them or their contractors to provide estimates for or to undertake the specified works. The council will only accept this as a mitigation where the landlord has given the tenant the required 24 hours' notice of their intention in writing but the tenant has failed to give them access. In most instances, one unsuccessful attempt will not be considered as mitigation. In these and other circumstances, the landlord must provide the council with sufficient evidence for consideration. The council in these cases may choose to:

- Extend the time for the landlord to secure compliance or
- Either not issue or suspend the issue of a Final Notice (therefore levy no fine at the time) or
- If the council is not satisfied with the evidence, they will ordinarily continue to issue the Final notice.

It is the landlord's responsibility to provide evidence of why they have been unable to undertake the works. Statement(s) to this effect must be signed by the respondent and or their contractor. Respondents may wish to submit copies of letters / emails sent by them to their tenant seeking appropriate access to undertake the works and any responses from their tenant to the same.

## Section B

### Minimum fine

The decision to manage private rented properties (which is ultimately a business decision) is a choice and landlords who are unable to do this appropriately themselves are able to appoint suitably qualified and registered agents to manage their properties on their behalf.

Civil penalties are issued where the council considers that an offence has occurred. A guiding principle in the level of fine that is used by the council is that,

*The civil penalty will be **fair and proportionate** but in all circumstances will **act as a deterrent and remove any gain** as a result of the offence(s).*

For this reason the council has set minimum fine levels as listed in **Table 1** below:

<b>Table 1: Minimum Fines</b> for first offences after considering mitigating factor(s)	<b>Minimum Rate</b>
---	---------------------

Failure to comply with an Improvement Notice - Housing Act 2004 (Section 30). Normal penalty £5,000	£2,500
Offences in relation to licensing of Houses in Multiple Occupation (HMOs) under Part 2 of the Housing Act 2004 (Section 72) Failure to obtain Property Licence (section 72(1)) Normal penalty £10,000	£5,000
Breach of Licence conditions under Part 2 and 3 of the Housing Act 2004 (Section 72(2) and (3)) Normal penalty £5,000	£2,500
Offences in relation to licensing of HMOs under Part 2 and Part 3 of the Housing Act 2004 (Section 95)	
Failure to Licence (section 95(1)) Normal penalty £10,000	£5,000
Breach of Licence conditions (Section 95(2)) Normal penalty £5,000	£2,500
Offences of contravention of an overcrowding notice Housing Act 2004 (section 139) Normal penalty £5,000	£2,500
Offences for failure to comply with management regulations in respect of Houses in Multiple Occupation (HMOs) under the Housing Act 2004 (Section 234) Normal penalty £1,000 per offence	£500 per offence
Offences of breaches under the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020	£1,000

Whilst mitigating factors may be considered and agreed by the council (see section A) these will not in any situation (individually or combined) reduce a civil penalty fine below the minimum fine level shown in Table 1 above.

## Section C

### Early Settlement of Final Penalty Notice Fine / Invoice

The council offers a 25% discount for prompt payment of fines / invoices relating to Housing legislation and Electrical Safety Regulations.

Final penalty notices are accompanied by invoices from the Council. If a person served with a final penalty fine makes a payment to the council as follows, the remaining 'balance' of fine will be 'written off' i.e. not sought. All conditions must be complied with:

- The payment must be made electronically (BACs only) within 30 days of the fine and invoice being issued;
- The payment must be to a total of 75% (rounded to the nearest whole pound) of the fine / invoice.

## Section D

### Calculation of total reduction in fine due to mitigation and early payment

The council will add all relevant mitigation discounts together and then deduct the resultant percentage from the original fine level.

As an example,

The council advises a landlord that a fine of £10,000 is proposed under a Notice of Intent for a landlord who fails to licence a licensable HMO where no premiums are applicable.

The landlord makes written representation as follows:

- A)** Mitigation of action – submits a valid HMO application with relevant fee within the representation period of 28 days of service of the Notice of Intent.
- B)** Makes a written statement that they admit their guilt and the offence of not previously securing a HMO licence

The council duly considers the above and applies mitigation reductions as follows:

For A) 25% and B) 10% the council applies this in total as a 35% reduction in the final civil penalty notice. The final civil penalty notice is issued at £6,500 rather than the original £10,000. As this is above the minimum fine level (Table 1) it is considered appropriate.

The landlord makes payment in line with the council's early payment reduction initiative (i.e. electronically within 30 days of the notice) and therefore makes a payment of £4,875 (i.e. 75% of the £6,500). Therefore by making a prompt payment, they have reduced their fine below the normal minimum fine level for this type of offence.

## Appendix 2

### **The Smoke and Carbon Monoxide Alarm (England) Regulations 2015**

#### **Statement of principles for determining financial penalties**

##### **Introduction**

This statement sets out the principles that Portsmouth City Council (the Council) will apply in exercising its powers to require a relevant landlord to pay a financial penalty.

##### **Purpose of the Statement of Principles**

The Council is required under these Regulations to prepare and publish a statement of principles and it must follow this guide when deciding on the amount of a penalty charge.

The Council may revise its statement of principles at any time, but where it does so, it must publish a revised statement.

When deciding on the amount for the penalty charge, the Council will have regard to the statement of principles published at the time when the breach in question occurred.

##### **The legal framework**

The powers come from the Smoke and Carbon Monoxide Alarm (England) Regulations 2015 (the Regulations), being a Statutory Instrument (2015 No 1693) which came into force on 1 October 2015.

The Regulations place a duty on landlords, which include freeholders or leaseholders who have created a tenancy, lease, licence, sub-lease or sub-licence.

The Regulations exclude registered providers of social housing. The duty requires that landlords ensure that:

- a smoke alarm is installed on each storey of premises where there is living accommodation
- a carbon monoxide alarm is installed in any room of premises used as living accommodation, which contained a solid fuel burning appliance. AND for tenancies starting from 1 October 2015
- that checks are made by the landlord, or someone acting on his behalf, that the alarm (s) is/are in proper working order on the day the tenancy starts.

Where the Council has reasonable grounds to believe that a landlord is in breach of one or more of the above duties, the Council must serve a remedial notice on the landlord. The remedial notice is a notice served under Regulation 5 of these Regulations.

If the landlord, then fails to take the remedial action specified in the notice within specified timescale, the Council can require a landlord to pay a penalty charge. The power to charge a penalty arises from Regulation 8 of these Regulations



A landlord will not be considered to be in breach of their duty to comply with the remedial notice, if they can demonstrate they have taken all reasonable steps, other than legal proceedings to comply. This can be done by making written representations to the Council at the address given at the bottom of this document within 28 days of when the remedial notice is served.

Portsmouth City Council will impose a penalty charge where it is satisfied, on the balance of probabilities, that the landlord has not complied with the action specified in the remedial notice within the required timescale.

### **The purpose of imposing a financial penalty**

The primary purpose of the Council's exercise of its regulatory powers is to protect the occupants' safety within a dwelling in the event of a fire. The primary aims of financial penalties will be to:

- ensure landlords take proper responsibility for their properties
- eliminate any financial gain or benefit from non-compliance with the regulations.
- be proportionate to the nature of the breach of the regulations and the potential harm outcomes.
- aim to deter future non-compliance.
- reimburse the costs incurred by the Council in undertaking work in default.
- Lower the risk to tenant's health and safety

### **Criteria for the imposition of a financial penalty**

A failure to comply with the requirements of a remedial notice allows the Council to require payment of a penalty charge.

In considering the imposition of a penalty, the authority will look at the evidence concerning the breach of the requirement of the notice. This could be obtained from a property inspection, or from information provided by the tenant or agent that no remedial action had been undertaken.

For example, landlords can demonstrate compliance with the Regulations by supplying dated photographs of alarms, together with installation records or confirmation by the tenant that a system is in proper working order.

Landlords need to take steps to demonstrate that they have met the testing at the start of the tenancy requirements. Examples of how this can be achieved are by tenants signing an inventory form and that they were tested and were in working order at the start of the tenancy. Tenancy agreements can specify the frequency that a tenant should test the alarm to ensure it is in proper working order.

In deciding whether it would be appropriate to impose a penalty, the authority will take full account of the particular facts and circumstances of the breach under consideration.

A financial penalty charge will be considered appropriate if the Council is satisfied, on the balance of probabilities that the landlord who had been served with remedial notice under Regulation 5 had failed to take the remedial action specified in the notice within the time period specified.

### **Principles for determining the amount of a financial penalty**

Any penalty charge should be set at a level which is proportionate to the risk posed by non-compliance with the requirements of the legislation and which will deter non-compliance. It should also cover the costs incurred by the Council in administering and implementing the legislation.

Fire and Carbon Monoxide are two of the 29 hazards prescribed by the Housing Health and Safety Rating System and often result in death and serious injury. In the case of fire, the absence of working smoke alarms in residential premises is a significant factor in producing worse outcomes.

This is particularly so at night, as without the early warning they provide, a small fire can develop unnoticed rapidly to the stage where smoke and fumes block escape routes or render a sleeping occupant unconscious. Working smoke alarms alert occupiers to a fire at an early stage before it prevents physical escape to safety.

Carbon Monoxide is a colourless, odourless and extremely toxic gas. At high concentrations it can cause unconsciousness and death. At lower concentrations it causes a range of symptoms from headaches, dizziness, weakness, nausea, confusion, and disorientation, to fatigue, all symptoms which are sometimes confused with influenza and sometimes with depression. For all these reasons Carbon Monoxide is often dubbed “the silent killer”. Open fires and solid fuel appliances can be a significant source of Carbon Monoxide. Carbon Monoxide alarms alert occupiers to the presence of the gas at an early stage before its effects become serious.

The provision of smoke detectors and carbon monoxide alarms does not place an excessive burden on a landlord. The cost of the alarms is low and in many cases they can be self-installed without the need for a professional contractor. The impact on occupiers, damage to property and financial costs resulting from a fire or Carbon Monoxide poisoning event are far out of proportion to the cost of installing alarms.

For these reasons, an effective incentive to comply with these Regulations is fully justified.

It is understood that the imposition of the maximum potential fixed penalty charge, being £5,000 under the regulations, can present an excessive financial burden but this is balanced against the risk, the low cost of compliance and the fact that all reasonable opportunity will have been given to comply prior to any penalty charge being levied. A recipient of a fixed penalty charge has a right of appeal.

For these reasons a penalty charge of £5,000 is set for non-compliance with a Remedial Notice. A reduction of 50% will apply in respect of a person / company who has not previously received a penalty charge under this legislation and payment is received within 14 days of service of the penalty charge notice. There is no reduction for early payment offered to a person / company who has previously received a penalty charge under this legislation.

The Council may exercise discretion and reduce the penalty charge if there are extenuating circumstances following a request for a review made by the landlord in writing.

This discretion will not apply when:

1. The person / company served on has obstructed the Authority in the carrying out of its duties; and / or
2. The person / company has previously received a penalty charge under this legislation;

The regulations state that the period for payment of the penalty charge must not be less than 28 days.

The sums received by the Council under the penalty charge will offset any remedial works undertaken by the Council and the balance may be used by the authority for any of its functions.

### **Procedural matters**

The Regulations impose a number of procedural steps which must be taken before the Council can impose a requirement on a landlord to pay a penalty charge.

When the Council is satisfied that the landlord has failed to comply with the requirements of the remedial notice, all penalty charge notices will be served within 6 weeks.

A penalty charge notice will state:

- The reasons for imposing the penalty charge
- The premises to which the penalty charge relates
- The number and type of prescribed alarms (if any) which an authorised person has installed at the premises
- The amount of the penalty charge
- That the landlord is required, within a period specified in the notice:
  - To pay the penalty charge, or
  - To give written notice to the local housing authority requesting a review the penalty charge notice
- How payment of the penalty charge must be made
- Contact details of the person to whom the request for a review and representations should be sent, (including any email address).

Where a review is requested within 29 days from when the penalty charge notice is served, the council will consider any representations made by the landlord. All representations are to be sent to the address at the bottom of this document. The

Council will notify the landlord of its decision by notice, which will be either to confirm, vary or withdraw the penalty charge notice.

A landlord who has requested a review of a penalty charge notice and has been served with a notice confirming or varying the penalty charge notice, may appeal to the First tier Tribunal against the Council's decision. Appeals should be made within 28 days from the notice served of the Council's decision on review.

If the penalty charge notice is not paid, then recovery of the penalty charge will by an order of the court and proceedings for recovery will commence after 30 days from the date when the penalty charge notice is served.

However, in cases where a landlord has requested a review of the penalty charge notice, recovery will not commence until after 29 days from the date of the notice served giving the Council's decision to vary or confirm the penalty charge notice. Where landlords do make an appeal to the First-tier Tribunal, recovery will commence after 29 days from when the appeal is finally determined or withdrawn.

### **Remedial Action taken in default of the landlord**

Where the Council is satisfied that a landlord has not complied with a specification described in the remedial notice in the required timescale and consent is given by the occupier, the Council will arrange for remedial works to be undertaken in default of the landlord. This work in default will be undertaken within 28 days of the Council being satisfied of the breach. In these circumstances, battery operated alarms will be installed as a quick and immediate response.

Smoke Alarms – In order to comply with these Regulations, smoke alarms will be installed at every storey of residential accommodation. This may provide only a temporary solution as the property may be high risk because of:

- its mode of occupancy such as a house in multiple occupation or building converted into one or more flats,
- having an unsafe internal layout where fire escape routes pass through a living rooms or kitchens, or
- is 3 or more storeys high.

A full fire risk assessment will subsequently be undertaken, with regards to Portsmouth City Council Fire Safety Protocol and LACORS Housing - fire safety guidance. This will consider the adequacy of the type and coverage of the smoke alarm system, fire escape routes including escape windows and fire separation measures such as fire doors and protected walls and ceilings. Any further works required to address serious fire safety hazards in residential property, that are not undertaken through informal agreement, will be enforced using the Housing Act 2004, in accordance with the Council's Enforcement Policy.

Carbon Monoxide Alarms – In order to comply with these Regulations, a carbon monoxide alarm will be installed in every room containing a solid fuel combusting appliance.

All communications for requests for review or representations made against the Remedial Notice (regulation 5) or the Penalty Charge Notice (regulation 8) are to be in writing, the details of who and where to send this will be detailed on the notice.

Appendix 3

**Typical legislation used by this enforcement policy:**

Housing Act 2004

Under the Housing Act 2004 Part 1, local housing authorities are able to assess housing conditions for specific hazards. It looks at the effect that deficiencies in the home can have on the health and safety of occupants and visitors by using a risk assessment approach called the Housing Health and Safety Rating System (HHSRS). There are a range of enforcement powers under the Housing Act 2004 which the Council will consider in its decision making process when Hazards are identified. See Appendix 4.

Local Government (Miscellaneous Provisions) Act 1976

This act enables the Council to re-connect or prevent the disconnection of gas, electricity or water supply in tenanted properties. These powers will be used in exceptional circumstances when all other negotiation has failed. These powers will only be used where the tenant is not responsible for the payment of the bill.

Local Government (Miscellaneous Provisions) Act 1976

This act enables the Council to obtain information about the interest in land. The notice is used to determine who owns, manages, and occupies a dwelling. The information must be provided within 14 days of service of the document. Failure to provide the information may result in the Council bringing a prosecution. On summary conviction the Magistrates Court can fine the relevant person.

Local Government (Miscellaneous Provisions) Act 1982

This act enables the Council to board up unsecure empty properties. The Council will attempt to contact the owner to carry out the work. If the property remains unsecure the Council may serve a notice giving the owner 48 hours to make the property secure. If the property remains unsecure after this the Council may carry out the work and re-charge its costs. A local authority need not to give any such notice if it is necessary to undertake works immediately or owner/occupier cannot be reasonably traced.

Public Health Act 1961

This act enables the Council to require owners / occupiers to unblock or repair toilets. If negotiation fails the Council may serve a notice requiring the toilet to be unblocked within 7 days. After which the Council may carry out the work and re-charge its costs. If the toilet requires repair the Council may serve a notice requiring the toilet to be

repaired within 14 days. After which the Council may carry out the work and re-charge its costs.

#### Environmental Protection Act 1990

This act enables the Council to deal with premises that are deemed to be a nuisance/prejudicial to health. Prejudicial to health is defined as injurious or likely to cause injury to health.

#### Building Act 1984

Section 59 of the Building Act 1984 allows by notice the Council to require owners to provide new, repair, or upgrade existing: drains, guttering, cesspools, sewers, drains, soil pipes, and rainwater pipes etc. The Council must give the owner of the property reasonable time to carry out the work. If the owner fails to carry out the work the Council may carry out the work itself and prosecute.

#### Smoke and Carbon Monoxide Alarm Regulations 2015

The Council has a duty to serve a remedial notice (within 21 days of having reasonable grounds to believe that a breach of the landlord's duty has occurred) on a private landlord if there is no smoke alarm fitted on each storey of the premises on which there is a room used wholly or partly as living accommodation. The Council has a duty to serve a remedial notice (within 21 days of having reasonable grounds to believe that a breach of the landlord's duty has occurred) on a private landlord if there is not a carbon monoxide alarm fitted in any room of the premises which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance. The notice will require the landlord to take action within 28 days.

#### The Electrical Standards in the Private Rented Sector (England) Regulations 2020

From 1 July 2020, all new private tenancies in England will need to ensure that electrical installations are inspected and tested by a qualified person before the tenancy begins. The landlord will then need to ensure that the installation is inspected and tested at least every five years – and more often if the most recent safety report requires it.

For existing tenancies, an electrical safety test will need to be carried out by 1 April 2021, with regular tests following this as outlined above.

**Other legislation:**

- Anti-social Behaviour, Crime and Policing Act 2014
- Caravan Sites Act 1968
- Caravan Sites and Control of Development Act 1960
- Deregulation Act 2015
- Energy Act 2013
- Enterprise and Regulatory Reform Act 2013
- Highways Act 1980
- Home Energy Conservation Act 1995
- Housing Act 1985, 1996 and 2004
- Housing and Planning Act 2016
- Housing Grants, Construction and Regeneration Act 1996
- Local Government and Housing Act 1989
- Local Government Act 2003
- Mobile Homes Act 2013
- Noise Act 1996
- Prevention of Damages by Pest Act 1949
- Protection from Eviction Act 1977
- Public Health Acts 1936
- Regulatory Reform (Housing Assistance) Order 2002
- Sustainable Energy Act 2003
- Town and Country Planning Act 1990

Including Regulations and Orders made under the Act.



## Appendix 4

### **The Housing Health and Safety Rating System (HHSRS)**

Under the Housing Act 2004, local housing authorities are able to assess housing conditions for specific hazards. It looks at the effect that deficiencies in the home can have on the health and safety of occupants and visitors by using a risk assessment approach called the Housing Health and Safety Rating System (HHSRS). The aim of individual risk assessment is to reduce or eliminate hazards to health and safety in domestic accommodation. Potentially there are 29 hazards and each hazard is assessed separately and rated according to how serious the likelihood of harm.

### **The 29 Hazards**

The following provides a brief summary of each of the 29 hazards:

#### **1. Damp and Mould Growth**

Health threat from dust mites and mould caused by dampness and/or high humidity. Includes threats to mental health from living with damp and condensation.

#### **2. Excess Cold**

Health threat from low indoor temperatures from lack of central heating or affordable heating, poor insulation, disrepair of heating system or building components etc.

#### **3. Excess Heat**

Health threat from high indoor temperatures caused by lack of ventilation, excess heating or heat gain in summer from poor insulation, large expanses of glass etc.

#### **4. Asbestos (and manufactured mineral fibres)**

Health threat caused by exposure to asbestos fibres and manufactured mineral fibres (MMF) e.g. from insulation of pipework, lofts and cavity walls. Inhalation of fibres.

#### **5. Biocides**

Health threat from chemicals used to treat timber, insect infestation and mould growth in dwellings. Health effects may vary.

#### **6. Carbon Monoxide (CO) and fuel combustion products**

Health threat from excess levels of CO, nitrogen dioxide (e.g. from gas cookers), sulphur dioxide (e.g. from coal fires) and smoke in the dwelling.

#### **7. Lead**

Health threats from high levels of lead e.g. in old paintwork and old lead plumbing.

### **8. Radiation**

Health threats from radon gas building up in sub-floor space from radiation emitting rock as part of normal ground conditions.

### **9. Uncombusted Fuel Gas**

Health threat from escaping gas within a dwelling causing potential explosions/fire.

### **10. Volatile Organic Compounds (VOCs)**

Health threats from organic chemicals such as formaldehyde found in a wide variety of materials in the home.

### **11. Crowding and Space**

Psychological as well as infectious disease health threats from overcrowding due to lack of living space including sleeping, cooking, washing etc.

### **12. Entry by Intruders**

Psychological and actual health threat from intruders or fear of intruders due to poor security against unauthorised entry e.g. inadequate/broken door and window locks, fences.

### **13. Lighting**

Lack of natural and/or artificial light or poorly positioned lights. Includes psychological effect from lack of a view. Assessment is of whole dwelling.

### **14. Noise**

External noise from railways, airports, factories or roads, internally from adjacent dwellings lacking sound insulation (between flats), internal noise from plumbing, for example.

### **15. Domestic Hygiene Pests and Refuse**

Due to poor design and construction, damaged surfaces, access and harbourage for pests.

**16. Food Safety**

Inadequate facilities for storage, preparation and cooking of food.

**17. Personal hygiene, sanitation and drainage.**

Infectious disease and effects on mental health associated with poor personal hygiene due to inadequate washing and clothes washing facilities, sanitation and drainage.

**18. Water Supply**

Disease, poisoning and parasitic infections due to poor quality or contaminated domestic water supply.

**19. Falls associated with Baths**

Slipping getting in or out of bath or showers resulting in injury, fractures , cuts etc.

**20. Falling on Level Surfaces**

Falling on floors, yards, paths, trip steps less than 300mm resulting in injury, fractures, cuts etc.

**21. Falling on Stairs etc.**

Falls associated with internal or external stairs, steps over 300 mm and ramps resulting in injury.

**22. Falling Between Levels**

Where difference in level is over 300 mm - includes injuries arising from falls from balconies, landings, windows, accessible roofs, basement wells, retaining walls etc.

**23. Electrical Hazards**

Shocks and burns from electrocution due to defective wiring, plugs etc. Includes lightning strikes.

**24. Fire**

Potential fatality from burns and smoke inhalation caused by uncontrolled (accidental) fires frequently associated with cooking appliances, chip pans, defective heating/electrical appliances, dangerous wiring etc.

### **25. Flames and Hot Surfaces**

Burns caused by contact with hot flames/surfaces or controlled fires or liquids (e.g. when cooking or from heaters) or scalds from hot liquids and vapours.

### **26. Collisions, Cuts and Strains**

Physical injury from a) trapping body parts in architectural features, doors or windows; or b) collisions with architectural glazing, windows, doors, low headroom, ceilings and walls.

### **27. Explosions**

Injury and the threat of injury from explosions from mains or stored gas.

### **28. Position and Operability of Amenities**

Strains and injuries from awkward positioning of windows, amenities such as sinks and wash hand basins, kitchen cupboards, switches etc.

### **29. Structural Collapse and Falling Elements**

Injury arising from falling slates, bricks, ceiling plaster or windows etc. and collapse from structural failure of roofs, walls or floors, guard rails etc.

## **The Assessment Process**

The assessment process is not just a question of examining defects to a property, but it comprises risk assessment, probable outcomes and the resulting effects on the occupiers' health, safety and welfare.

Two key tests are applied:

- The likelihood of an occurrence (such as an accident or ill health) as a direct result of this deficiency in the house;
- The likely outcomes in terms of injury or ill health (physical and mental) arising from the deficiency.

The final score is divided into bands ranging from A – J. Councils have a duty to take action to remedy hazards which fall into bands A – C. These are termed Category 1 hazards.

Category 2 hazards are also subject to enforcement powers by Councils. Each case is individual and the appropriate enforcement action will be chosen which reflects the circumstances concerned.

**The Act also provides a range of enforcement tools:-**

**Improvement Notices** – section 11 is used for category 1 hazards, section 12 is used for category 2 hazards. An improvement notice should be used where reasonable remedial works can be carried out to reduce the hazard sufficiently.

**Prohibition Orders** – section 20 for category 1 hazards and section 21 for category 2 hazards. This order may prohibit the use of part or all of premises for some or all purposes or for occupation by a particular number or description of people. An order may be appropriate where conditions present a risk but remedial action is not possible because of cost or other reason. It may also be used to limit the number of persons occupying the dwelling, or prohibit the use of the dwelling by specific groups. In an HMO it can be used to prohibit the use of specified dwelling units.

**Hazard Awareness Notices** – section 28 for category 1 hazards and section 29 for category 2. This is used where a hazard has been identified but it is not necessarily serious enough to take formal action. It is a way of drawing attention to the need for remedial action. This notice should not be used if the situation is considered serious enough for follow up inspections to be made. This notice is not registered as a land charge and has no appeal procedure.

**Emergency Remedial Action** - section 40 – this is only acceptable for use where there is an imminent risk of serious harm and the hazard must rate as a category 1. The authority must undertake any necessary remedial works that are required to reduce the immediate risk. A warrant to enter the premises in order to carry out the work may be granted by a Justice of the Peace where he/she is satisfied that the authority would not be granted admission by the owner.

**Emergency Prohibition Order** – section 43 – this is only acceptable for use where there is an imminent risk of serious harm, the hazard rates as a category 1 and where it is not practical to carry out the remedial works as in section 40.

**Demolition Order** – this can only be used in response to category 1 hazards, but not if the building is listed. It must take into account availability of accommodation for re-housing, demand for accommodation, and the possible future use for the cleared site.

**Clearance Area** – All residential buildings in the proposed area must have at least one category 1 hazard. It must take into account availability of accommodation for re-housing, demand for accommodation, and the possible future use for the cleared site.

**Suspend Improvement Notices or Prohibition Orders** – these notices may be suspended where enforcement action can safely be postponed until a specified event or time. This can be a period of time or a change in occupancy. Current occupation and wishes must be taken into account. These may also be used where there is programmed maintenance. The suspensions must be reviewed at the very least every 12 months. The advantage of suspending a notice is that there is a record of the LHA's involvement and the situation must then be reviewed. It is also recorded as a local

land charge. The Act requires enforcing authorities to produce a statement of reasons justifying the type of action they are taking. This must accompany all notices and orders served.

Further information about the types of notices and when they would typically be considered can be found in the government enforcement guidance document [Housing health and safety rating system \(HHSRS\) enforcement guidance: housing conditions - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/housing-health-and-safety-rating-system-hhsrs-enforcement-guidance-housing-conditions) as well as a short updated government guidance document [Local authority enforcement powers under the Housing Act 2004 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/local-authority-enforcement-powers-under-the-housing-act-2004)

# Private Sector Housing Space and Amenity Standards

Houses in Multiple Occupation







# Introduction

This document has been produced by Portsmouth City Council to provide guidance on some of the requirements for privately rented houses in multiple occupation (HMO). The purpose of this document is to outline the minimum standards we apply when assessing a property's suitability and safety.

This document aims to provide an overview of standards and legislation applicable to certain types of accommodation to assist landlords, property managers and other stakeholders in performing their duties. This document will also provide tenants with information regarding adequate space and amenity standards in their home.

To assess residential dwellings, including health and safety implications of crowding and space, as a first step, local authorities use the housing health and safety rating system (HHSRS). The HHSRS was introduced by the Housing Act 2004 (Part 1). The underlying principle of the HHSRS is that "any residential premises should provide a safe and healthy environment for any potential occupier or visitor".

Statutory overcrowding is based on the number of occupiers, and the number and size of rooms available as sleeping accommodation. Statutory overcrowding is a criminal offence unless it falls within one of the exception categories (**Housing Act 1985**<sup>1</sup> (legislation.gov.uk)).

The Housing Act 2004 (Part 2) covers licensing of houses in multiple occupation. It is used as an initial step for determining suitability of HMOs for occupation by a specified number of occupiers. In most cases, implications of crowding and space in an HMO would be addressed during the licence application process.

A property that is shared by five or more occupiers who do not form one household requires a mandatory HMO licence. This includes converted building HMOs that may contain self-contained flats. Councils can also introduce other discretionary licensing controls for smaller HMOs with three or four occupants through additional licensing schemes.

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<sup>1</sup> [https://www.legislation.gov.uk/ukpga/1985/68/part/X/crossheading/definition-of-overcrowding#:~:text=\(1\)The%20space%20standard%20is,dwelling%20available%20as%20sleeping%20accommodation](https://www.legislation.gov.uk/ukpga/1985/68/part/X/crossheading/definition-of-overcrowding#:~:text=(1)The%20space%20standard%20is,dwelling%20available%20as%20sleeping%20accommodation)

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# House in Multiple Occupation

## HMO definition

The Housing Act 2004 Section 254 and Section 257 provides the legal definition of an HMO. HMOs can be classed into three main types, as explained below.

### HMOs with shared facilities

An HMO is a house or flat in which three or more unrelated persons live, who form two or more households, and they share an amenity such as a bathroom, toilet or cooking facilities. There must also be an obligation to pay rent (or other consideration) and it is their main or only residence. This is an HMO defined under the Housing Act 2004 Section 254. This includes shared houses (let on joint or separate agreements) and bedsits, where occupants share kitchen(s) or bathroom(s). A 'house' also includes a flat that is in multiple occupation.

### HMOs with non-self-contained units

This is an HMO defined under the Housing Act 2004 Section 254. An HMO is also a converted building which has one or more, non-self-contained units. A non-self-contained unit is where a toilet, washing or cooking facilities are not within the occupant's room. This applies even if the facility is for the exclusive use of the occupant. This means where the kitchen, bathroom or WC (toilet) is not within the occupant's room.

### HMOs that are converted blocks of flats

An HMO is also a building that has been converted into self-contained flats, of which fewer than two-thirds are owner-occupied and the conversion does not meet the appropriate building regulations. Simply put, these are 'poorly converted blocks of flats' because they do not comply with building regulations. These HMOs are defined under the Housing Act 2004 Section 257.

## Definition of a household/ family/married and co-habiting couples

Under the Housing Act 2004, a 'household' is defined as either a single person or members of the same family who are living together. A 'family' is defined as:

1. Married or living together as husband or wife (or equivalent including same-sex couples)
2. Parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew, niece or cousin. Half-blood and stepchildren are classed as the same family

2



# Space standards

## Space standards for all HMOs

### Legal requirements

All HMO licences issued on or after 1 October 2018 must include conditions relating to minimum bedroom floor areas as follows:

- 6.51m<sup>2</sup> for one person over ten years of age
- 10.22m<sup>2</sup> for two persons over ten years of age
- 4.64m<sup>2</sup> for one child under the age of ten years
- Any room of less than 4.64m<sup>2</sup> must not be used as sleeping accommodation
- The licence holder will need to notify the council of any room in the HMO with a floor area of less than 4.64m<sup>2</sup>
- Any floor area of the room in which the ceiling height is less than 1.5m cannot be counted towards the minimum room size requirement
- The maximum number of persons over ten years of age and/or persons under ten years of age who may occupy specified rooms provided in HMOs for sleeping accommodation

This requirement is set out in the Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018 SI 616, which amends the Housing Act 2004 Schedule 4 Mandatory Conditions.

### Portsmouth City Council requirements

Portsmouth City Council sets different room size requirements and sets requirements for the provision of appropriate communal space.

When assessing the size of any room attention must be paid to the 'usability' of the space, along with the height and shape of the room. Council officers will assess each property individually, but the following acts as a guide for the minimum space requirements expected. These standards are arranged over two separate sections:

- Space standards for new HMOs, for increase of occupancy to existing HMOs, or where an application for planning permission is made in relation to the use or physical enlargement of an HMO
- Space standards for HMOs in existing use where no alterations to the size of property or number of occupants are being made



All landlords are encouraged to meet the minimum space standards outlined on page 11. However, Portsmouth City Council acknowledge that there are a high proportion of existing HMOs in the city for which meeting these requirements may not be practicable. Each HMO will be assessed for suitability taking into account their size, layout, occupancy levels, and other relevant factors. Pages 12-14 act as a guide for the maximum departure from the standards that will be acceptable on assessing the suitability of HMOs in existing use where no alterations to the size or number of occupants are being made.

### **General requirements for all HMOs**

All bedrooms must have means of ventilation directly to the exterior of the property. All habitable spaces in communal areas should be provided with means of controllable ventilation.

Trickle vents should ideally be positioned at minimum 1.7m above the finished floor level to avoid discomfort through cold drafts. Means of purge ventilation such as external doors and windows should be controllable.

Limited and restrictive natural light and lack of view and outlook can negatively impact on the living environment and restrict usability of rooms. All bedrooms should have adequate means of lighting, view and outlook.

The communal space required to provide an adequate living environment is determined based on the number of occupiers and size of the bedrooms.

A conservatory will not be used as a bedroom, lounge, dining room or kitchen.

See the technical guidance (p30) for more detail.



## Space standards for new HMOs, for increase of occupancy to existing HMOs, or where an application for planning permission is made in relation to the use or physical enlargement of an HMO

Where landlords are seeking to convert an existing property to an HMO, build a new HMO, increase the occupancy number of an existing HMO, or where an application for planning permission is made in relation to the use or physical enlargement of an HMO, the council will require the following standards as a minimum.

A floor to ceiling height of 2.3m over at least 75% of the usable room area is expected in any habitable room.

Single bedrooms must have a minimum gross internal floor area (GIA) of 7.5m<sup>2</sup> (10m<sup>2</sup> is required where no separate living space is provided).

Double bedrooms or twin bedrooms must have a minimum GIA of at least 11.5m<sup>2</sup> (14m<sup>2</sup> is required where no separate living space is provided).

A minimum bedroom width of 2.15m is required.

**The following table outlines the minimum space required.**

Room	Metric
Dining room (3 to 5 persons)	11m <sup>2</sup>
Dining room (6 to 10 persons)	14m <sup>2</sup>
Dining room (11 or more persons)	15m <sup>2</sup>
Living room (3 to 5 persons)	11m <sup>2</sup>
Living room (6 to 10 persons)	14m <sup>2</sup>
Living room (11 or more persons)	15m <sup>2</sup>
Kitchen (3 to 5 persons)	7m <sup>2</sup>
Kitchen (6 or more persons)	11m <sup>2</sup>
Combined living space (3 to 5 persons) <sup>1</sup>	24m <sup>2</sup>
Combined living space (6 to 10 persons) <sup>1</sup>	34m <sup>2</sup>
Combined living space (11 or more persons)	36.5m <sup>2</sup>
Bathroom <sup>2</sup>	3.74m <sup>2</sup>
1-4 persons	At least 1 bathroom and 1 WC (can be combined)
5 persons	1 bathroom; and 1 separate WC with wash hand basin (WHB) (WC could be contained in second bathroom)
6-10 persons	2 separate bathrooms; and 2 separate WCs with WHB (1 of WCs can be contained with 1 bathroom)
11-15 persons	3 bathrooms; and 3 separate WCs and WHB (2 of WCs can be contained within 2 bathrooms)

### Notes:

1. Combined living space is defined as a single, typically open plan space, usually containing a kitchen, dining area and living area, laundry and utility space.

2. Shower rooms to be a minimum of 2.74m<sup>2</sup>. A pod bathroom which complies with the current building regulation will be accepted.

## Space standards for HMOs in existing use where no alterations to the size or number of occupants are being made

All landlords are encouraged to meet the space requirements as set out on page 11. However, on assessing the suitability of HMOs in existing use where no alterations to the size or number of occupants are being made (for example, those with three or four bedrooms which will be brought into the additional licensing scheme), officers will assess the suitability of each property individually. The following acts as a guide for the minimum space that will be considered acceptable under those circumstances only.

### Communal areas (kitchens, lounges and dining rooms)

#### General

The communal space required to provide an adequate living environment is determined based on the number of occupiers and size of the bedrooms.

A conservatory will not be used as a bedroom, lounge, dining room or kitchen.

The tables below show the size of required communal space based on the occupancy levels and size of the bedrooms.

#### Combined kitchen and communal living space

This is defined as a single, typically open plan space, usually containing a kitchen, dining area and living area, laundry and utility space.

Number of bedrooms over 10m <sup>2</sup>	Occupancy level								
	3	4	5	6	7	8	9	10	11+
0	20	22	24	26	28	30	32	34	36.5
1	18	20.5	22	24.5	27	29	31	33	35.5
2	16	18.5	20.5	23	25.5	27.5	29.5	32	34.5
3	13.5	16.5	19	22	24	26	28	30.5	33
4	/	14.5	17	20	23	25	27	29.5	32
5	/	/	15.5	19	21	23.5	25.5	28	31
6	/	/	/	17.5	20	22	24	27	30
7	/	/	/	/	18.5	21	23	26	28.5
8	/	/	/	/	/	19.5	22	24.5	27.5
9	/	/	/	/	/	/	20.5	23.5	26
10	/	/	/	/	/	/	/	22.5	25
11	/	/	/	/	/	/	/	/	24

## Separate kitchen and communal living space

Where communal areas are in separate rooms, the following minimum requirements should be met:

### Kitchen size

Number of occupiers sharing the kitchen	Size (m <sup>2</sup> )
3	6
4	6.5
5	7
6	9
7	9.5
8	10
9	10.5
10+	11

### Communal living space

Number of bedrooms over 10m <sup>2</sup>	Occupancy level								
	3	4	5	6	7	8	9	10	11+
0	16.5	17.5	19.5	21	22	23	24.5	25.5	27
1	14	16	18	19.5	20.5	22	23	24	26
2	12	14.5	16.5	18	19	20.5	22	23	25
3	11	13	15	16.5	18	19	20.5	22	24
4	/	11	13	15	16	18	19.5	21	23
5	/	/	11	13.5	15	17	18	20	22
6	/	/	/	12	13.5	15.5	17	19	21
7	/	/	/	/	12	14	16	17.5	20
8	/	/	/	/	/	13	14.5	16	19
9	/	/	/	/	/	/	13	15	17.5
10	/	/	/	/	/	/	/	14	16
11	/	/	/	/	/	/	/	/	15

Where the communal living space is split into separate rooms (for example lounge and separate dining room) the minimum required space for each of those rooms is shown below:

Occupancy level	Minimum size (m <sup>2</sup> )
3	11
4	11
5	11
6	12
7	12
8	13
9	13
10	14
11+	15

### 1.1.1.

### Examples

Below are two examples of these requirements

#### Example one:

For five people sharing, where all the bedrooms are below 10m<sup>2</sup>, the minimum communal space required is as follows:

- One room consisting of a kitchen and communal living space of at least 24m<sup>2</sup>
- OR
- Two rooms consisting of a communal living space of at least 19.5m<sup>2</sup>, plus a kitchen in a separate room of at least 7m<sup>2</sup>
- OR
- Three rooms consisting of two separate communal living spaces in rooms of at least 11m<sup>2</sup> each, plus a kitchen in a separate room of at least 7m<sup>2</sup>

#### Example two:

For five people sharing, where all of the bedrooms are 10m<sup>2</sup> or larger, the minimum communal space required is as follows:

- One room consisting of a kitchen and communal living space of at least 15.5m<sup>2</sup>
- OR
- Two rooms consisting of a communal living space of at least 11m<sup>2</sup>, plus a kitchen in a separate room of at least 7m<sup>2</sup>

## Space standards for bedsit HMOs

A bedsit is a room usually consisting of sleeping accommodation and cooking facilities, however, actual facilities provided within bedsits may vary from property to property. In some cases, cooking facilities for the exclusive use of the tenant are provided in a separate room accessible from a communal passage, although on occasion those might be shared with other occupiers. Bedsitting HMOs often have a mixture of self-contained units and bedsits sharing some facilities such as shower rooms/bathrooms.

The room shall be of a convenient and usable shape and should ideally be able to provide a degree of separation between sleeping space and living space.

Rooms such as conservatories and lean-tos will be disregarded unless sufficient level of thermal insulation is provided.

### **Bedsit HMOs within new HMOs, for increase of occupancy to existing HMOs, or where an application for planning permission is made in relation to the use or physical enlargement of an HMO**

A floor to ceiling height of 2.3m over at least 75% of the usable room area is expected in any habitable room. Any areas with a ceiling height of 1.5m and less, chimney breasts and in some cases circulation spaces behind doorways and around staircases will not be counted.

Where no communal living rooms or lounges are available elsewhere in the building, the following minimum standards should be met:

- 17m<sup>2</sup> for a single occupancy bedsit located within an HMO
- 21m<sup>2</sup> for a double occupancy bedsit
- 20m<sup>2</sup> for a single occupancy self-contained unit located within an HMO
- 24m<sup>2</sup> for a double occupancy self-contained unit located within an HMO

All kitchen areas within bedsits must be a minimum width of 1.7m for 'single wall kitchens' and 2.3m for 'galley' style kitchens.

In all cases, in addition to cooking facilities outlined on pages 16 and 17, the space available for any occupier should be capable of accommodating the furniture required in the furniture schedule (see page 41).

### **Bedsit HMOs in existing use where no alterations to the size or number of occupants are being made to the property**

Any areas with a ceiling height of 1.5m and less, chimney breasts and in some cases circulation spaces behind doorways and around staircases will not be counted.

Where no communal living rooms or lounges are available elsewhere in the building, the following minimum standards should be met:

- 13m<sup>2</sup> for a single occupancy bedsit
- 17m<sup>2</sup> for a double occupancy bedsit
- 16m<sup>2</sup> for a single occupancy self-contained unit located within an HMO
- 20m<sup>2</sup> for a double occupancy self-contained unit located within an HMO

## Kitchens for exclusive use (bedsit kitchen/kitchenettes)

### Legal requirements


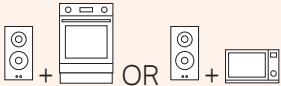

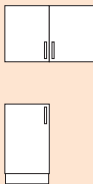


The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 SI 373 requires that where a unit of living accommodation contains kitchen facilities for the exclusive use of the individual household, and there are no other kitchen facilities available for that household, that unit must be provided with:

- a. adequate appliances and equipment for the cooking of food
- b. a sink with an adequate supply of cold and constant hot water
- c. a worktop for the preparation of food
- d. sufficient electrical sockets
- e. a cupboard for the storage of kitchen utensils and crockery; and
- f. a refrigerator




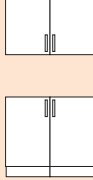


### Portsmouth City Council requirements

All kitchens and kitchen areas in bedsits shall have a safe and practical layout, and meet the following minimum requirements:

#### Single occupancy

Category	Requirement	
Sinks	1 single bowl sink and drainer	
Cooking appliances	2 ring hob and oven (microwave oven is acceptable)	
Electrics	2 double sockets	
Worktops	1000mm x 600mm	
Dry goods storage	1 x 500mm base and 2 x 500mm wall units with doors or equivalent	
Refrigerated storage	1 under-counter fridge freezer	
Refuse	Yes (600mm x 300mm space)	
Fire safety (SEE P27)	1 fire blanket	

## Double occupancy

Category	Requirement	
Sinks	1 single bowl sink and drainer	
Cooking appliances	2 ring hob and oven	
Electrics	2 double sockets	
Worktops	1000mm x 600mm	
Dry goods storage	2 x 500mm base and 2 x 500mm wall units with doors or equivalent	
Refrigerated storage	1 under-counter fridge freezer	
Refuse	Yes (600mm x 300mm space)	
Fire safety (SEE P27)	1 fire blanket	

The requirements for electrics in the table above are in addition to the power needed for white goods and cooking appliances.

- Cooking appliances should have an adjacent work surface of at least 300mm
- No soft furnishings are to be located within 600mm of the cooker rings or hotplates
- The minimum clearance between the cooker rings or hotplates and any cupboard or extractor above must comply with the manufacturer's instructions
- Slip resistant, impermeable and easily cleanable flooring sealed at all edges must be provided
- Mechanical ventilation to the outside air at a minimum extraction rate of 30 litres/second if the fan is sited within 300mm of the center of the hob or a rate of 60 litres/second is sited elsewhere in the kitchen. This is in addition to any windows

### Sinks

- Space within the unit under the sink must not be included as storage space
- Each sink must be set on a suitable base and provide hot and cold water and be properly connected to the drainage system
- Easily cleanable and impervious splashback (such as tiles) must be provided to all abutting walls and extend to 300mm height

### Cooking appliances

- All appliances must be connected correctly by a suitably qualified and competent person to the gas or electricity supply
- Cooking appliances must be connected as instructed by the manufacturer

- Hobs should be set at the same height as adjacent worktop
- Each cooker should have a full width splashback of impervious and durable material to at least 300mm height

### **Electrics**

- The requirements in the table above are in addition to power needed for white goods and cooking appliances

### **Worktops**

- The requirements in the table above are in addition to space needed to house cooking appliances
- The worktop should be of easily cleanable and impervious material, securely fixed and sealed at all edges
- Easily cleanable and impervious splashback (such as tiles) must be provided to all abutting walls and extend to 300mm height

### **Dry goods storage**

- The requirements in the table above are in addition to units underneath the sink and drainer

### **Refuse**

- Suitable refuse facilities must be provided for the number of occupiers

## **Kitchens for shared use**

### **Legal requirements**

The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 SI 373 require:

1. A kitchen, suitably located in relation to the living accommodation, and of such layout and size and equipped with such facilities so as to adequately enable those sharing the facilities to store, prepare and cook food.
2. The kitchen must be equipped with the following equipment, which must be fit for purpose and supplied in a sufficient quantity for the number of those sharing the facilities:
  - i. sinks with draining boards
  - ii. an adequate supply of cold and constant hot water to each sink supplied
  - iii. installations or equipment for the cooking of food
  - iv. electrical sockets
  - v. worktops for the preparation of food
  - vi. cupboards for the storage of food or kitchen and cooking utensils
  - vii. refrigerators with an adequate freezer compartment (or, where the freezer compartment is not adequate, adequate separate freezers)
  - viii. appropriate refuse disposal facilities; and (ix) appropriate extractor fans, fire blankets and fire doors.




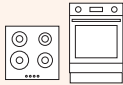

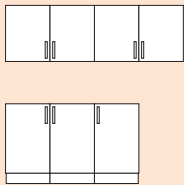
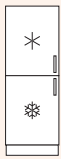

## Portsmouth City Council requirements

All kitchens and kitchen areas shall have a safe and practical layout



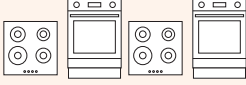




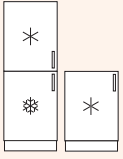

- Kitchens should be located not more than one floor distant from the bedrooms unless a kitchen with dining space is provided or a communal room is available not more than one floor distant from the kitchen. This is to ensure that tenants are able to prepare and eat meals without having to transport them two or more floors away from the kitchen
- Cooking appliances should have an adjacent work surface of at least 300mm
- No soft furnishings are to be located within 600mm of the cooker rings or hotplates
- The minimum clearance between the cooker rings or hotplates and any cupboard or extractor above must comply with the manufacturer's instructions
- Slip resistant, impermeable and easily cleanable flooring sealed at all edges must be provided
- Mechanical ventilation to the outside air at a minimum extraction rate of 30 litres/second if the fan is sited within 300mm of the centre of the hob or a rate of 60 litres/second is sited elsewhere in the kitchen. This is in addition to any windows

The table below provides an overview of required kitchen amenities based on the number of sharing occupiers:

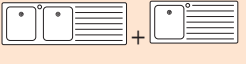

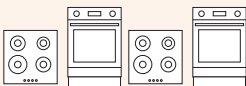



### 3 to 5 people sharing

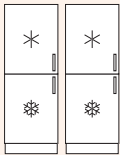

Category	Requirement	
Sinks	1 single bowl sink and drainer	
Cooking appliances	1 conventional cooker*	
Electrics	2 double sockets	
Worktops	2000mm x 600mm	
Dry goods storage	3 x 500mm base and 4 x 500mm wall units with doors or equivalent	
Refrigerated storage	1 fridge freezer (or 1 fridge with a separate freezer)	
Fire safety (SEE P27)	1 fire blanket	

### 6 to 7 people sharing


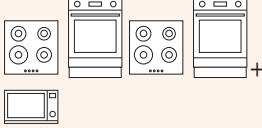
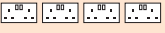
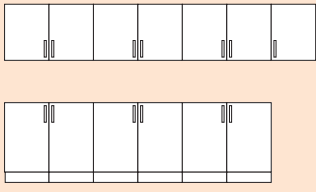
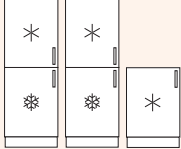

Category	Requirement	
Sinks	1 double bowl sink with drainer or 1 single bowl sink with drainer and a dishwasher	 OR 
Cooking appliances	2 conventional cookers** or 1 conventional cooker** and a microwave	 OR 
Electrics	3 double sockets	
Worktops	2500mm x 600mm	
Dry goods storage	4 x 500mm base and 5 x 500mm wall units with doors or equivalent	 
Refrigerated storage	1 fridge freezer and 1 fridge (or 2 fridges with a separate freezer)	
Fire safety (SEE P27)	1 fire blanket	

### 8 to 9 people sharing

Category	Requirement	
Sinks	1 double bowl sink with drainer and 1 single bowl sink with drainer (a dishwasher in lieu of a single bowl sink is also accepted)	 OR 
Cooking appliances	2 conventional cookers ***	
Electrics	3 double sockets and 1 single socket	
Worktops	3000mm x 600mm	
Dry goods storage	5 x 500mm base and 6 x 500 wall units with doors or equivalent	 

Category	Requirement	
Refrigerated storage	2 fridge freezers (or 2 fridges with 2 separate freezers)	
Fire safety (SEE P27)	2 fire blankets	

### 10 to 11 people sharing

Category	Requirement	
Sinks	2 double bowl sinks with drainers	
Cooking appliances	2 conventional cookers and a microwave ***	
Electrics	4 double sockets	
Worktops	3500mm x 600mm	
Dry goods storage	6 x 500mm base and 7 x 500 wall units with doors or equivalent	
Refrigerated storage	2 fridge freezers and 1 fridge (or 3 fridges with 2 separate freezers)	
Fire safety (SEE P27)	2 fire blankets	

### Notes:

\* Any combination of fridges and freezers that satisfy the requirement.

\*\* Conventional cooker to include 4-ring hob, an oven and grill.

\*\*\* Where 2 cookers are required a suitable alternative would be a 6-ring hob with a double oven and grill.

Appropriate refuse disposal facilities must be provided in all kitchens.

### Sinks

- Space within the unit under the sink must not be included as storage space
- Each sink must be set on a suitable base and provide hot and cold water and be properly connected to the drainage system
- Easily cleanable and impervious splashback (such as tiles) must be provided to all abutting walls and extend to 300mm height

### **Cooking appliances**

- All appliances must be connected correctly by a suitably qualified and competent person to the gas or electricity supply
- Cooking appliances must be connected as instructed by the manufacturer
- Hobs should be set at the same height as adjacent worktop
- Each cooker should have a full width splashback of impervious and durable material to at least 300mm height
- If two sets of facilities are provided the layout must allow them to be used safely at the same time

### **Electrics**

- The requirements in the table above are in addition to power needed for white goods and cooking appliances

### **Worktops**

- The requirements in the table above are in addition to space needed to house cooking appliances
- The worktop should be of easily cleanable and impervious material, securely fixed and sealed at all edges
- Easily cleanable and impervious splashback (such as tiles) must be provided to all abutting walls and extend to 300mm height

### **Dry goods storage**

- The requirements in the table above are in addition to units underneath the sink and drainer

### **Refrigerated storage**

- Fridge dimension: 84cm(h) x 60cm(w) x 60cm(d) 100-litre capacity
- Freezer dimension: 84cm(h) x 60cm(w) x 60cm(d) 100-litre capacity
- Fridge/freezer dimension: Upright 175cm(h) x 60cm(w) x 65cm(d) 150-litre capacity fresh/85-litre frozen

### **Refuse**

- Appropriate refuse facilities must be provided for the number of occupiers

## **Personal washing facilities/sanitary conveniences**

### **Legal requirements**

The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 SI 373 sets standards for washing facilities and sanitary conveniences asset out below:

1. Where all or some of the units of living accommodation in an HMO do not contain bathing and toilet facilities for the exclusive use of each individual household:

- a. where there are four or fewer occupiers sharing those facilities there must be at least one bathroom with a fixed bath or shower and a toilet (which may be situated in the bathroom)
  - b. where there are five or more occupiers sharing those facilities there must be:
    - i. one separate toilet with a wash hand basin with appropriate splash-back for every five sharing occupiers; and
    - ii. at least one bathroom (which may contain a toilet) with a fixed bath or shower for every five sharing occupiers
2. All baths, showers and wash hand basins in an HMO must be equipped with taps providing an adequate supply of cold and constant hot water
  3. All bathrooms in an HMO must be suitably and adequately heated and ventilated
  4. All bathrooms and toilets in an HMO must be of an adequate size and layout
  5. All baths, toilets and wash hand basins in an HMO must be fit for the purpose
  6. All bathrooms and toilets in an HMO must be suitably located in or in relation to the living accommodation in the HMO

### Portsmouth City Council requirements

All bathrooms/shower rooms and toilets must have a suitable layout, providing appropriate drying and changing space, and must be constructed to ensure privacy with locks/bolts fitted to ensure privacy. Obscured glazing/film should be fitted to windows or doors as necessary to ensure privacy.

All baths, showers and wash hand basins must provide constant hot and cold water and be connected to a drainage system. All installations should comply with relevant building regulations.

Where bathing and toilet facilities are shared between occupiers, a certain number of toilets, wash hand basin (WHB) and baths/showers are required. Any shared facilities should be in a lockable room. No bedroom should be more than two floors away from a bathroom/shower room or WC. Example: Facilities provided on the ground floor are suitably located to be used by the occupiers of the second floor bedrooms.

Number of people sharing	Number of bathrooms or shower rooms	Number of toilets	Additional notes
3 to 4	1	1	Toilet can be located within a bathroom/shower room
5	1	1	Toilet must be separate*
6	2	2	Toilet can be located within a bathroom/shower room
7 to 10	2	2	1 toilet must be separate*
11 to 15	3	3	1 toilet must be separate*

#### Notes:

Number of sharing occupiers does not include occupiers having exclusive use of facilities such as en-suites. Where additional bathrooms/shower rooms containing a WC are provided in addition to minimum requirements, or additional washing facilities elsewhere in the property are being provided, the requirement for separate toilet may be relaxed.

## **WC**

- Separate WC must be a minimum of 1300mm x 900mm and include a basin for hand washing located in the same compartment as the toilet
- 300mm tile or alternative easily cleanable and impervious splash back to all abutting walls

## **Bathroom**

- Guide bathtub dimensions of 1700mm x 700mm
- Activity space of 900mm x 700mm next to a bathtub is required
- 450mm tile or alternative easily cleanable and impervious splash back to all abutting walls
- Well-fitted screen or curtain must be provided where over-bath showers are used

## **Shower room**

- Guide shower tray dimensions 800mm x 800mm
- Activity space of 900mm x 700mm next to a shower cubicle is required
- Fully tiled walls within the cubicle (alternative easily cleanable and impervious materials are also acceptable)

## **Wash hand basins**

- WHBs must be provided in all bathrooms/shower rooms
- Basins should be of a practicable size, as a guide WHB dimensions 400mm x 300mm internal bowl for shared bedrooms or 350mm x 350mm for en-suites
- Activity space of 800mm x 700mm next to a WHB
- 300mm tile or alternative easily cleanable and impervious splash back to all abutting walls

## **General**

- Slip resistant, impermeable and easily cleanable flooring sealed at all edges
- Fixed heating equipment must be provided in all bathrooms, shower rooms or toilets and be capable of maintaining temperature of 21 °C when the outdoor temperature is -1 °C
- Bathrooms and shower rooms must have mechanical ventilation to the outside air at a minimum extraction rate of 15 litres per second in addition to any window(s). The system is to be either coupled to the light switch and incorporate a suitable over-run period of at least 15 minutes or an appropriately set humidistat. Continuous mechanical ventilation systems are also acceptable
- Each toilet in a separate compartment is required to have a window equivalent to 1/20th of the floor area or mechanical ventilation to the outside air at a minimum extraction rate of six litres/second. Continuous ventilation systems are also acceptable
- Lighting should be provided in all bathrooms, shower rooms and toilets to provide good visibility

# Heating

## Legal requirements

For shared house HMOs, the Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 SI 373 requires:

- adequate space heating in each unit of living accommodation, and
- all bathrooms in an HMO must be suitably and adequately heated

For the above, living accommodation means a bedroom.

For Section 257 HMOs, space heating is not listed as a prescribed standard. However, the Portsmouth City Council standards as listed below should be used as a guide to mitigate a possible Category One hazard for excess cold (however, additional work may also be required to mitigate a Category One hazard).

## Portsmouth City Council requirements

The heating system must be of appropriate design and layout to efficiently heat the whole property, capable of maintaining a room temperature of 21°C when the outside temperature is -1°C.

Bedrooms and bath/shower rooms must be equipped with heating.

Heating must be available at all times and be under the control of the occupants for timings and temperature settings.

A fixed heating system must be provided.

All bedrooms must be provided with fixed heating equipment where the occupying tenant should be able to control the heating and temperature in their bedroom without the need to adjust central controls. This may be through the provision of thermostatic radiator valves for gas central heating systems (note: As one radiator in the system must be left without a thermostatic valve this should be located in a bathroom or communal space rather than a bedroom), or time controls and thermostatic controls for electric heating systems or panel heaters.

Electrical heating installations (electric storage heating systems or fixed electric panel heaters) must be capable of being run on economy tariffs.

The property may require additional work under the Housing Act 2004 Housing Health and Safety Rating System to remedy an excess cold hazard. Additional work could include: Heating to kitchens, living/dining rooms and separate toilets, improved insulation to loft and walls, improved glazing, or draught-proofing.

3





# Fire safety

## General requirements

Assessments of residential dwellings for fire safety cover a wide range of fire risks and fire precautions to mitigate those risks. The property is usually assessed on the following aspects:

- Type, size and layout of the premises
- Tenure type and lifestyle of the occupiers
- Type of fire detection system and firefighting equipment
- Deficiencies of structure, fixtures and fittings

The minimum fire detection requirements for residential dwellings are set in **The Smoke and Carbon Monoxide Alarm (England) Regulations 2015**<sup>2</sup>. Private residential landlords are required to:

- Provide at least one smoke alarm installed on every floor of their rental property which is used as living accommodation (including floors with bathroom and toilet facilities)
- Provide a carbon monoxide alarm in any room used as living accommodation which contains a fixed combustion appliance (excluding gas cookers)
- Ensure the alarms are in working order and are repaired or replaced once informed and/or found to be faulty

The above minimum requirements are usually sufficient for most single household residential dwellings; however, this may not always be the case. All HMOs will require additional fire safety features. The table below provides an overview of minimum fire safety requirements for different types of accommodation.

Lower risk HMOs are usually lower occupancy HMOs (up to four people) rented out on a joint tenancy to an identifiable social group. For example, a small group of students that are likely to know each other and have a higher social interaction level.

Higher risk HMOs include all bedsitting HMOs, most HMOs rented out on separate 'room' contracts and, in some cases, HMOs rented out to vulnerable tenants.

Fire safety requirements for different types of accommodation are set in the tables below.

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<sup>2</sup> <https://www.legislation.gov.uk/uksi/2015/1693/contents/made>

### 1-2 storey lower risk HMO

Fire safety feature	Requirement
Fire alarm system	Interlinked mains wired with tamper proof backup supply (Grade D1) smoke alarms located in the escape route at all levels and the lounge/dining area with additional interlinked heat alarm in the kitchen area are required. Smoke alarms in bedrooms are recommended
Fire doors	Sound, well-constructed and close-fitting doors such as solid wood are acceptable. FD30S door separating higher risk rooms and fire escape route are recommended
Protected escape route	Sound and conventional construction route with adequate compartmentation. Must not pass through high-risk rooms
Firefighting equipment	Fire blanket in the kitchen is required
Emergency lighting	No requirement for emergency lighting
Fire safety signs	Not required unless the route is long and complex

### 3-4 storey lower risk HMO

Fire safety feature	Requirement
Fire alarm system	Interlinked mains wired with tamper proof backup supply (Grade D1) smoke alarms located in the escape route at all levels and the lounge/dining area with additional interlinked heat alarm in the kitchen area are required. Smoke alarms in bedrooms are recommended
Fire doors	FD30 doors to all bedrooms, FD30S doors separating higher risk rooms from the fire escape route are required
Protected escape route	30-minute protected fire escape route is required. The travel distance must not be excessive and must not pass through a risk room
Firefighting equipment	Fire blanket in the kitchen is required
Emergency lighting	Emergency lighting required if the route is long and complex
Fire safety signs	Required if the route is long and complex

### 1-2 storey higher risk HMO

Fire safety feature	Requirement
Fire alarm system	Interlinked mains wired smoke alarms with tamper proof backup supply (Grade D1) located in the escape route on each level, interlinked heat detectors in each kitchen including bedsitting kitchens, interlinked (Grade D1) smoke alarms in any communal areas such as lounges or dining rooms with stand-alone (non-interlinked) smoke alarms in each bedsitting sleeping/living area
Fire doors	FD30S doors to all bedsitting rooms and any shared communal lounges, dining rooms and kitchens that open onto fire escape route
Protected escape route	30-minute protected fire escape route is required
Firefighting equipment	Fire blanket in each kitchen including bedsits containing kitchen facilities
Emergency lighting	Emergency lighting is required if the route is long and complex
Fire safety signs	Required if the route is long and complex

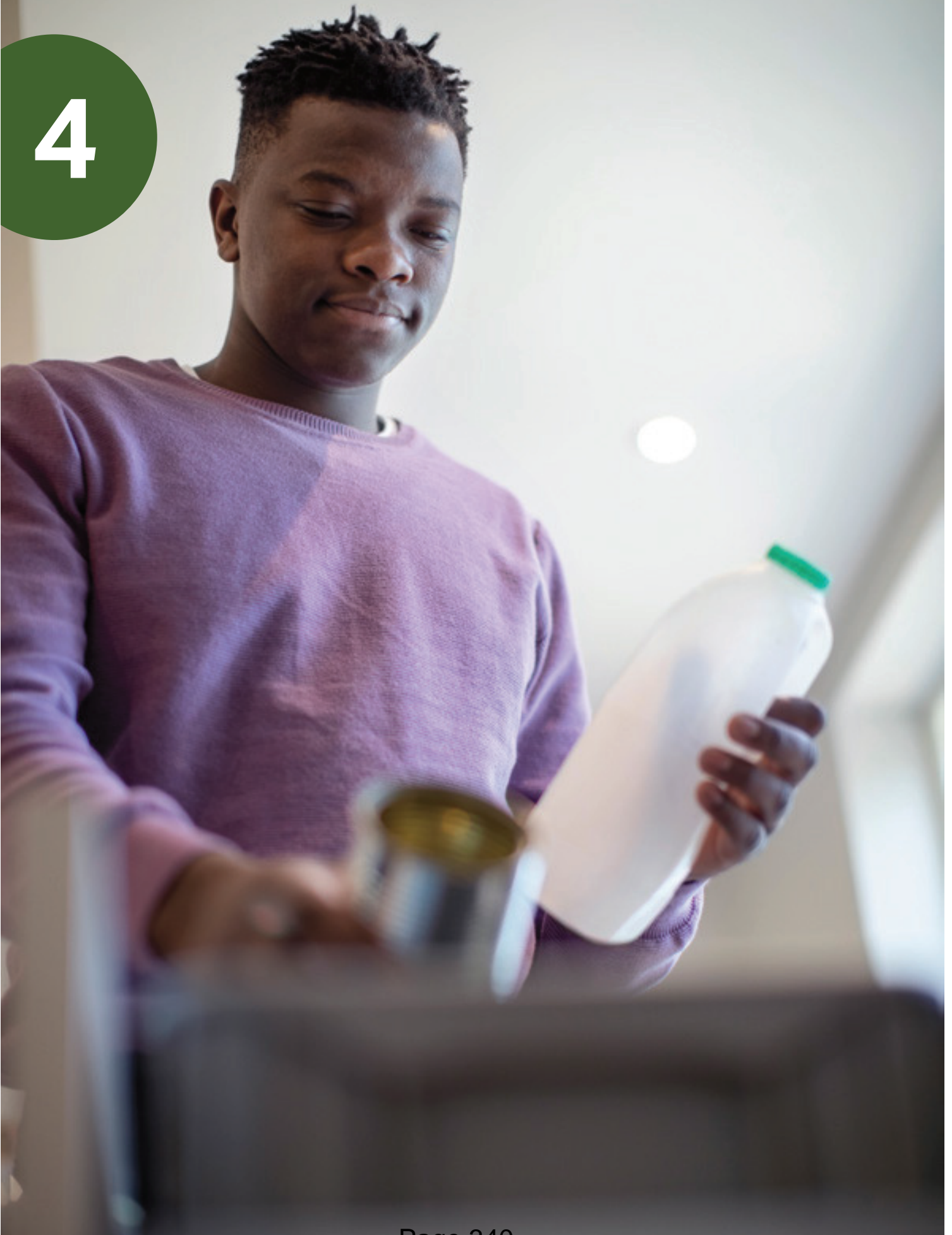
### 3-4 storey higher risk HMO

Fire safety feature	Requirement
Fire alarm system	Grade A alarm system comprising of a central control panel, interlinked mains wired smoke alarms located in the escape route on each level, interlinked heat detectors in each kitchen including bedsitting kitchens, interlinked smoke alarms in any communal areas such as lounges and dining rooms with additional stand-alone smoke alarms in each bedsitting sleeping area/living area
Fire doors	FD30S doors to all bedsitting rooms and any shared communal lounges, dining rooms and kitchens that open onto fire escape route
Protected escape route	30-minute protected fire escape route is required. The travel distance must not be excessive
Firefighting equipment	Fire blanket in each kitchen including bedsits containing kitchen facilities
Emergency lighting	Emergency lighting is required if the route is long and complex and recommended in all cases
Fire safety signs	Final exit sign and signage along escape route required if the route is long and complex and recommended in all cases

#### Notes:

- Living accommodation of single occupancy buildings includes floors includes containing bathroom and toilet facilities
- Higher risk rooms include communal kitchens, lounges, dining rooms etc
- FD30 doors are fire doors (including door leaf, door frame and hardware) providing a minimum of 30-minute fire resistance)
- FD30S doors are FD30 doors with smoke seals preventing a passage of smoke. Any reference to FD30S doors in the above table includes self-closing devices
- Risk room is the room with higher eventuality of fire starting such as kitchens, dining rooms and lounges
- 30-minute protected fire escape route is a route out of the building to a place of safety that provides 30-minute protection from fire originating from rooms opening onto it

4



# Recycling and waste management

## General requirements

As the owner or managing agent of the building, it is your responsibility to ensure tenants have the correct information, suitable bins and waste storage facilities and to contact your tenants if concerns are raised regarding their waste storage or presentation of waste.

## Legal requirements

The Management of Houses in Multiple Occupation (England) Regulations 2006 require landlords to provide adequate bins for the storage of refuse, having regard to the disposal services provided by the local authority. These regulations also require landlords to make arrangements for the disposal and storage of waste, as necessary, to comply with the service provided by the local authority.

The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 SI 373 require “appropriate refuse disposal facilities” for HMOs.

The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018 require licences under Part 2 must include conditions requiring the licence holder to comply with any scheme which is provided by the local housing authority to the licence holder and which relates to the storage and disposal of household waste at the HMO pending collection.

## Portsmouth City Council requirements

Giving tenants the information on the right way to dispose of their waste is particularly important if they come from outside of Portsmouth. You should provide them with the following information:

- Which bins to use (see below)
- **How/where to put them out for collection**<sup>3</sup>
- **When they are collected**<sup>4</sup>
- **What can be recycled at home**<sup>5</sup>
- **What can be recycled locally at bring banks around Portsmouth**<sup>6</sup>

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3 <https://www.portsmouth.gov.uk/services/recycling-and-rubbish/how-to-put-bins-out-for-collection/>

4 [https://my.portsmouth.gov.uk/en/AchieveForms/?form\\_uri=sandbox-publish://AF-Process-26e27e70-f771-47b1-a34d-af276075ccede/AF-Stage-cd7cc291-2e59-42cc-8c3f-1f93e132a2c9/definition.json&redirectlink=%2Fen&cancelRedirectLink=%2Fen](https://my.portsmouth.gov.uk/en/AchieveForms/?form_uri=sandbox-publish://AF-Process-26e27e70-f771-47b1-a34d-af276075ccede/AF-Stage-cd7cc291-2e59-42cc-8c3f-1f93e132a2c9/definition.json&redirectlink=%2Fen&cancelRedirectLink=%2Fen)

5 <https://www.portsmouth.gov.uk/services/recycling-and-rubbish/recycling/>

6 <https://www.recyclenow.com/local-recycling/>

The council can also provide leaflets and bin stickers.

Portsmouth City Council will not collect recycling or refuse material unless correctly presented at the correct collection times and in the manner specified by the council.

The occupants are normally responsible for presenting bins for collection. However, the landlord or agent is still responsible for ensuring this is completed. Where tenants are failing to present waste correctly, the council will require the landlord or agent to take action to resolve this problem. Where rubbish is not presented correctly, the council can issue penalty fines to the occupant or owners.

Property owners and managing agents should have particular regard to periods of time at the beginning or end of tenancies to ensure that waste and recycling are presented in the correct way and at the correct times, or to make alternative arrangements for the disposal of excess waste.

If you need to dispose of bulky waste or a build-up of rubbish, you must ensure it is done in a legal manner via a licensed waste carrier. You can run a licence check for your chosen waste carrier on the [DEFRA website](#)<sup>7</sup>.

The council runs a bulky waste collection service in partnership with our waste collection contractor Biffa. Contact the council if you would like a quote.

Another option is to use the trade waste chargeable service at the Household Waste Recycling Centre (HWRC). If the waste is not produced by yourself, it is regarded as trade waste and cannot be disposed of at the HWRC for free.

To use this option, you will first need to [register as a waste carrier](#)<sup>8</sup>. Once you have your waste carrier licence, you can [book a slot at the HWRC](#)<sup>9</sup> and notify the staff on arrival that you have trade waste to dispose of. They will take your details (including your waste carrier licence details) and payment whilst on site. For more information, visit [Business, commercial and trade waste | Hampshire County Council](#)<sup>10</sup>

For further information on correct bin presentation, refuse and recycling collections and details of other services, visit the [recycling and rubbish pages](#)<sup>11</sup> of our website.

Landlords as well as residents can contact the council on 023 9284 1105 or [recyclingandrubbish@portsmouthcc.gov.uk](mailto:recyclingandrubbish@portsmouthcc.gov.uk)

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7 <https://environment.data.gov.uk/public-register/view/search-waste-carriers-brokers>

8 <https://www.gov.uk/register-renew-waste-carrier-broker-dealer-england>

9 <https://www.hants.gov.uk/wasteandrecycling/recyclingcentres/book-appointment>

10 <https://www.hants.gov.uk/wasteandrecycling/commercialwaste>

11 <https://www.portsmouth.gov.uk/services/recycling-and-rubbish>

## Providing the correct waste storage bins



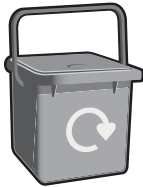
### Rubbish bins containers (black):

The standard container provided is a 140L bin. However, there are different allowances for larger households and HMOs, so be sure to check with the council if what you have seems unsuitable. Flat fronted properties also have the option to present their rubbish in bags. The standard allowance is three bags per household. The council can provide stickers if the household qualifies for a bigger allowance.



### Recycling containers (green):

every household should have at least a recycling box or bin. Residents should be encouraged to recycle everything they can, so the Council is happy to provide larger/additional recycling containers if required. If the recycling bins at a property are heavily contaminated on a regular basis, it is the landlord's responsibility to find alternative methods of dealing with the waste. **Request a recycling bin**<sup>12</sup>



### Food waste caddy (grey):

If the property is in one of the **food waste trial areas**<sup>13</sup>, please check that tenants have a small caddy for their kitchen and a bigger caddy to keep outside for collection.



### Garden waste bin (brown):

This is an optional service provided by our partner Biffa for a monthly fee. **Contact the Green Waste Club**<sup>14</sup> if you would like to set up the service.

### IMPORTANT:

Bins cannot be stored on the pavement outside of collection days. You must ensure your tenants have a place on your property/land to store their waste.

<sup>12</sup> [https://my.portsmouth.gov.uk/en/AchieveForms/?form\\_uri=sandbox-publish://AF-Process-2439a9e4-0147-4d24-856d-b52d78dcfae5/AF-Stage-a735e4cb-a554-4038-bd2f-691aa11be5bb/definition.json&redirectlink=%2F&cancelRedirectLink=%2F&\\_ga=2.115498502.147714311.15193](https://my.portsmouth.gov.uk/en/AchieveForms/?form_uri=sandbox-publish://AF-Process-2439a9e4-0147-4d24-856d-b52d78dcfae5/AF-Stage-a735e4cb-a554-4038-bd2f-691aa11be5bb/definition.json&redirectlink=%2F&cancelRedirectLink=%2F&_ga=2.115498502.147714311.15193)

<sup>13</sup> <https://www.portsmouth.gov.uk/services/recycling-and-rubbish/food-waste/roads-in-food-waste-trial/>

<sup>14</sup> <https://www.greenwasteclub.co.uk/contact>

# 5





# Planning permission

## General requirements

In Portsmouth, under the Town and Country Planning Act 1990, all HMOs require planning permission for use as an HMO except section 257 HMOs, which need permission as flats.

## HMOs with three to six persons

HMOs occupied by between three and six unrelated individuals are defined as Use Class C4 by the Town and Country Planning (Use Classes) Order 1987 (as amended). Dwellings occupied by families or fewer than three unrelated people are defined as Use Class C3.

The government has granted planning permission in the form of permitted development rights for changes of use between these two use classes. Because of the potential implications of large numbers of properties changing to Class 4, the council has removed the permitted development right to change between Use Class C3 and Use Class C4.

Dwellings with Use Class C4, however, still have permitted development to change back to a dwelling (Use Class C3).

This change came into effect on 1 November 2011 and means that planning permission is now required from the council to change the use of a dwelling to an HMO in Use Class C4. Any property already in Use Class C4 before this date does not need planning permission to continue as an HMO.

## HMOs with seven or more occupiers

HMOs with seven or more occupiers require planning permission under 'sui generis' use class. This has always required planning permission. When increasing occupation from C4 (3 to 6 person HMO) to 'sui generis' (seven or more persons), this may require planning permission. This is not a permitted development.

## Further information

Portsmouth City Council has a local plan containing planning policies in relation to HMOs.

An owner may wish to apply for a 'certificate of lawful use' to demonstrate the property is compliant with planning law where there has been no express planning permission granted.

Planning services can be contacted on: 023 9283 4334 or [planning@portsmouthcc.gov.uk](mailto:planning@portsmouthcc.gov.uk)

Planning permission and HMO licensing are two separate and distinct legal requirements.

Planning permission controls the number of HMOs in a defined area. The removal of permitted development rights aims to prevent oversaturation of HMOs in areas of Portsmouth. Planning permission must be obtained before the property is occupied as an HMO. Planning permission stays with the property. Once obtained, there is no requirement to reapply for planning permission unless the house falls back into C3 (family) use or the permission was not enacted within the timeframe given.

HMO licensing is to ensure the property meets minimum standards and is not over-crowded and the property is well managed. A licence is granted to a named person for a specific period of time and must be renewed on expiry, or if the ownership or management of the property changes.

Both must be obtained for an HMO to operate legally in Portsmouth. Granting of one does not give tacit consent for the other.

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# Technical guidance

## Statutory overcrowding

To calculate the size of the household, the following rules should be applied:

- Anyone 10 years of age and above counts as 1 person
- Children under 10 years of age count as ½ person
- Small children under the age of 1 should not be included in the calculation

To calculate the number of rooms available as sleeping accommodation, the following rules should be applied:

- Include rooms such as living rooms, studies etc
- Do not include any rooms smaller than 4.6m<sup>2</sup> (50 square feet)

To meet the space standard, the requirements in the tables below should be met:

Number of rooms	Number of persons
1	2
2	3
3	5
4	7.5
5 or more	2 for each room

Min size of the room (m <sup>2</sup> )	Max number of persons
10.2	2
8.4	1.5
6.5	1
4.6	0.5

## Ventilation

To provide adequate purge ventilation, the following criteria should be met (**Approved Document – Part F<sup>15</sup>**):

For external doors, hinged or pivot window that open 30° or more or for parallel sliding windows (eg, vertical sliding sash windows), the height multiplied by the width of the opening part should be at least 1/20th of the floor area of the room.

- For a hinged or pivot window that opens between 15° and 30°, the height multiplied by the width of the opening part should be at least 1/10th of the floor area of the room
- If the window opens less than 15° it is not suitable to provide purge ventilation
- The areas of all window openings might be added to achieve the required proportion of the floor area

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<sup>15</sup> <https://www.gov.uk/government/publications/ventilation-approved-document-f>

# 7



# Furniture schedule

Space available should be capable of accommodating the furniture in the below schedule:

## Living room

Furniture	Typical size (mm)	Access/ activity zone (mm)	Number of items required (by sharing occupiers)							
			1	2	3	4	5	6	7	Plus 1
Armchair	850 x 850	300 directly in front	2	2	3	1	2	3	4	plus 1
3-seater sofa	850 x 1850	300 directly in front				1	1	1	1	1
TV			1	1	1	1	1	1	1	1
Coffee table	500 x 1050		1	1	1	1	1	1	1	1
Occasional table	450 x 450		1	1	1	1	1	1	1	1
Storage units	500 x length	500 directly in front	1000	1000	1000	1500	2000	2000	2000	
Walkthrough		750	1	1	1	1	1	1	1	1

## Dining space

Furniture	Typical size (mm)	Access/ activity zone (mm)	Number of items required (by sharing occupiers)							
			1	2	3	4	5	6	7	Plus 1
Dining chair	450 x 450		2	2	3	4	5	6	7	plus 1
Dining table	800 x length		800	800	1000	1200	1350	1500	1650	plus 150

## Bedroom

Furniture	Typical size (mm)	Access/ activity zone (mm)	Number of items required (by sharing occupiers)							
			1	2	3	4	5	6	7	Plus 1
Bed	1900 x width	400 at access sides	900	1350						
Bedside table	400 x 400	500 directly in front	1	2						
Chest of drawers	450 x 750	500 directly in front	1	1						
Desk and chair	500 x 1050 plus chair	700 in front of desk	1	1						
Wardrobe	600 x width	500 directly in front	600	1200						

### Notes:

3-seater sofa requirements are in addition to armchair requirements; 750mm diameter coffee tables acceptable as an alternative to; wall mounted TV is acceptable. Twin bedroom requirements: Two single beds instead of a double bed.





You can get this information in large print, Braille, audio or in another language by calling 023 9268 8369

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## **Additional Licensing Model**

As can be seen from the consultation there was high support generally to introduce Additional Licensing, however there were a number of concerns raised, particularly by landlords. One of the main concerns raised by landlord respondents to the consultation, including the local landlord association, was that 'good' landlords would be penalised by the scheme, while 'bad' landlords are not differentiated, and may manage to evade licensing all together. They expressed concerns that well performing landlords would in effect be funding a scheme through licensing fees that would resource dealing with poorly performing landlords. They felt this scheme does not recognise that there are a significant number of well performing HMO landlords operating in the City who should be differentiated from those that are not performing as they should.

Feedback from the National Residential Landlords Association (NRLA) however suggests that all Landlords and Agents should be treated the same; that they should all receive regular licence inspections which they advocate is a means by which to support landlords and agents, identify and act upon poor practice, and support and encourage good practice.

To address this, two different licensing models are detailed below, for Cabinet to consider.

### **Option A**

Portsmouth City Council will issue HMO licences for five years as standard. The exception to this would be where planning permission is required but not yet granted; where a 1 year licence would be issued to allow time for the planning process to be fulfilled.

Every licensed property would be inspected at least once during the licence term.

Before issuing an HMO licence, the Housing Act 2004 states that the council must be satisfied that the proposed licence holder (and manager) of the property are fit and proper person(s). If not, the licence must be refused unless other satisfactory arrangements can be agreed. A "Fit and Proper person" assessment is therefore carried out for all prospective licence holders as part of the application process. Those that fail the fit and proper person assessment will be refused a licence (in this situation they must appoint an appropriate alternative person to be a licence holder, or the Council may take over the management of the property through an 'Interim Management Order' until appropriate alternative arrangements can be made). Where some concerns are raised however through the fit and proper person assessment, but it does not constitute a 'failure', the council can address this in different ways.

### **One Year Licence criteria - Option A**

Where any of the following issues are identified by the Council when processing the licence application a one year licence will be issued:

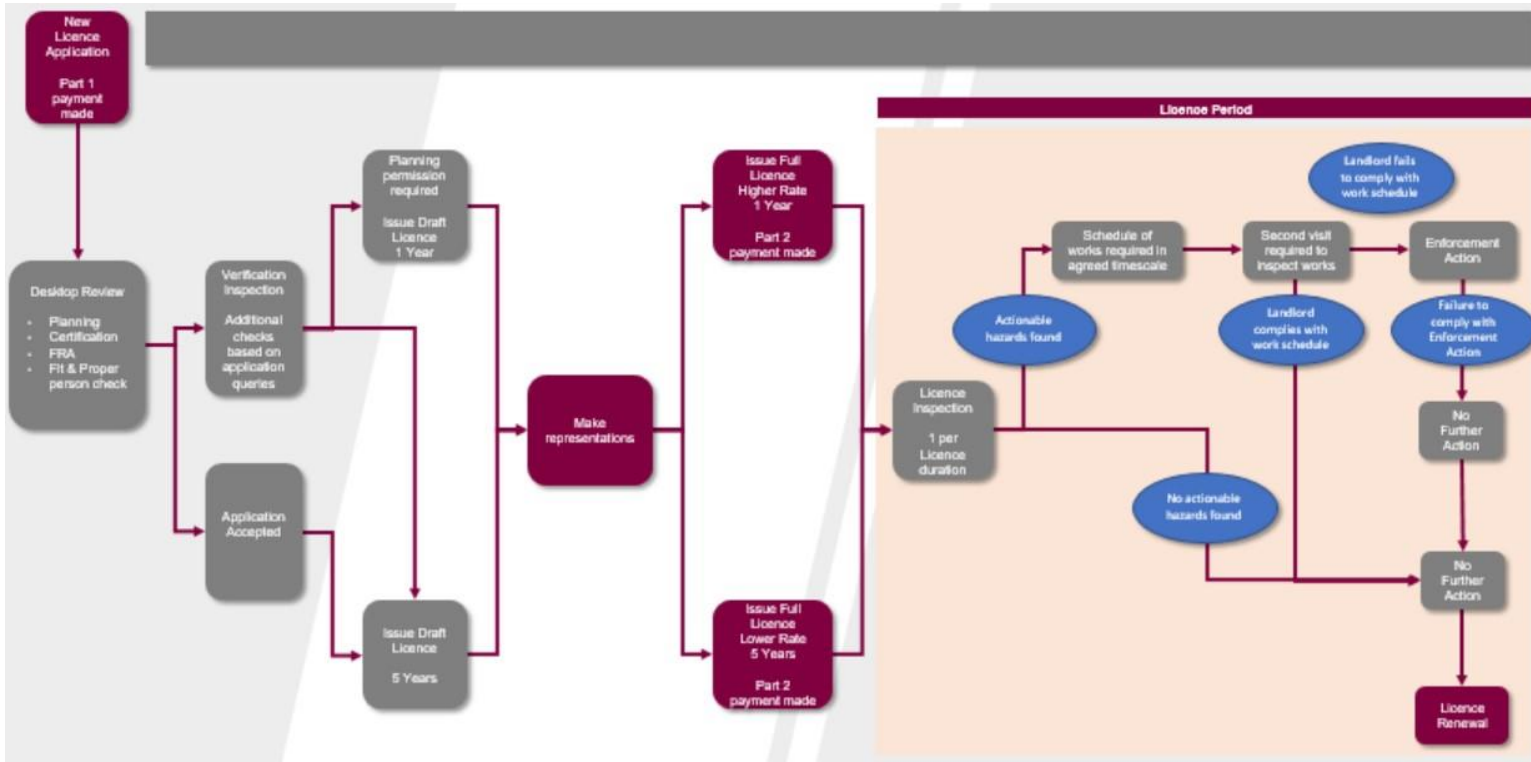
- Planning permission not granted (for C4 or Sui Generis use or there is no certificate of lawful use) or unable to demonstrate historic use of the HMO

**Five year licence criteria - Option A**

- The property must have planning permission or a certificate of lawful use for C4 or Sui Generis use, or be able to demonstrate historic use of the property as an HMO
- Issues identified through the application process, such as a lack of Fire Risk Assessment, or Fit and proper person concerns will be dealt with through 'special' licence conditions, for example requiring the licence holder to produce a Fire Risk Assessment within a specified time period, or for the licensing holder to undertake specific training.

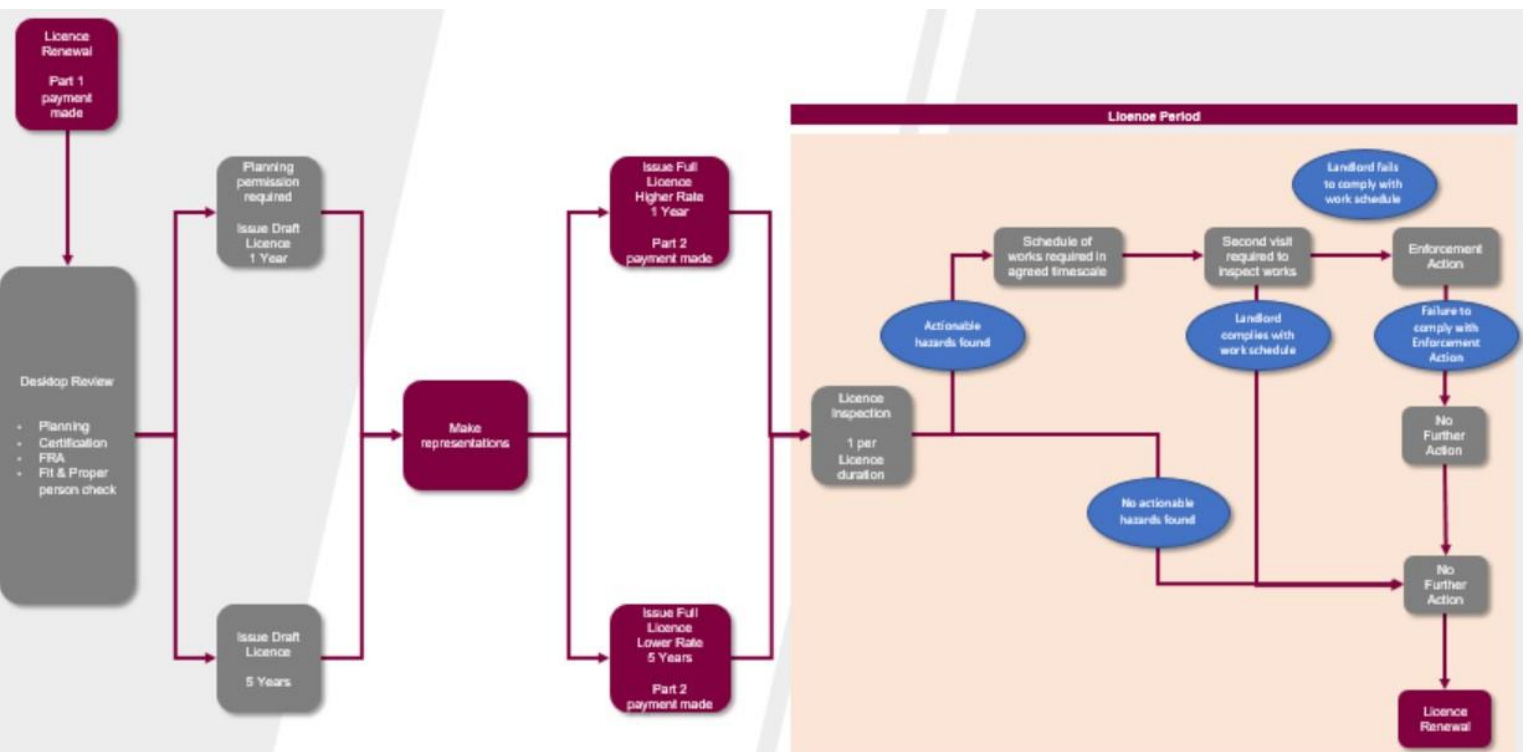
### Process for New Licence applications - Option A

The following flow chart outlines the processes for new licence applications:



### Process for Licence renewals - Option A

The following flow chart outlines the processes for new licence applications:



## **Option B**

Portsmouth City Council will issue HMO licences for one-year, two-and-a-half-years, or five-year periods. To be eligible for a given length of licence, the licence applicant must meet all the criteria set out below at the point of application. The Council's HMO Licensing team will assess the application to identify which licence term the applicant will qualify for. In order for this assessment to be made the application will need to be valid at this stage.

Licences will be issued for two and half years where landlords are able to demonstrate that they are compliant with all required certification, and there is little or no indication of recent poor performance.

One year licences will be issued where concerns are identified in relation to competence or compliance. This will enable the council to focus their resources on these landlords/ agents and their properties, with regular inspections and review of their status as a licence holder.

Licences will be issued for five years where landlords are able to demonstrate that they are compliant with all required certification, there is no evidence of recent poor performance, they are accredited with (and therefore able to access education and support from) a PCC approved accreditation body, and they can demonstrate that their property has a good energy performance rating or they have registered a valid exemption (even where an EPC is not legally required for the property).

Before issuing an HMO licence, the Housing Act 2004 states that the council must be satisfied that the proposed licence holder (and manager) of the property are fit and proper person(s). If not, the licence must be refused unless other satisfactory arrangements can be agreed. A "Fit and Proper person" assessment is therefore carried out for all prospective licence holders as part of the application process. Those that fail the fit and proper person assessment will be refused a licence (in this situation they must appoint an appropriate alternative person to be a licence holder, or the Council may take over the management of the property through an 'Interim Management Order' until appropriate alternative arrangements can be made). Where some concerns are raised however through the fit and proper person assessment, but it does not constitute a 'failure', the council can address this in different ways.

### **One Year Licence criteria - Option B**

Where any of the following issues are identified by the Council when processing the licence application a one year licence will be issued:

- Fit and proper person concerns
- For licence renewals, there are conditions from the previous licence that have not been complied with
- More than 1 justified service requests in the last 12 months related to the applicant or proposed licence holder\*

- Application submitted more than 14 days after [licencing start date] or for renewals 14 days after expiry of current licence
- Safety certificates not submitted with application (or they are not current and/or satisfactory):
  - Gas safety (if gas in property) - annual check
  - Electrical safety - 5 yearly check
  - Smoke / heat detectors or fire alarm system certificates / declarations - annual check
  - Emergency lighting (if installed) - annual check
- Fire risk assessment not submitted with application
- Planning permission not granted (for C4 or Sui Generis use or there is no certificate of lawful use) or unable to demonstrate historic use of the HMO
- All building work requiring building control approval not properly certified

\* Justified means where the council have investigated and have evidence that supports the allegation and / or had to take action to resolve the issue.

### **Two and Half year Licence criteria - Option B**

To receive a two and a half year licence, the applicant must submit a valid application and meet all of the following criteria:

- No fit and proper person concerns
- For licence renewals any conditions from previous licence must have been complied with
- No more than 1 justified service request in the last 12 months related to the applicant or proposed licence holder \*
- Application submitted by [licencing start date] or for renewals 14 days before expiry of the current licence
- Safety certificates submitted with application (must be current and satisfactory):
  - Gas safety (if gas in property) - annual check
  - Electrical safety - 5 yearly check
  - Smoke / heat detectors or fire alarm system certificates / declarations - annual check
  - Emergency lighting (if installed) - annual check
- Fire risk assessment submitted with application
- The property must have planning permission or a certificate of lawful use for C4 or Sui Generis use, or be able to demonstrate historic use of the property as an HMO
- All building work requiring building control approval properly certified
- Stage two fee paid as requested

\* Justified means where the council have investigated and have evidence that supports the allegation and / or had to take action to resolve the issue.

### **Five year licence criteria - Option B**

To receive a five year licence, the applicant must submit a valid application and meet all of the following criteria:

- No fit and proper person concerns
- For licence renewals any conditions from previous licence must have been complied with
- No justified service requests in the last 12 months related to the applicant or proposed licence holder \*
- Application submitted by [licencing start date] or for renewals 14 days before expiry of current licence
- Safety certificates submitted with application (all current and satisfactory):
  - Gas safety (if gas in property) - annual check
  - Electrical safety - 5 yearly check
  - Smoke / heat detectors or fire alarm system certificates / declarations - annual check
  - Emergency lighting (if installed) - annual check
- Fire risk assessment submitted with application
- The property must have planning permission or a certificate of lawful use for C4 or Sui Generis use, or be able to demonstrate historic use of the property as an HMO
- All building work requiring building control approval properly certified
- Accreditation with PCC approved organisations (details on approved accreditation shown separately)
- Provide the Council with a valid energy performance certificate (EPC) dated within the last 10 years (must be band E or higher unless property is exempt) even if the property does not legally require an EPC.
- Stage two fee paid as requested

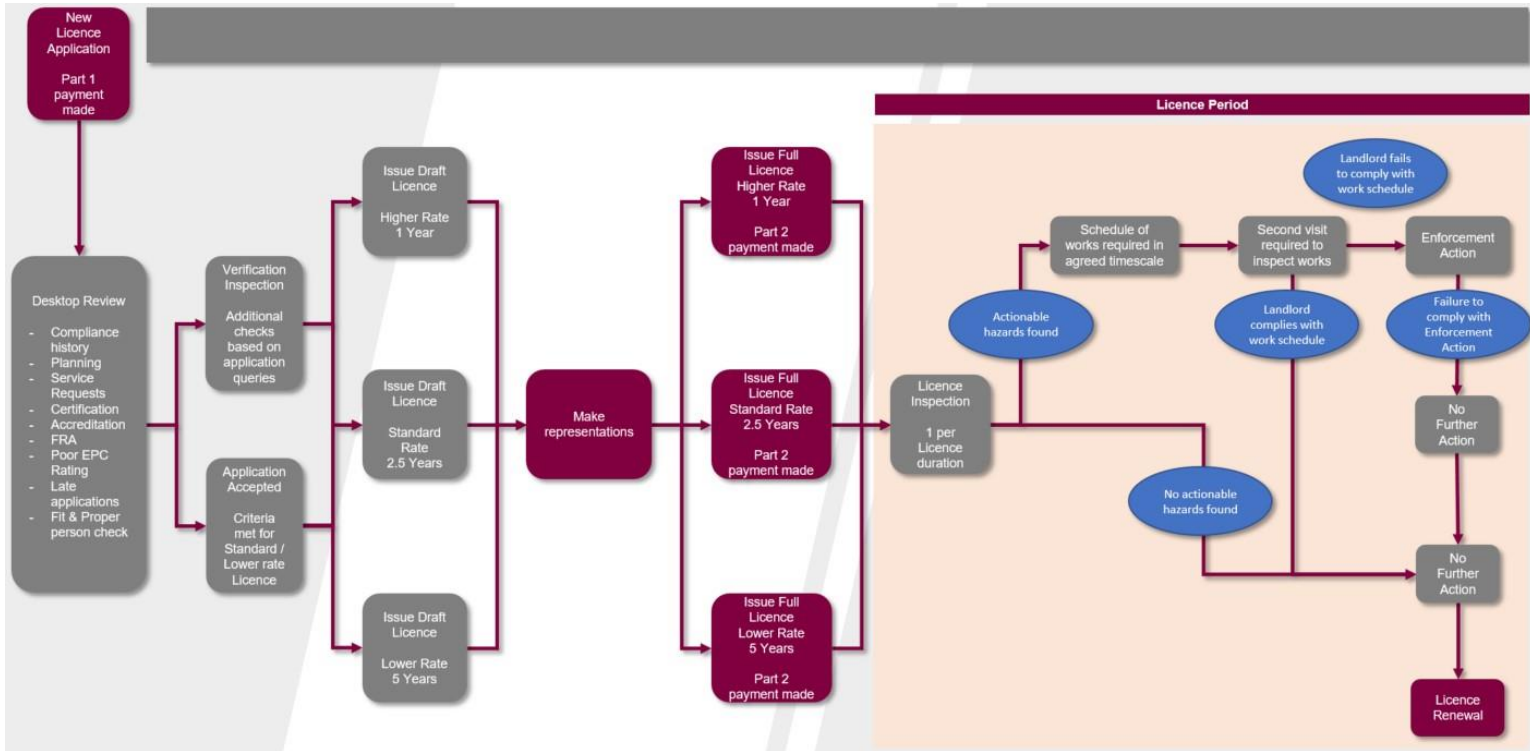
\* Justified means where the council have investigated and have evidence that supports the allegation and / or had to take action to resolve the issue.

For five year licences, we will accept national and local accreditation schemes approved by PCC (see separate details for the criteria for approved national and regional accreditation schemes). Please note, where the managing agent has full management control and is accredited then this will allow the landlord (licence holder) to gain a five year licence.



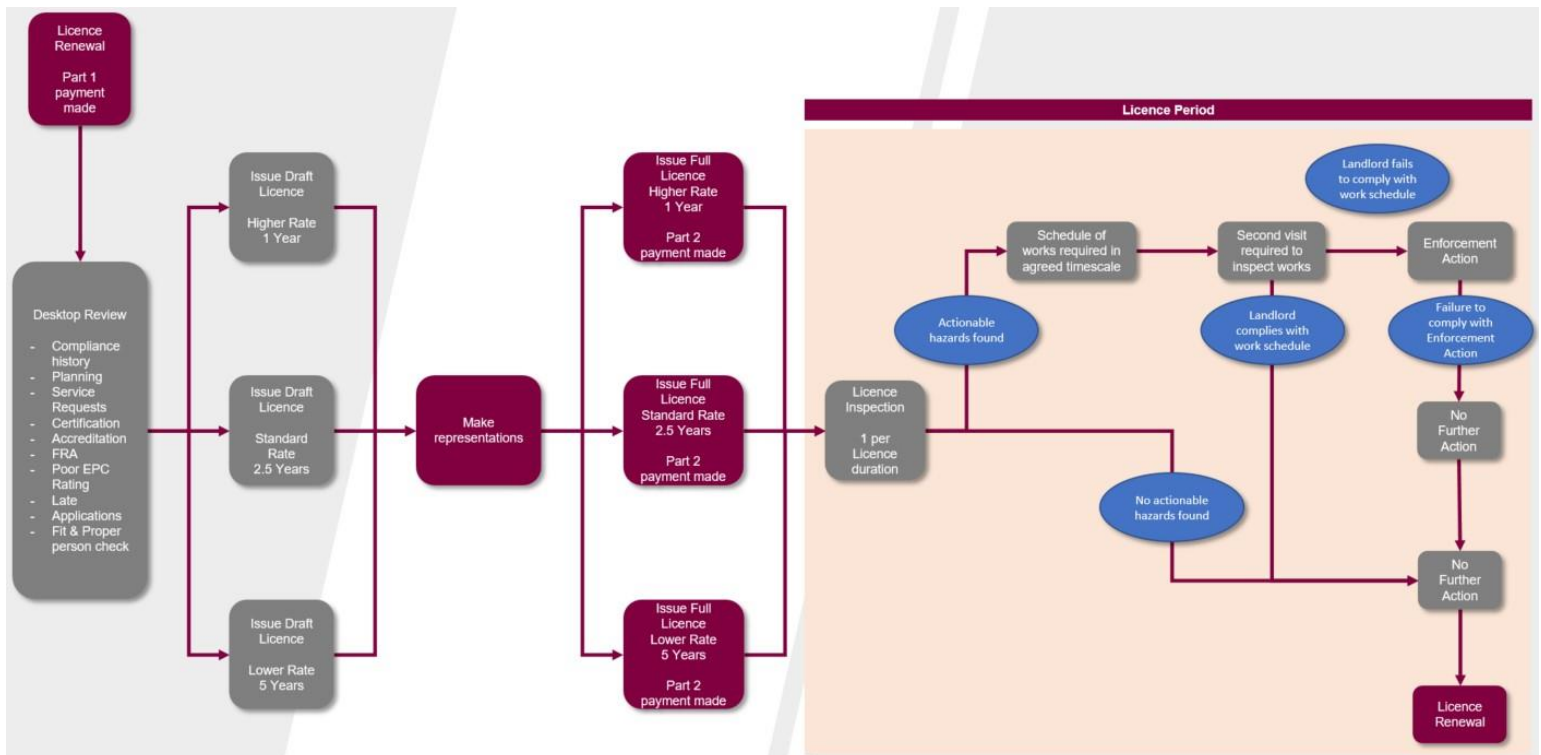
### Process for New Licence applications - Option B

The following flow chart outlines the processes for new licence applications:



### Process for Licence renewals - Option B

The following flow chart outlines the processes for new licence required applications:



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### Additional Licensing indicative fee structure

There are two types of HMO licence applications with two different licensing fee structures

- A new HMO licence application, which is when a licence holder applies for a HMO licence for a specific property which does not currently hold a licence.
- A Renewal HMO licence application, when a licence holder applies for a subsequent and successive HMO licence when the licence period comes to an end.

For an application to be treated as a renewal, it must be submitted before the expiry of the current licence.

The licence fee structure reflects the amount of work involved to process the application including the visit(s) to ensure that it is compliant with Part 2 matters of the Housing Act 2004. Each property would have at least 1 visit per licence term.

In line with recent court decisions – there are 2 stages to fee payment:

- the first stage fee payment will need to accompany the licence application so that the council can carry out necessary checks to enable the Notice of Intention to Issue the licence
- the second stage fee payment will need to be paid when your application is complete and at the granting of the final licence. The applicant will be notified when the final licence is issued.

Cabinet are asked to choose which licensing model they would wish to proceed with, if they decide to introduce additional licensing. The details of the two licensing models are explained in Appendix 5. The following tables show the indicative fees that would be charged for the two different models. However, these would be subject to review before the commencement of an additional licensing scheme.

#### Model A - Indicative Fee Structure

Application type	Stage 1	Stage 2	Total Fee
Standard new application (5yr licence)	£139.00	£787.00	£926.00
New application - planning permission required (1yr licence)	£139.00	£629.60	£768.60
Licence Renewal after 1 year	£122.00	£527.00	£649.00

#### Model B - Indicative Fee Structure

Application type	Stage 1	Stage 2	Total Fee
New Application - 5 year Licence	£187.00	£559.00	£746.00
New Application - 2.5 year Licence	£187.00	£585.00	£772.00
New Application - 1 year Licence	£330.00	£705.00	£1,035.00
Licence Renewal - 2.5 Years	£122.00	£501.00	£623.00
Licence Renewal - 1 Year	£122.00	£475.00	£597.00

#### Refunds Policy

A refund will be given if:

- You have made a duplicate application
- You made an application for an exempted property by mistake
- You made an application for a property which is not licensable under Portsmouth HMO licensing schemes

A refund will not be given if:

- You withdraw your application at any stage
- We refuse your application
- We revoke (take away) your licence
- You are subsequently refused planning permission for your HMO
- Your property ceases to be let as an HMO during the term of the licence (including if you sell your HMO during the term of the license).

**Risks identified:**

1. City Additional HMOs of 4,800 licences at Year 1 (2023/24) is our current best estimate
2. PCC awaits the HMO census results from Nov/Dec 2021 for a more accurate figure
3. For Model B The profile of landlord licencing from 1 Year, 2.5 Year or 5 Year is estimated in indicative fee proposals
4. Inflation is a challenge in calculating costs and levels of fee licence modelling

## HMO Licence Conditions

The licence holder must adhere to the following licence conditions. These conditions will be monitored by the Council, and inspections will be carried out to ensure these are being complied with during the period of the licence.

Failure to adhere to one or more of these licence conditions could result in formal proceedings against you, with an unlimited fine, a civil penalty and/or the loss of your licence. The Council may also consider whether it is appropriate to make a Management Order to take over management of the premises.

Compliance inspections will be carried out to ensure the premises is safe, free from disrepair and well maintained by using the Housing Health and Safety Rating System. Any issues found will be dealt with via the enforcement means available under the Housing Act 2004 (as amended) and other relevant legislation.

\*Indicates a mandatory condition prescribed by the Housing Act 2004.

Any reference to “on demand” means to provide, to the Council officer, the document within 14 days of the demand, unless otherwise stated by the Council officer.

### Licence Conditions to be applied to HMO Licences

1. \*The licence holder must ensure that:
  - the floor area of any room in the HMO used as sleeping accommodation by one person aged over 10 years is not less than 6.51 square metres;
  - the floor area of any room in the HMO used as sleeping accommodation by two persons aged over 10 years is not less than 10.22 square metres;
  - the floor area of any room in the HMO used as sleeping accommodation by one person aged under 10 years is not less than 4.64 square metres;
  - any room in the HMO with a floor area of less than 4.64 square metres is not used as sleeping accommodation.

The Licence Holder must notify the local housing authority in writing of any room in the HMO with a floor area of less than 4.64 square metres.

Any part of the floor area of a room in relation to which the height of the ceiling is less than 1.5 metres is not to be taken into account in determining the floor area of that room for the purposes of this condition.

2. The licence holder shall ensure that, where any room in the HMO is used as sleeping accommodation:
  - by persons aged over 10 years only, it is not used as such by more than the maximum number of persons aged over 10 years specified in the licence;

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

- by persons aged under 10 years only, it is not used as such by more than the maximum number of persons aged under 10 years specified in the licence;
  - by persons aged over 10 years and persons aged under 10 years, it is not used as such by more than the maximum number of persons aged over 10 years specified in the licence and the maximum number of persons aged under 10 years so specified.
3. The licence holder must rectify the breach within the specified period where;
- Any of the requirements imposed by conditions 1 and 2 relating to floor area have been breached in relation to the HMO,
  - The licence holder has not knowingly permitted the breach, and
  - The local housing authority have notified the licence holder of the breach,

The specified period means the period which is specified in the notification, which shall be not more than 18 months beginning with the date of the notification, unless otherwise stated.

4. The following rooms are to be occupied for sleeping purposes by no more than the number of persons stated below:

Room number on plan	Occupancy level
X	xxx

5. The following room(s) are NOT to be used as sleeping accommodation by any person:
6. The licence holder will provide to Portsmouth City Council (The Council) copies of the following documents on, or within, 2 weeks of each anniversary of the granting of this licence:
- a) \*A current certificate certifying the safety of the landlord's gas appliances and installations (if present)
  - b) A current certificate of service demonstrating the proper operation of the fire alarm system(s) (If required).
  - c) Details of visual inspection and testing of the fire alarm system by the licence holder.
  - d) A current certificate of service demonstrating the proper operation of the emergency lighting system (if present).
  - e) A current PAT certificate (electrical appliance safety certificate) for appliances provided by the landlord (if required).
7. With the exception of item (c) above, all these documents are to be provided by a competent person (for example a qualified Electrician who is a member of a recognised Electrical association , or a member of Gas Safe association with regards to gas safety certificates. A register of competent persons is available from: [www.competentperson.co.uk](http://www.competentperson.co.uk))

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

8. A copy of the following documents shall be displayed in the HMO to which all tenants have access:
  - a) this licence, and the conditions attached thereto;
  - b) the manager's contact details; and
  - c) The procedure for notifying the manager of any emergency and other complaints concerning the property and details of how the manager will address them.
  
9. Where the Licence Holder is out of the country for more than two weeks and for less than four weeks, there must be emergency arrangements in place for the tenants to be able to arrange emergency repairs. These arrangements must be provided to the tenant.

Where the Licence Holder is out of the country for more than four weeks at a time, there must be a named managing agent or alternative person who can arrange repairs. This person must be named on the application form and must be a "fit and proper" person. These arrangements must be provided to the tenant.

10. \*The licence holder must comply with any waste management scheme, introduced by the local housing authority in respect of the storage and disposal of the household waste from the property pending collection.

The Licence Holder must give new tenants information on disposing of all refuse and recycling in an appropriate manner and at the appropriate time including:

- The collection days for the refuse and recycling
- Details on what they can and cannot recycle
- How they can dispose of bulky waste and the penalties for fly tipping

The Licence Holder must ensure suitable and adequate provision is made available at the start of a tenancy for storage of refuse generated in the house.

The Licence Holder must make supplementary arrangements for the disposal of refuse from the house as may be necessary. The Licence Holder must ensure that at the end of each tenancy any rubbish or unwanted household goods left behind are removed and disposed of appropriately before the start of the next tenancy. In particular any rubbish or goods left in the front or back garden or the pavement in front of the property should be removed. Where the tenancy agreement places responsibility on the tenants for garden maintenance, the Licence Holder must provide for garden waste collection by purchasing appropriate bins and payment of collection charge.

11. Any alteration to the electrical wiring must be completed by a competent fully qualified Electrician as mentioned in section 6.
  
12. \*Ensure that a smoke alarm is installed on each storey of the house on which

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

there is a room used wholly or partly as living accommodation. The Licence Holder must keep all alarms in proper working order and supply the Council, on demand, with a declaration by him as to the condition and positioning of any such alarm.

13. \*The licence holder is required to ensure that the carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance and that these are kept in proper working order. Further, a licence holder will be required to supply the local housing authority, on demand, with a written declaration by him as to the condition and positioning of such alarm.
14. \*The licence holder is required to ensure that furniture made available by him in the house is in a safe condition. Further a licence holder will supply to the local housing authority on demand, with a written declaration by him of the safety of such furniture.
15. \*The licence holder is to ensure that every electrical installation in the house is in proper working order and safe for continued use; and to supply the authority, on demand, with a declaration by him as to the safety of such installations.

Ensure that an electrical installation condition report dated within the last five (5) years is submitted to the Council on application for a licence. If the current report expires during this licence term, ensure the new report is submitted. A valid electrical condition report must be in place for the property for the duration of the licence (there should be no gaps in between certificate dates). The report must detail the condition of the fixed electrical installation of the property, Carry out any remedial works identified on the report and submit evidence to the Council upon completion. The report must be issued in accordance with the latest edition of the BS7671 Regulations for Electrical Installations, as issued by the Institute of Electrical Engineers. The inspection, report and all electrical work must be undertaken by qualified electricians registered and assessed by a UKAS accredited Certification Body to A1.2 of the IET Electrotechnical Assessment Scheme. The register of competent persons is available from: [www.competentperson.co.uk](http://www.competentperson.co.uk)

16. \*Keep all electrical appliances made available to the occupants in a safe condition. On demand, the Licence Holder must submit to the Council a declaration by him as to the safety of such appliances.
17. At the start of each tenancy, occupants must be given appropriate fire safety advice regarding the means of escape in case of fire and other fire precautions. In particular, the importance of keeping fire doors closed and keeping the escape route clear, plus how to use the fire alarm system, fire extinguishers and fire blankets.
18. The licence holder is to ensure that the requirements of landlord and tenant legislation are properly adhered to. In particular, the licence holder will ensure that written terms of tenancy are to be provided for all occupiers. These terms



## Appendix 7 - Licence conditions for Houses in Multiple Occupation

will describe and give details of:

- a) The type of tenancy, its duration and terms of notice.
- b) The amount of rent due together with dates and method of payment, and the circumstances when the rent may be reassessed.
- c) The amount of deposit taken, how it is held and the terms for its return.
- d) An inventory of contents and condition at the commencement of the tenancy.
- e) The means of contacting the property owner and/or property manager to report repairs, etc.

The Licence Holder must, on demand, ensure that the Authority is provided with a copy of the written terms of tenancy described above\*.

19. The Licence Holder must ensure there is a record of all rent payments received in respect of the property. The record must cover the duration of the licence. Where rent is paid in cash or cheque, the occupant(s) must be given a written receipt for the rental payment stating the date of payment, amount paid and the name of the person who collected the payment. Where rent is paid via bacs, this will count as the record of rental payment. The Licence Holder must, on demand, ensure that the Council is provided with a copy of rent payment records.
20. The Licence Holder must ensure that references are requested from persons who wish to occupy the house and wherever possible, are obtained. When referencing consideration must be given to the tenant's history, credit and right to rent checks. The Licence Holder must, on demand, ensure that the Council is provided with a copy of any such references and records.
21. The licence holder (or the property manager) shall attend the property at frequent intervals. The frequency of the inspections should be at least every 6 months unless otherwise agreed by Portsmouth City Council and the licence holder. The purpose of inspections is to:
  - a) Ensure the proper management of the property;
  - b) Ensure compliance with The Management of Houses in Multiple Occupation (England) Regulations 2006, and any revisions thereto; and
  - c) Ensure the property is maintained in such a condition that category 1 hazards, within the meaning of Part 1 of the Housing Act 2004, are not present or quickly eliminated.
22. The licence holder will provide to the council copies of all the current tenancy agreement(s), and details of where any security deposit is held, on demand.
23. The licence holder is required to notify the Council of any changes to the property, including structural alterations, changes to the ownership or management, or events that may affect the fit and proper person status of the owner, licence holder or manager, which may affect the licence.

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

- The licence holder (or his manager) will attend the property as may be reasonably necessary for the purposes of inspection by the council.
24. The licence holder must provide the occupants of adjoining properties with appropriate contact details in case of an emergency or to enable them to inform the licence holder of problems affecting their properties.
  25. The Licence Holder must have a written procedure in place to undertake reasonable steps to resolve complaints of nuisance, noise, or anti-social behaviour perpetrated by his or her tenant(s)/occupier(s) or visitor(s) to the licensed premises. The Licence Holder must keep on file and have available for the council upon request, evidence that tenants have been made aware of appropriate behaviour and the procedures that he or she will follow should such issues occur.
  26. The Licence Holder must keep on file and have available for the council upon request, documented evidence of how he or she has followed his or her procedure relating to nuisance, noise, or anti-social where complaints have occurred
  27. The licence holder will work pro-actively and responsibly with all enforcement agencies in response to anti-social behaviour caused by tenants within the curtilage of the property and take all reasonable steps to prevent anti-social behaviour from within the boundaries of the property.
  28. The licence holder must inform the Council if they no longer reside at the address given and provide the Council with the new address details within 21 days.
  29. The licence holder must inform the Council if there is a change in managing agent, within 21 days.
  30. If the licence holder is a managing agent they must inform the Council if the person who is specified as the main contact ceases to be employed by them and inform the Council of a new contact, within 21 days.
  31. If the licence holder is a managing agent they must inform the Council if they cease to have an interest in the property, within 21 days.
  32. A written record of visual inspections of the property undertaken by the licence holder relating to the overall condition of the property and Management Regulations shall be maintained by the licence holder and produced to the council when requested.
  33. Produce to the local housing authority for their inspection a written copy of the Fire Risk Assessment. (Reviewed annually).
  34. The licence holder and/or manager shall attend a specified training course if and when required to do so by the Council. (The arrangements for this will be by negotiation, but an unreasonable failure to attend such a course will be a breach of the conditions of licence).

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

35. The licence holder is to ensure that any works carried out at the property are done so with due regard to the comfort of the occupying tenants.
  
36. Where an Energy Performance Certificate (EPC) is required for the HMO, on demand submit to the Council an energy performance certificate stating the property has a minimum energy efficiency standard of an E-rating. The person issuing the certificate must be an Approved Energy Assessor qualified to undertake such inspection and testing. If the property is exempt from the Minimum Energy Efficiency Standard, on demand provide details of the registered exemption.

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

### Guidance and Notes

This information is provided to assist the Licence Holder to understand his / her obligations and comply with the Licence Conditions.

### Planning permission, including listed building consent, and Building Regulations

The grant of an HMO licence does not give planning permission for use as a C4 HMO or sui generis HMO. It is the responsibility of the licence holder to ensure the property has the necessary planning permission for use as an HMO.

Where conditions require work to be undertaken, the licence holder must ensure that you seek the necessary approval from Building Control and Planning, including Listed Building Consent, prior to work commencing.

### Further guidance / information

The following appendices are provided to assist licence holders to understand their duties and comply with their duties:

1. Housing Act 2004 Schedule 5 – process and procedure for grant or refusal to grant licence
2. Reasons for licence conditions

The government website <https://www.gov.uk/renting-out-a-property> contains information for landlords including:

- Landlord responsibilities
- Financial responsibilities (including tax and mortgage permissions)
- Repairs

The government website [https://www.gov.uk/housing-local-and-community/rentedhousing-sector#guidance\\_and\\_regulation](https://www.gov.uk/housing-local-and-community/rentedhousing-sector#guidance_and_regulation) contains information for landlords on:

- How to let guide
- Model tenancy agreement
- Understanding the possession action process
- Universal credit
- Landlord and tenants' rights and responsibilities
- Housing Health and Safety Rating System guidance for landlords

### Penalties for non –compliance with licence conditions

Under the Housing Act 2004 s72(3) any failure to comply with these conditions may render the Licence Holder liable to prosecution and an unlimited fine upon conviction or a financial of up to £30,000 as an alternative to prosecution. Under the Housing Act 2004 Section 70(2)(a) the Licence may also be revoked. Appendix 1 provides notes from the Housing Act 2004.

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

Some conditions impose a duty on the Licence Holder which endures for the period of the Licence. Other conditions require a specific task or work to be done, which once completed, will discharge that obligation but the condition will remain as part of the Licence.

### Relevant legislation

Licence conditions are pursuant mainly to the following legislative authorities:

- Housing Act 2004 Section 67
- Schedule 4 of the Housing Act 2004
- The Management of Houses in Multiple Occupation (England) Regulations 2006 [SI 2006 No 372] or in the case of a Section 257 HMO then The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007 [SI 2007 No 1903]
- The Licensing and Management of Houses in Multiple Occupation (Miscellaneous Provisions) (England) Regulations 2006; Schedule 3 [SI 2006 No 373]

Further information regarding reasons for imposition of licence conditions is contained in Appendix 2.

### Definitions

Each Condition refers to the house named on the front page. In these Conditions:

'BS' and 'BS EN' mean a British Standard as published by the British Standards Institution.

'competent person' or 'competent' means a person properly qualified and accredited by the appropriate authority to install and/or inspect, test and certify the equipment, facility or utility.

'house' means the dwelling or residential accommodation at the address identified above for which this licence has been granted.

'HMO' means House in Multiple Occupation as defined by the Housing Act 2004.

'IEE regulations' means the latest edition of the Wiring Regulations published by Institution of Electrical Engineers (BS 7671).

'Licence Holder' means the person to whom this licence has been granted.

'obtain and submit to the Council' means that the Licence Holder must obtain a certificate from a competent person and forward a copy of it to the Private Sector Housing team at Guidhall, Portsmouth, PO1 2AL.

'on demand' means that the Licence Holder must provide the Customer Services Applications team or the named officer with a copy of the document if and when the Council requires it to be produced.

'provide' means that the Licence Holder must install the item mentioned as a fixture within the house and make its use freely available to the occupants of the house.

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

### APPENDIX 1: HOUSING ACT 2004 - SCHEDULE 5.

#### LICENCES UNDER PART 2 PROCEDURE AND APPEALS - GRANT OF LICENCES

##### Requirements before grant of licence

1 Before granting a licence, the local housing authority must-

(a) serve a notice under this paragraph, together with a copy of the proposed licence, on the applicant for the licence and each relevant person, and

(b) consider any representations made in accordance with the notice and not withdrawn.

2 The notice under paragraph 1 must state that the authority are proposing to grant the licence and set out-

(a) the reasons for granting the licence,

(b) the main terms of the licence, and

(c) the end of the consultation period.

3 (1) This paragraph applies if, having considered representations made in accordance with a notice under paragraph 1 or this paragraph, the local housing authority propose to grant a licence with modifications.

(2) Before granting the licence the authority must-

(a) serve a notice under this paragraph on the applicant for the licence and each relevant person, and (b) consider any representations made in accordance with the notice and not withdrawn.

4 The notice under paragraph 3 must set out-

(a) the proposed modifications,

(b) the reasons for them, and

(c) the end of the consultation period.

##### Requirements following grant of licence

7 (1) This paragraph applies where the local housing authority decide to grant a licence.

(2) The local housing authority must serve on the applicant for the licence (and, if different, the Licence Holder) and each relevant person-

(a) a copy of the licence, and

(b) a notice setting out-

(i) the reasons for deciding to grant the licence and the date on which the decision was made,

(ii) the right of appeal against the decision under Part 3 of this Schedule, and

(iii) the period within which an appeal may be made (see paragraph 33(1)).

(3) The documents required to be served under sub-paragraph (2) must be served within the period of seven days beginning with the day on which the decision is made.

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

8 (1) This paragraph applies where the local housing authority refuse to grant a licence.

(2) The local housing authority must serve on the applicant for the licence and each relevant person a notice setting out-

(a) the authority's decision not to grant the licence,

(b) the reasons for the decision and the date on which it was made,

(c) the right of appeal against the decision under Part 3 of this Schedule, and (d) the period within which an appeal may be made (see paragraph 33(1)).

(3) The notices required to be served under sub-paragraph (2) must be served within the period of seven days beginning with the day on which the decision is made.

### **Exceptions from requirements in relation to grant or refusal of licences**

9 The requirements of paragraph 3 (and those of paragraph 1) do not apply if the local housing authority-

(a) have already served a notice under paragraph 1 but not paragraph 3 in relation to the proposed licence, and

(b) consider that the modifications which are now being proposed are not material in any respect.

10 The requirements of paragraph 3 (and those of paragraph 1) do not apply if the local housing authority-

(a) have already served notices under paragraphs 1 and 3 in relation to the matter concerned, and

(b) consider that the further modifications which are now being proposed do not differ in any material respect from the modifications in relation to which a notice was last served under paragraph 3.

### **Meaning of "the end of the consultation period"**

12 (1) In this Part of this Schedule "the end of the consultation period" means the last day for making representations in respect of the matter in question.

(2) The end of the consultation period must be-

(a) in the case of a notice under paragraph 1 or 5, a day which is at least 14 days after the date of service of the notice; and

(b) in the case of a notice under paragraph 3, a day which is at least 7 days after the date of service of the notice.

(3) In sub-paragraph (2) "the date of service" of a notice means, in a case where more than one notice is served, the date on which the last of the notices is served.

### **Meaning of "licence" and "relevant person"**

13 (1) In this Part of this Schedule "licence" means a licence under Part 2 or 3 of this Act.

(2) In this Part of this Schedule "relevant person", in relation to a licence under Part 2 or 3 of this Act, means any person (other than a person excluded by sub-paragraph (3))

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

- (a) who, to the knowledge of the local housing authority concerned, is-
    - (i) a person having an estate or interest in the HMO or Part 3 house in question, or
    - (ii) a person managing or having control of that HMO or Part 3 house (and not falling within sub-paragraph (i)), or
  - (b) on whom any restriction or obligation is or is to be imposed by the licence in accordance with section 67(5) or 90(6).
- (3) The persons excluded by this sub-paragraph are- (a) the applicant for the licence and (if different) the Licence Holder, and (b) any tenant under a lease with an unexpired term of 3 years or less.

### **Right to appeal against refusal or grant of licence**

31 (1) The applicant or any relevant person may appeal to a First-Tier Tribunal (Property Chamber) against a decision by the local housing authority on an application for a licence-

- (a) to refuse to grant the licence, or
- (b) to grant the licence.

(2) An appeal under sub-paragraph (1)(b) may, in particular, relate to any of the terms of the licence.

### **Time limits for appeals**

33 (1) Any appeal under paragraph 31 against a decision to grant, or (as the case may be) to refuse to grant, a licence must be made within the period of 28 days beginning with the date specified in the notice under paragraph 7 or 8 as the date on which the decision was made

(3) A First-Tier Tribunal (Property Chamber) may allow an appeal to be made to it after the end of the period mentioned in sub-paragraph (1) if it is satisfied that there is a good reason for the failure to appeal before the end of that period (and for any delay since then in applying for permission to appeal out of time)

### **Powers of First-Tier Tribunal (Property Chamber) hearing appeal**

34 (1) This paragraph applies to appeals to a First-Tier Tribunal (Property Chamber) under paragraph 31 or 32.

(2) An appeal-

- (a) is to be by way of a re-hearing, but
- (b) may be determined having regard to matters of which the authority were unaware.

(3) The tribunal may confirm, reverse or vary the decision of the local housing authority

(4) On an appeal under paragraph 31 the tribunal may direct the authority to grant a licence to the applicant for the licence on such terms as the tribunal may direct.



## Appendix 7 - Licence conditions for Houses in Multiple Occupation

### APPENDIX 2: REASONS FOR LICENCE CONDITIONS

The following information is provided to explain the reasons for licence condition.

#### NUMBER OF OCCUPANTS AND HOUSEHOLDS

When deciding whether to grant a licence, the Housing Act 2004 s64(3)(a) requires the authority to be satisfied that the house is reasonably suitable for occupation by not more than the maximum number of households or persons either specified in the application form or other maximum number decided by the authority

#### MANDATORY LICENCE CONDITIONS

The Housing Act 2004 s67(3) states that all licences include the conditions required by Schedule 4 of the Housing Act 2004. The authority has no discretion on these conditions. These licence conditions are denoted by the \* by the condition title or in the text.

#### DISCRETIONARY LICENCE CONDITIONS

The Housing Act 2004 s67(1) permits the authority to include conditions that the authority consider appropriate to regulate the management, use and occupation of the house concerned and its' condition and contents and under s67(2):

Those conditions may, in particular, include (so far as appropriate in the circumstances)—

- (a) conditions imposing restrictions or prohibitions on the use or occupation of particular parts of the house by persons occupying it;
- (b) conditions requiring the taking of reasonable and practicable steps to prevent or reduce anti-social behaviour by persons occupying or visiting the house;
- (c) conditions requiring facilities and equipment to be made available in the house for the purpose of meeting standards prescribed under section 65;
- (d) conditions requiring such facilities and equipment to be kept in repair and proper working order;
- (e) conditions requiring, in the case of any works needed in order for any such facilities or equipment to be made available or to meet any such standards, that the works are carried out within such period or periods as may be specified in, or determined under, the licence;
- (f) conditions requiring the Licence Holder or the manager of the house to attend training courses in relation to any applicable code of practice approved under section 233.

All HMO licences have conditions numbers 1 through 36. Portsmouth City Council considers it necessary to add these conditions to all HMO licences either as a mandatory condition and to regulate the management, use and occupation of the house concerned and its' condition and contents. This is to ensure that HMOs do not give rise to one or more particular problems either for those occupying the HMOs or for members of the public.

When determining the maximum number of permitted occupants or households, the authority can add conditions under s67(2)(c) to make the house suitable for that permitted number of occupants or households. Normally, these conditions are added following inspection of the HMO and require the landlord to provide additional amenities and / or facilities. These will appear in the licence conditions appended to the 36 standard conditions.

## Appendix 7 - Licence conditions for Houses in Multiple Occupation

The authority may further add property specific conditions to regulate the management, use, occupation and condition and contents. Normally, this is where there have been identified breaches of the Management Regulations or to resolve specific issues with antisocial behaviour identified at the property. These will appear in the licence conditions appended to the 36 standard conditions.

## **Portsmouth City Council**

### **Criteria for approved accreditation bodies**

Portsmouth City Council recognises that good performance and practices by landlords and agents should be supported and encouraged through appropriate accreditation schemes and the provision of information and education. Local and national bodies who accredit landlords and agents which support professional behaviour and foster best practice in the sector, should be visible, promoted, and encouraged.

Accrediting bodies that can demonstrate they meet the following criteria will be recognised by Portsmouth City Council, promoted through the Councils website for the benefit of landlords, agents, and tenants, and the Council will work proactively with such accrediting bodies to offer benefits to their accredited members.

### **Landlord accrediting bodies**

For Accrediting bodies there is a requirement that the scheme includes the following criteria for their accreditation candidates:

1. Accredited Landlords/ agents agree to provide written tenancy agreements for all new tenancies.
2. Accredited Landlords/ agents agree that all deposits received are protected using an approved Tenancy Deposit Protection scheme.
3. A code of practice must be signed by each accredited Landlord/ agent. (See appendix 1 for the minimum requirements that must be included in the code of practice).
4. A “*Fit and Proper Person declaration*” or equivalent terms covered in the code of practice must be signed by each accredited Landlord/ agent. (See appendix 1 for the minimum requirements that must be included in the fit and proper person declaration or code of practice).
5. A commitment that accredited Landlords/ agents will undertake regular training (at least annually) and provision of information which means the accrediting organisation requires their member to keep up to date with new legal requirements relevant to renting out a property; suggested areas to cover:
  - Property Standards
  - Management
  - HMOs
  - Licensing
  - Tenancy Law
  - Provide updates on new laws.
6. There is a written complaints process for tenants to raise concerns about the property they live in and any associated services provided.

### **For agent accrediting bodies (in addition to the above requirements)**

7. Accredited agents must be members of an approved Agents Redress Scheme and scheme membership publicised.

8. Accredited agents must meet minimum Trading Standards requirements – i.e. Members comply with the Competition and Markets Authority Guidance for Letting Professionals.

**All accrediting bodies must ensure:**

9. They meet equalities legislative requirements – i.e. no discriminatory statements.
10. That their overall scheme requirements and organisation appear “legal” (NB this does not underwrite statements the organisation may have made).
11. There is a monitoring procedure in place to ensure compliance with accreditation rules. This may include random or routine assessments. On demand, the accrediting body must be able to provide the Council with written evidence of such monitoring.
12. There is a disciplinary procedure to deal with complaints which should ultimately include removal of member accreditation and retraction of permission to use associated branded material.
13. Provide the accredited landlord or agent with written evidence of their accredited status, along with a unique reference number.
14. That tenants are made aware, and can check that, a landlord or agent is accredited with the accrediting body.

If an accreditation body wishes to be recognised by Portsmouth City Council they should contact [psh@portsmouthcc.gov.uk](mailto:psh@portsmouthcc.gov.uk) supplying evidence of meeting the criteria outlined above. If an accreditation body is found not to meet the above criteria Portsmouth City Council will provide details of the reasons for this determination.

Portsmouth City Council will regularly review approved Accreditation bodies and can at any time revoke approval of such schemes, providing details of the reasons for this decision.

Portsmouth City Council has no legal obligation to recognise accreditation schemes and reserves the right to refuse or suspend association with any such schemes as it sees fit.

## **Appendix 1**

### **Fit and Proper Person Declaration**

#### **Minimum fit and proper person declaration required for each accredited landlord:**

I declare that I am a fit and proper person to be accredited in that neither I nor any person associated or formerly associated with me, have any unspent convictions that are relevant to my application.

- I have never committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements).
- I have never practiced unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in, or in connection with, the carrying on of any business.
- During the last 5 years I have not contravened any provision of the law (whether criminal or civil) relating to housing or landlord and tenant law, or been refused a licence under parts 2 and 3 of the Housing Act 2004. (HMO licences and selective licensing of other accommodation).
- During the last 5 years I have not acted in contravention of any relevant code of practice issued under section 233 of the Housing Act 2004 (management of HMO).

This declaration can be incorporated into the relevant code of practice.

### **Code of Practice**

#### **Minimum code of practice required:**

Accreditation bodies must have a code of practice which should include as a minimum the following general terms. Exact words and phrases may differ, but the following terms should be reflected in the overall code of conduct:

#### **Compliance**

Accredited members must make all reasonable efforts to remain familiar, and comply, with all relevant statutory and regulatory requirements.

Accredited members must take all reasonable steps to assist the accrediting body in investigating any allegations of misconduct or breaches of their code of practice.

#### **Honest Conduct**

Accredited members must act in all business dealings, whether directly related to the letting or management of residential property or not, in an honest fashion. They shall not knowingly mislead, misrepresent, or deceive members of the public.

All advertising and marketing material must be clear, legal and truthful. It must not aim to mislead, give a false impression or misdirect.

### **Equal Treatment**

Accredited members must not discriminate in dealings with members of the public or third parties. No individuals shall be excluded from access to employment, accommodation, or other business dealings or receive less favourable treatment based on any protected characteristics as defined by the Equality Act 2010.

### **Tenancy management**

Accredited members shall provide tenants with a written statement of the terms of their occupancy. These terms should be provided far enough in advance of the proposed commencement of any occupancy to allow prospective tenants to seek relevant advice, and accredited members should assist their prospective tenants with understanding the terms of occupancy.

Accredited members shall promptly acknowledge receipt of all communications received from their tenants or their representatives.

Accredited members shall provide relevant contact details for the management of emergencies

Accredited members must attend to all matters of disrepair reported to them without unreasonable delay.

Accredited members must take all reasonable steps to ensure that residential property remains fit for human habitation for the duration of any tenancy.

Accredited members shall ensure that they, or their representatives, do not harass their tenant or undertake any action that would constitute illegal eviction of their tenant.

When seeking to end a tenancy, the accredited member shall ensure they, or their representatives, are following the correct legal procedure to bring the agreement to an end.

Members shall not refuse to provide a tenant with a reference for the purposes of securing a new tenancy without good cause.

### **Breach of the Code of Practice**

If a complaint or allegation against an accredited member are found to constitute a breach of the Code of conduct, the accrediting body will apply appropriate sanctions. (These sanctions should be proportionate to the breach, and may vary from warnings, audits, improvement plans, and in the most serious breaches removal of member accreditation).

# Integrated Impact Assessment (IIA)

Integrated impact assessment (IIA) form December 2019

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

The integrated impact assessment is a quick and easy screening process. It should:

- identify those policies, projects, services, functions or strategies that could impact positively or negatively on the following areas:
  - Communities and safety
  - Regeneration and culture
  - Environment and public space
  - Equality & - Diversity - This can be found in Section A5

**Directorate:**

Housing, Neighbourhoods, and Buildings

**Service, function:**

Private Sector Housing

**Title of policy, service, function, project or strategy (new or old) :**

Additional Licensing of Houses of Multiple Occupation (HMOs)

**Type of policy, service, function, project or strategy:**

- Existing
- New / proposed
- Changed

**What is the aim of your policy, service, function, project or strategy?**

To consider the introduction of additional licensing control of HMOs in the City.

Has any consultation been undertaken for this proposal? What were the outcomes of the consultations? Has anything changed because of the consultation? Did this inform your proposal?

A statutory 10 week consultation was held between 23 May to 2 August 2022. The results showed that the respondents to the consultation were overall in support of introducing an additional licensing scheme in the city. Respondents provided views on a number of aspects of the proposed scheme which have been taken into account. This has led to changes being made to the proposed licensing model, fee structure, and related policies.

## A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

### A1-Crime - Will it make our city safer?

In thinking about this question:

- How will it reduce crime, disorder, ASB and the fear of crime?
- How will it prevent the misuse of drugs, alcohol and other substances?
- How will it protect and support young people at risk of harm?
- How will it discourage re-offending?

If you want more information contact [Lisa.Wills@portsmouthcc.gov.uk](mailto:Lisa.Wills@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-spp-plan-2018-20.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

Currently the data does not indicate a strong correlation between HMOs and police reported crimes, therefore at this stage it is no anticipated that this proposal will have an impact on crime in the city.

How will you measure/check the impact of your proposal?

## A - Communities and safety

Yes

No

Is your policy/proposal relevant to the following questions?

### A2-Housing - Will it provide good quality homes?

In thinking about this question:

- How will it increase good quality affordable housing, including social housing?
- How will it reduce the number of poor quality homes and accommodation?
- How will it produce well-insulated and sustainable buildings?
- How will it provide a mix of housing for different groups and needs?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/psh-providing-affordable-housing-in-portsmouth-april-19.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?



indicates that HMOs may not be managed very effectively by some HMO landlords or agents and that significant proportion of HMOs in the city may have significant hazards. If it is decided that further controls of HMOs is to be introduced this would result in more HMOs being licensed and inspected, which is likely to improve the living conditions for tenants living in poor quality HMOs in the city.

How are you going to measure/check the impact of your proposal?

If additional licensing controls are proposed as a result of the public consultation, measures will be put into place to record the inspections of HMOs and the outcomes of these inspections.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A3-Health** - Will this help promote healthy, safe and independent living?



In thinking about this question:

- How will it improve physical and mental health?
- How will it improve quality of life?
- How will it encourage healthy lifestyle choices?
- How will it create healthy places? (Including workplaces)

If you want more information contact [Dominique.Letouze@portsmouthcc.gov.uk](mailto:Dominique.Letouze@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cons-114.86-health-and-wellbeing-strategy-proof-2.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

The proposal is to consider introduction of additional licensing of HMOs. The data currently available to the Council indicates that HMOs may not be managed very effectively by some HMO landlords, this includes waste issues from HMOs, and potentially some landlords not meeting their legal obligations for managing HMOs such as having annual gas safety checks. If it is determined that further controls of HMOs is required this could result in more HMOs being licensed and inspected, which is likely to improve the living conditions for tenants living in poor quality HMOs in the city, and address some issues experienced by the local community such as waste problems (where HMOs aren't adequately storing waste and putting their waste out for collection on the correct days for example - this can be managed through HMO license conditions).

How are you going to measure/check the impact of your proposal?

If additional licensing controls are proposed as a result of this, measures will be put into place to record the success of such a scheme in address these issues.

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A4-Income deprivation and poverty**-Will it consider income deprivation and reduce poverty?



In thinking about this question:

- How will it support those vulnerable to falling into poverty; e.g., single working age adults and lone parent households?
- How will it consider low-income communities, households and individuals?
- How will it support those unable to work?
- How will it support those with no educational qualifications?

If you want more information contact [Mark.Sage@portsmouthcc.gov.uk](mailto:Mark.Sage@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-homelessness-strategy-2018-to-2023.pdf>  
<https://www.portsmouth.gov.uk/ext/health-and-care/health/joint-strategic-needs-assessment>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**A - Communities and safety**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**A5-Equality & diversity** - Will it have any positive/negative impacts on the protected characteristics?

In thinking about this question:

- How will it impact on the protected characteristics-Positive or negative impact (Protected characteristics under the Equality Act 2010, Age, disability, race/ethnicity, Sexual orientation, gender reassignment, sex, religion or belief, pregnancy and maternity, marriage and civil partnership,socio-economic)
- What mitigation has been put in place to lessen any impacts or barriers removed?
- How will it help promote equality for a specific protected characteristic?

If you want more information contact [gina.perryman@portsmouthcc.gov.uk](mailto:gina.perryman@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-equality-strategy-2019-22-final.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B1-Carbon emissions** - Will it reduce carbon emissions?

In thinking about this question:

- How will it reduce greenhouse gas emissions?
- How will it provide renewable sources of energy?
- How will it reduce the need for motorised vehicle travel?
- How will it encourage and support residents to reduce carbon emissions?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cmu-sustainability-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

**Yes**

**No**

Is your policy/proposal relevant to the following questions?

**B2-Energy use** - Will it reduce energy use?

In thinking about this question:

- How will it reduce water consumption?
- How will it reduce electricity consumption?
- How will it reduce gas consumption?
- How will it reduce the production of waste?

If you want more information contact [Triston.thorn@portsmouthcc.gov.uk](mailto:Triston.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

<https://democracy.portsmouth.gov.uk/documents/s24685/Home%20Energy%20Appendix%201%20-%20Energy%20and%20water%20at%20home%20-%20Strategy%202019-25.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B3 - Climate change mitigation and flooding**-Will it proactively mitigate against a changing climate and flooding?

In thinking about this question:

- How will it minimise flood risk from both coastal and surface flooding in the future?
- How will it protect properties and buildings from flooding?
- How will it make local people aware of the risk from flooding?
- How will it mitigate for future changes in temperature and extreme weather events?

If you want more information contact [Tristan.thorn@portsmouthcc.gov.uk](mailto:Tristan.thorn@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-surface-water-management-plan-2019.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/cou-flood-risk-management-plan.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B4-Natural environment**-Will it ensure public spaces are greener, more sustainable and well-maintained?

In thinking about this question:

- How will it encourage biodiversity and protect habitats?
- How will it preserve natural sites?
- How will it conserve and enhance natural species?

If you want more information contact [Daniel.Young@portsmouthcc.gov.uk](mailto:Daniel.Young@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-solent-recreation-mitigation-strategy-dec-17.pdf>

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B5-Air quality** - Will it improve air quality?

In thinking about this question:

- How will it reduce motor vehicle traffic congestion?
- How will it reduce emissions of key pollutants?
- How will it discourage the idling of motor vehicles?
- How will it reduce reliance on private car use?

If you want more information contact [Hayley.Trower@portsmouthcc.gov.uk](mailto:Hayley.Trower@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/env-aq-air-quality-plan-outline-business-case.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**B - Environment and climate change**

Yes

No

Is your policy/proposal relevant to the following questions?

**B6-Transport** - Will it improve road safety and transport for the whole community?

In thinking about this question:

- How will it prioritise pedestrians, cyclists and public transport users over users of private vehicles?
- How will it allocate street space to ensure children and older people can walk and cycle safely in the area?
- How will it increase the proportion of journeys made using sustainable and active transport?
- How will it reduce the risk of traffic collisions, and near misses, with pedestrians and cyclists?

If you want more information contact [Pam.Turton@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/travel/local-transport-plan-3>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**B7-Waste management** - Will it increase recycling and reduce the production of waste?

In thinking about this question:

- How will it reduce household waste and consumption?
- How will it increase recycling?
- How will it reduce industrial and construction waste?

If you want more information contact [Steven.Russell@portsmouthcc.gov.uk](mailto:Steven.Russell@portsmouthcc.gov.uk) or go to:

<https://documents.hants.gov.uk/mineralsandwaste/HampshireMineralsWastePlanADOPTED.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C1-Culture and heritage** - Will it promote, protect and enhance our culture and heritage?

In thinking about this question:

- How will it protect areas of cultural value?
- How will it protect listed buildings?
- How will it encourage events and attractions?
- How will it make Portsmouth a city people want to live in?

If you want more information contact [Claire.Looney@portsmouthcc.gov.uk](mailto:Claire.Looney@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/pln-portsmouth-plan-post-adoption.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**C - Regeneration of our city**

Yes

No

Is your policy/proposal relevant to the following questions?

**C2-Employment and opportunities** - Will it promote the development of a skilled workforce?

In thinking about this question:

- How will it improve qualifications and skills for local people?
- How will it reduce unemployment?
- How will it create high quality jobs?
- How will it improve earnings?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

Is your policy/proposal relevant to the following questions?

**C3 - Economy** - Will it encourage businesses to invest in the city, support sustainable growth and regeneration?

In thinking about this question:

- How will it encourage the development of key industries?
- How will it improve the local economy?
- How will it create valuable employment opportunities for local people?
- How will it promote employment and growth in the city?

If you want more information contact [Mark.Pembleton@portsmouthcc.gov.uk](mailto:Mark.Pembleton@portsmouthcc.gov.uk) or go to:

<https://www.portsmouth.gov.uk/ext/documents-external/cou-regeneration-strategy.pdf>

Please expand on the impact your policy/proposal will have, and how you propose to mitigate any negative impacts?

How are you going to measure/check the impact of your proposal?

**Q8 - Who was involved in the Integrated impact assessment?**

Clare Hardwick - Head of Private Sector Housing

**This IIA has been approved by:** James Hill

**Contact number:** 023 9283 4223

**Date:** 19/10/2022





**THE PORTSMOUTH CITY COUNCIL DESIGNATION OF AN AREA FOR  
ADDITIONAL LICENSING OF HOUSES IN MULTIPLE OCCUPATION 2022 -  
SECTION 56, HOUSING ACT 2004.**

Portsmouth City Council in exercise of its powers under Section 56 of the Housing Act 2004 ("the Act") hereby designates for Additional Licensing of Houses in Multiple Occupation ("HMOs") the area described in paragraph 4.

**CITATION, COMMENCEMENT AND DURATION**

1. This designation may be cited as the Portsmouth City Council Designation for an Area for Additional Licensing of Houses in Multiple Occupation 2022.
2. This designation is made on 22 November 2022 and shall come into force on 1<sup>st</sup> September 2023.
3. This designation shall cease to have effect on 31<sup>st</sup> August 2028 or earlier if the Council revokes the scheme under section 60 of the Act.

**AREA TO WHICH THE DESIGNATION APPLIES**

4. This designation shall apply to the whole of the area in Portsmouth City Council's district as delineated and edged in black on the map at Appendix A.

**APPLICATION OF THE DESIGNATION**

5. This designation applies to all HMOs of the description specified in Appendix B within the area described in paragraph 4 unless;
  - a. The building is of a description specified in Appendix C (Buildings that are not HMOs for the purpose of the Act - other than Part 1);
  - b. The HMO is subject to an Interim or Final Management Order under Part 4 of the Act;
  - c. The HMO is subject to a Temporary Exemption Notice under Section 62 of the Act; or
  - d. The HMO is required to be licensed under Section 55 (2) (a) of the Act (Mandatory Licensing of HMOs).

**EFFECT OF THE DESIGNATION**

6. Subject to sub paragraphs 5(a) to (d) every HMO of the description specified in that paragraph in the area specified in paragraph 4 shall be required to be licensed under section 61 of the Act.

## Appendix 10 - Designation

7. The Portsmouth City Council will comply with the notification requirements contained in section 59 of the Act and shall maintain a register of all houses registered under this designation, as required under section 232 of the Act.

This Designation is given general approval by the Cabinet of Portsmouth City Council.

This designation falls within a description of designations in relation to which the Secretary of State has given a general approval under Section 58 of the Housing Act 2004, namely The Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodations (England) General Approval 2015 which came into force on the 1<sup>st</sup> April 2015.

### **Date and authentication by the Council**

Signed

James Hill - Director of Housing, Neighbourhoods and Building Services

An officer authorised by The Portsmouth City Council

**Appendix A - Paragraph 4: Map of Designated Area**



**Appendix B - Paragraph 5: HMOs subject to the designation**

The designation applies to all HMOs as defined by Section 254 of the Act that are occupied by 3 or more persons comprising two or more households, and HMOs as defined in Section 257 of the Act.

**APPENDIX C - Buildings which are not HMOs for the purposes of this designation**

The following paragraphs list buildings which are not houses in multiple occupation for any purposes of this Act other than those of Part 1.

In this Schedule "building" includes a part of a building.

***Buildings controlled or managed by public sector bodies etc.***

A building where the person managing or having control of it is:-

- a) a local housing authority;
- b) a non-profit registered provider of social housing;
- c) a body which is registered as a social landlord under Part 1 of the Housing Act 1996;
- d) a police and crime commissioner;
- e) the Mayor's Office for Policing and Crime;
- f) a fire and rescue authority under the Fire and Rescue Services Act 2004;  
or
- g) a health service body within the meaning of section 9 of the National Health Service Act 2006.

A building: -

Which is social housing within the meaning of Part 2 of the Housing and Regeneration Act 2008, and where the person managing or having control of it is a profit-making registered provider of social housing.

***Buildings controlled or managed by a co-operative society***

A building where:-

the person managing or having control of it is a co-operative society whose rules are such as to secure that each of the conditions set out in sub-paragraph (2) is met, and no person who occupies premises in the building does so by virtue of an assured tenancy, a secure tenancy or a protected tenancy.

The conditions are:-

- a) that membership of the society is restricted to persons who are occupiers or prospective occupiers of buildings managed or controlled by the society;
- b) that all management decisions of the society are made by the members (or a specified quorum of members) at a general meeting which all members are entitled to, and invited to, attend;
- c) that each member has equal voting rights at such a meeting; and
- d) that, if a person occupies premises in the building and is not a member, that person is an occupier of the premises only as a result of sharing occupation of them with a member at the member's invitation.

"co-operative society" means a body that is registered as a co-operative society under the 2014 Act or is a pre-commencement society (within the meaning of that Act) that meets the condition in section 2(2)(a)(i) of that Act, and is neither:-

- a) a non-profit registered provider of social housing; nor
- b) registered as a social landlord under Part 1 of the Housing Act 1996.

In this paragraph: -

"the 2014 Act" means the Co-operative and Community Benefit Societies Act 2014; "assured tenancy" has the same meaning as in Part 1 of the Housing Act 1988; "protected tenancy" has the same meaning as in the Rent Act 1977; and

"secure tenancy" has the same meaning as in Part 4 of the Housing Act 1985.

### ***Buildings regulated otherwise than under this Act***

Any building whose occupation is regulated otherwise than by or under this Act and which is of a description specified for the purposes of this paragraph in regulations made by the appropriate national authority.

### ***Buildings occupied by students***

Any building: -

- a) which is occupied solely or principally by persons who occupy it for the purpose of undertaking a full-time course of further or higher education at a specified educational establishment or at an educational establishment of a specified description; and
- b) where the person managing or having control of it is the educational establishment in question or a specified person or a person of a specified description.

In sub paragraph a) "specified" means specified for the purposes of this paragraph in regulations made by the appropriate national authority.

Sub-paragraph (4) below applies in connection with any decision by the appropriate national authority as to whether to make, or revoke, any regulations specifying:-

- a) a particular educational establishment; or
- b) a particular description of educational establishments.

**Sub Paragraph (4)** The appropriate national authority may have regard to the extent to which, in its opinion: -

- a) the management by or on behalf of the establishment in question of any building or buildings occupied for connected educational purposes is in conformity with any code of practice for the time being approved under section 233 which appears to the authority to be relevant; or
- b) the management of such buildings by or on behalf of establishments of the description in question is in general in conformity with any such code of practice, as the case may be.

In sub-paragraph (4) above "occupied for connected educational purposes", in relation to a building managed by or on behalf of an educational establishment, means occupied solely or principally by persons who occupy it for the purpose of undertaking a full-time course of further or higher education at the establishment.

### ***Buildings occupied by religious communities***

Any building which is occupied principally for the purposes of a religious community whose principal occupation is prayer, contemplation, education or the relief of suffering.

This paragraph does not apply in the case of a converted block of flats to which section 257 applies.

### ***Buildings occupied by owners***

## Appendix 10 - Designation

Any building which is occupied only by persons within the following paragraphs:-

- a) one or more persons who have, whether in the whole or any part of it, either the freehold estate or a leasehold interest granted for a term of more than 21 years;
- b) any member of the household of such a person or persons; and
- c) no more than such number of other persons as is specified for the purposes of this paragraph in regulations made by the appropriate national authority.

This paragraph does not apply in the case of a converted block of flats to which section 257 applies, except for the purpose of determining the status of any flat in the block.

### ***Buildings occupied by two persons***

Any building which is occupied only by two persons who form two households.

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## Public Notice - Portsmouth City Council

### DESIGNATION OF AN AREA FOR ADDITIONAL LICENSING

#### Section 56, Housing Act 2004

The Portsmouth City Council (“the Council”) in exercise of powers under section 56 of the Housing Act 2004 (“the Act”) hereby designates for additional licensing the whole of the area in its district, as delineated in black on Map 1. The designation falls within a description of designations for which the Secretary of State has issued a General Approval dated 26 March 2015 and was approved by the Councils Cabinet in a decision taken on the 22 November 2022. The designation applies to all Houses in Multiple Occupation (“HMOs”) that are privately rented and occupied by three or more persons forming two or more households under one or more tenancies or licences unless it is an HMO that is subject to mandatory licensing under section 55(2)(a) of the Act or is subject to any statutory exemption.

This designation was made on 22<sup>nd</sup> November 2022 and may be cited as the Portsmouth City Council Designation of an Area for Additional Licensing. The designation shall come into force on 1 September 2023 and shall cease to have effect on 31 August 2028 or earlier if the Council revokes the scheme under section 60 of the Act.

This Designation is made by Portsmouth City Council, Guildhall, Portsmouth, Hampshire PO1 2AL; tel. [023 9284 1659](tel:02392841659) or by email to [HMOLicensing@portsmouthcc.gov.uk](mailto:HMOLicensing@portsmouthcc.gov.uk). The designation may be inspected by appointment at the following address during office hours: Private Sector Housing, Portsmouth City Council, Guildhall, Portsmouth, Hampshire PO1 2AL.

Applications for licences under the designation can be made at:  
[www.portsmouth.gov.uk/services/housing/landlords/](http://www.portsmouth.gov.uk/services/housing/landlords/)

If you are a landlord, managing agent or a tenant and wish to enquire whether your property is affected by this designation you are advised to seek advice from the Council’s Private Sector Housing Licensing Team.

If you require further information regarding this designation or to apply for a licence, further assistance and advice is available from the Council’s Private Sector Housing Licensing Team:

Website: [www.portsmouth.gov.uk/services/housing/landlords/](http://www.portsmouth.gov.uk/services/housing/landlords/)

Email: [HMOLicensing@portsmouthcc.gov.uk](mailto:HMOLicensing@portsmouthcc.gov.uk)

Telephone: [023 9284 1659](tel:02392841659)

By writing to: Private Sector Housing, Portsmouth City Council, Guildhall, Portsmouth, Hampshire PO1 2AL.

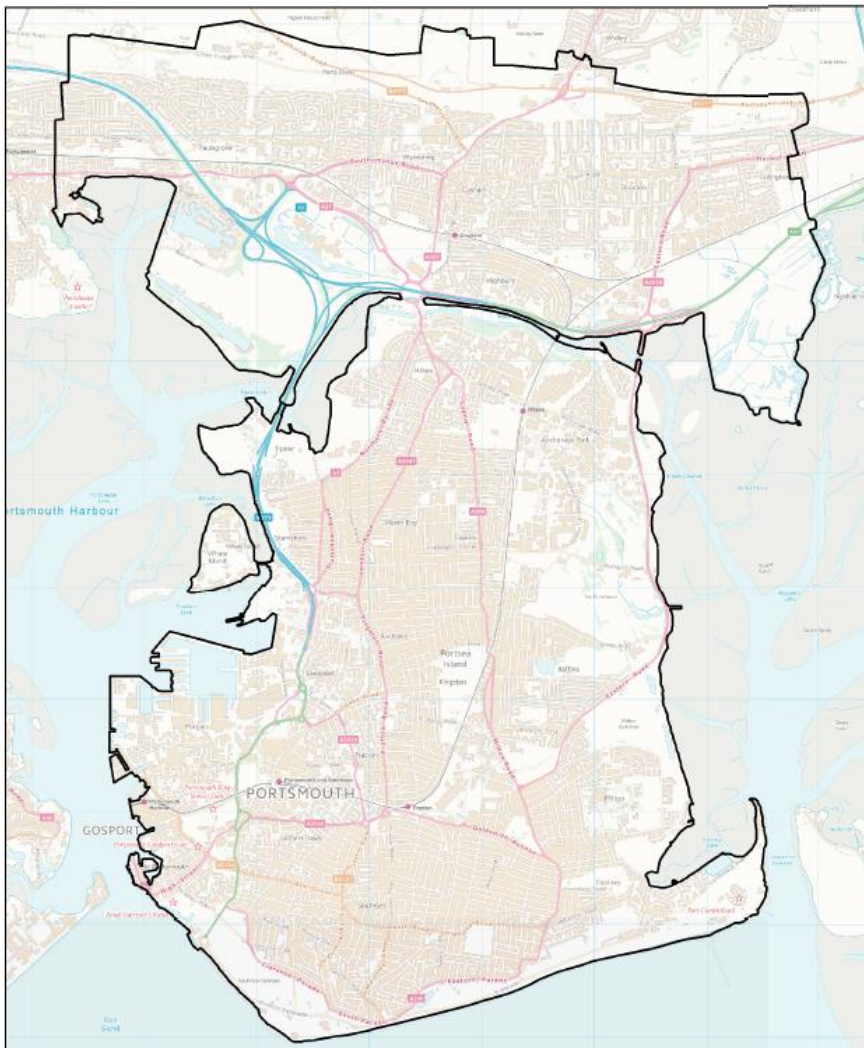
**Consequences of failing to licence a HMO that is required to be licensed –**  
upon the designation coming into force a person commits an offence if they are a person having control or managing a HMO which is required to be licensed under

this Additional Licensing Designation but is not so licensed and will be liable to prosecution. On conviction, a Court may impose an unlimited fine. The Council may, as an alternative to prosecution, impose a financial penalty of up to £30,000. The tenant(s) and/or the Council may also apply to the First-Tier Tribunal (Residential Tribunal) for a rent repayment order. No section 21 notice (Housing Act 1988 (recovery of possession on termination of shorthold tenancy)) may be given in relation to a shorthold tenancy of a part of an unlicensed HMO so long as it remains such an HMO. The Council may also make an Interim Management Order, whereby the Council would take management control of the unlicensed HMO.

Signed

**James Hill: Director for Housing Neighbourhoods and Buildings, Portsmouth City Council**

Map of Designated Area



The following document was produced by Portsmouth City Council and released on 23<sup>rd</sup> May 2022 as part of the 10-week statutory consultation process.

This document details:

- Why the authority believe 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 problems whether for those occupying the HMOs or for members of the public.
- How the proposed designation would significantly assist the authority in dealing with the problems identified.
- What other options have been considered that might provide an effective method of dealing with the problems or problems in question.
- Why exercising the proposed designation would be consistent with the authorities overall housing strategy (Alignment with the Private Rental Sector Strategy 2021-2026).

It should be noted that the following document outlines details of the proposed scheme at the start of the consultation process in May 2022. As a result of the consultation process, taking into account the feedback received, some of the details of the proposed scheme may now differ, as outlined in the Cabinet report of 22<sup>nd</sup> November 2022. The above listed details however, regarding the council's considerations for proposing the designation have not materially changed as a result of the consultation.

# Additional Licensing Scheme Consultation Document

Portsmouth City Council

May 2022

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5.0 The Licensing Process

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8.0 What other options have been considered?

9.0 Alignment with the Private Rental Sector Strategy 2021-2026

Appendix 1 - Map of proposed additional licensing designation area

Appendix 2 - Proposed Standards for Houses in Multiple Occupation

Appendix 3 - Proposed License Conditions

Appendix 4 - Risk assessment

Appendix 5 - Private Rental Sector Strategy 2021-2026

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Appendix 7 - Proposed Private Sector Housing Enforcement Policy

## **Executive Summary**

Approximately 25% of the Private Rental Sector (PRS) in Portsmouth are Houses in Multiple Occupation (HMOs). Data available to the council indicates that up to 6,000 dwellings in Portsmouth are potentially HMOs.

We want all Portsmouth housing to meet suitable standards of maintenance, to be managed professionally and to a high standard. Under current laws, the council can only licence around 20% of the estimated 6,000 HMOs in Portsmouth. Additional licensing allows the council to designate that the whole city or part of its area should be subject to additional licensing controls. It may also choose to licence many different types of HMO including purpose-built flats and buildings which have been poorly converted in the past.

Through the current mandatory HMO licensing scheme the council have found upon inspection that approximately one third of HMOs in the city have significant hazards, which present potential health and safety issues to the occupants. HMOs are the cheapest rental option in the PRS and those living in them are often on the lowest incomes. National studies have shown tenants on a low income and living in poor conditions are unlikely to report disrepair issues to the local authority due to fear of retaliatory eviction, the financial strain this could cause in potential rent increases or having to find alternative accommodation, and the sense that they cannot afford better conditions elsewhere. This is reflected in the shared housing survey recently conducted by the council.

Licensing enables the council to set a common policy across all HMOs so that all landlords work to the same standards and that poorer properties are improved over a five year time frame. The aim of the additional licensing scheme is:

- To protect private rented tenants of HMOs from poorly managed and maintained properties.

The consultation document sets out the context of HMO licensing against the background of the council's Private Rented Sector Housing Strategy 2021-2026 and the proposal to consult on additional HMO licensing.

The document contains a description of the types of HMO we are intending to licence and how the proposed licensing scheme will work for applicants.

It is our intention to extend HMO licensing to all shared properties with three or more tenants and other self-contained flat type HMOs which are currently excluded from mandatory licensing. Proposed Licensing fees are included in the appendices.

A risk assessment has been carried out and it is believed that the risks to the council from introducing the scheme are manageable.

We welcome your feedback on these proposals.

## 1.0 Introduction

### 1.1 Consultation

This document seeks your views on Portsmouth City Council's plans to designate a city wide Discretionary Additional Houses in Multiple Occupation (HMO) Licensing scheme under Part 2 of the Housing Act 2004.

We want to hear your views about the proposal to introduce further HMO licensing in the city. If you are a tenant, resident, landlord, letting agent or a business living or operating in the area you could be affected by the proposals outlined in the document. If you live or operate outside of the proposed licensing area and might be indirectly affected by the proposal, we would also like to hear your views.

Local authorities are required to conduct a full consultation when considering the implementation of an additional licensing scheme. Our consultation is being carried out over a 10 week period from the 23<sup>rd</sup> May 2022 to the 31<sup>st</sup> July 2022.

### How to respond

We want to know what you think about our proposal by 31<sup>st</sup> July 2022. To let us know your thoughts, please complete our online survey which you can view at:

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

Or return a survey form to:

Private Sector Housing (Additional Licensing Scheme)

Floor 1 Core 4, Civic Offices

Portsmouth

PO1 2AL

Hard copies of the survey will be made available at the help desk in the Civic Offices, Guildhall Square, Portsmouth from May-July, subject to national COVID-19 restrictions:

You may like to attend one of our live drop-in events, Find the details and more information at:

[www.portsmouth.gov.uk](http://www.portsmouth.gov.uk)

## 1.2 Portsmouth's Private Rented Sector Strategy

The council introduced a new Private Rental Sector Strategy in January 2021. This strategy includes wider aims to: To achieve an active and well-functioning private rental sector which works fairly for all, and for the private rental sector to be seen as a desirable type of tenure which meets the needs of those who use it, with support being focussed on those who need it most. Implementing an additional licensing scheme was included as a proposed action as part of this strategy and sits within the council's wider objectives for making more good quality homes available for our residents. This consultation is in line with the commitments of the Private Rental Sector Strategy.

## 1.3 Mandatory and Additional HMO Licensing

The Housing Act 2004 introduced for the first time mandatory licensing for all properties falling under its definition of house in multiple occupation (HMO). This allowed local authorities to regulate the physical and amenity conditions, layout and management standards of certain shared properties usually of three or more storeys. This definition was expanded in 2018 to include any property let privately to five or more individuals (including children) forming more than one household, irrespective of the number of storeys. Landlords are obliged to apply for a license for all property meeting this HMO criteria within their local authority. A failure to do so can lead to prosecution or a civil penalty fine of up to £30,000.

Additional licensing allows a local authority (subject to public consultation) to licence a much wider range of HMOs within its area. This includes flats in purpose-built blocks, three or four person HMOs and poorly converted flats where less than two thirds of the flats are owner occupied. This latter type are known as section 257 HMOs. In the case of Portsmouth, mandatory HMOs (around 1,200 properties) make up approximately 20% of the total HMOs that could be potentially licensed, the others being non-licensable either because they have less than five residents, or they are in purpose built blocks or they are section 257 HMOs.

## 1.4 Background of Houses in Multiple Occupation Licensing in Portsmouth

The city council previously operated an additional licensing scheme for HMOs from 27 August 2013 to 27 August 2018. This meant that all HMOs, regardless of size, within postcode areas PO1, PO4 and PO5 were required to have a license issued by the Council's Private Sector Housing service. Over the five-year period of the scheme, 2184 licences were issued to landlords of HMOs. Legally, any renewal of additional licensing required evidence that it had failed to deal with the problem that led to its introduction in the first place. This evidence was inconclusive at that time and therefore the scheme ceased in August 2018.

In October 2018, two months after the end of the additional licensing scheme, The Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018 changed the statutory criteria for Mandatory Licensing of HMOs, meaning that more properties were required to be licenced. This was reported to the Cabinet on 04 December 2018.



Since 2018 the city council has operated the statutory licencing schemes only for HMOs, with oversight from the HMO (now PRS) Governance Board. Throughout this time the board, and officers, have monitored the reports of issues within HMOs.

### 1.5 Types of HMOs in Portsmouth

There are a variety of HMO types across Portsmouth. Broadly they fall into the following categories:

- Traditional type bedsit HMO often containing a small kitchen but possibly sharing a bathroom elsewhere in the property often occupied by single persons.
- Shared houses or flats in multiple occupation; these are the most common type of HMO in Portsmouth.
- The third group are loosely, hostels and hotels taking single people or those placed there by the council or other council's as temporary accommodation. These are not to be confused with short term let properties advertising rooms for rent on a nightly basis. There are some properties where both short term lets and nightly letting take place simultaneously.
- Guardian Properties. In these properties, occupiers are issued a licence to "look after" an empty building, often commercial in origin whilst plans are made for redevelopment or sale. These properties may become HMOs if more than three tenants occupy the premises.
- The final type of HMO is converted blocks of flats where the conversion does not meet relevant building standards and less than least two third of the flats are owner occupied. All flat conversions undertaken before 1991 will fall into this category subject to the occupation rule as will some converted after this date if they do not meet the building regulation standards. This does not apply to purpose-built blocks. These are known as section 257 HMOs.

## 2.0 The legislative framework

### 2.1 Selective and additional licencing

The Housing Act 2004 enables local authorities to designate areas as subject to licencing. There are two types of discretionary licencing schemes; Additional licencing and Selective Licencing. A description of the two types of licencing, and the legal frameworks are provided below. If a scheme is designated all relevant properties within the designation area must be licenced and it is the responsibility of the landlord to ensure they are compliant with the scheme. The term 'discretionary' is due to the local authority's power to choose to implement and consult on such schemes.

#### What is Selective Licencing?

The Housing Act 2004 gives council's the powers to introduce selective licensing schemes for all privately rented properties in designated areas for a period of up to five years. A selective licensing designation can only be made if the designated area has a high proportion of properties in the private rented sector and is experiencing one or more of the following criteria:

- Low housing demand (or is likely to become such an area)
- A significant and persistent problem caused by anti-social behaviour
- High levels of crime
- Poor property conditions
- High levels of migration
- High levels of deprivation

Selective licensing looks to regulate all private rented accommodation within a defined area, using robust licence conditions.

The council considered the introduction of selective licensing in the Private Rental Sector Strategy 2021-2026 and concluded that the data was unclear to justify such action.

### **What is additional licensing?**

Sections 56 and 57 of the Housing Act 2004 provide local authorities with the power to designate areas as being subject to an additional licensing scheme, in relation to some or all of the houses in multiple occupation (HMO) in that area which are not already subject to mandatory HMO licensing. A HMO is any property (house or flat) occupied by three or more people comprising two or more households who share facilities (kitchen, bathroom and/or toilet) and occupy the property as their only or main residence, even if they are all friends and occupy the property on a single tenancy.

It can also include converted blocks of flats known as section 257 HMOs as previously described. The nature of these properties is that they may contain any number of different residents including leaseholders, freeholders and tenants. Ownership and control of such properties can be complex with right to manage companies, letting agents, managing agents and absentee owners all of whom may have some interest in how a property is run. Licensing provides a means by which a single party takes responsibility for the property and has responsibility to ensure that it is managed effectively.

The other significant feature of these HMOs is that the fire precautions will by definition be lacking or not up to the standards of an average new building property because they were converted prior to the 1991 building regulations (or subsequently but were never made compliant) which required structural fire safety precautions to a higher standard. Retrospective smoke detectors, fire alarms and emergency lighting may be required.

In 2010, a general approval was issued to enable local authorities to designate additional licensing schemes in their area without the Government's approval, provided there is a minimum 10 week consultation period. Once the designation is in force there must be a period of three months before it can come into operation.

## 2.2 What must the local authority consider in implementing an additional licensing scheme

In applying an additional licensing scheme, the local authority must:

- Consider that a significant proportion of the HMOs (that will be subject to the proposed designation) 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.
- Consider whether there are any other courses of action available to them that might provide an effective method of dealing with the problem or problems in question.
- Consider that the making of the designation will significantly assist them to deal with the problem or problems

Any additional licensing scheme must form part of the local authority's housing strategy and seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties, and anti-social behaviour affecting private rented property. This has to be combined with other courses of action available to the local authority and those available to other persons.

HMOs statistically present significantly greater risks to tenant's health and safety than comparable single occupancy dwellings. Living in such conditions can also have a significant impact on the mental health and wellbeing of the occupants.

For many people in this situation, their housing choices are limited due to socioeconomic status and availability of suitable alternative accommodation. Local housing allowance caps have meant that for some, shared accommodation is the only affordable option. Issues such as a lack of community cohesion due to high turnover of tenancies can also be problem, especially where property management issues are present. Primarily, additional licensing in Portsmouth would look to address issues related to property management and conditions.

## 2.3 Types of HMO that may be subject to Licensing

Mandatory licensed houses in multiple occupation can broadly be defined as a property that is occupied by five or more occupants forming more than one household, and where those persons share facilities, and are exempt from additional licensing regulation.

Following an assessment of the evidence, it is proposed that additional licensing will cover the full range of licensable HMO premises across Portsmouth. The proposed additional licensing scheme would apply city wide to all houses in multiple occupation (HMO) that are privately rented and occupied under a tenancy or licence

but fall outside the remit of the existing mandatory HMO licensing scheme. This would include:

- HMOs that meet the standard test, self-contained flat test or converted building test in section 254 Housing Act 2004 and are occupied by three or four persons comprising two or more households;
- HMOs that comprise a purpose-built flat occupied by three or more persons comprising two or more households that is situated in a block comprising three or more self-contained flats, commonly these will include HMOs in mansion blocks, other purpose-built blocks and council blocks; and
- Larger section 257 HMOs.

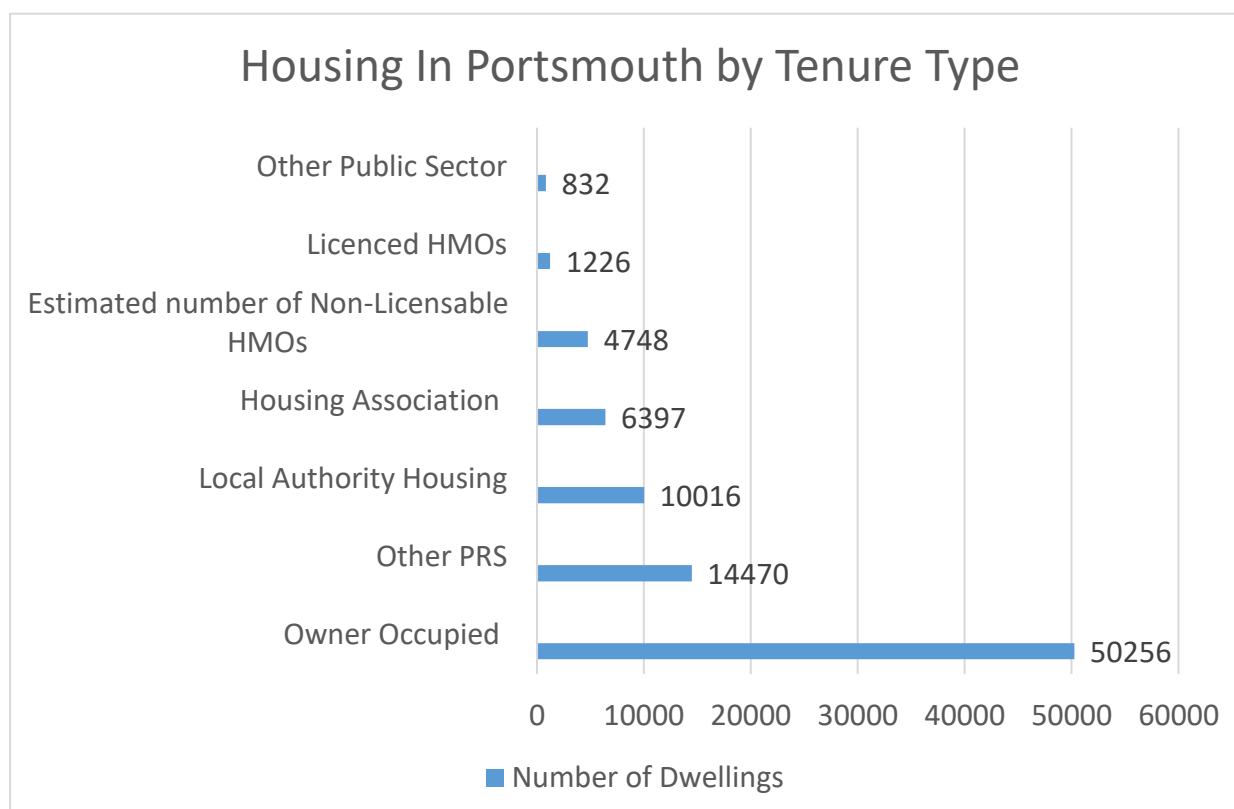
Further details may be found in section 4 of this document

### 3.0 The evidential base to support an additional licensing scheme

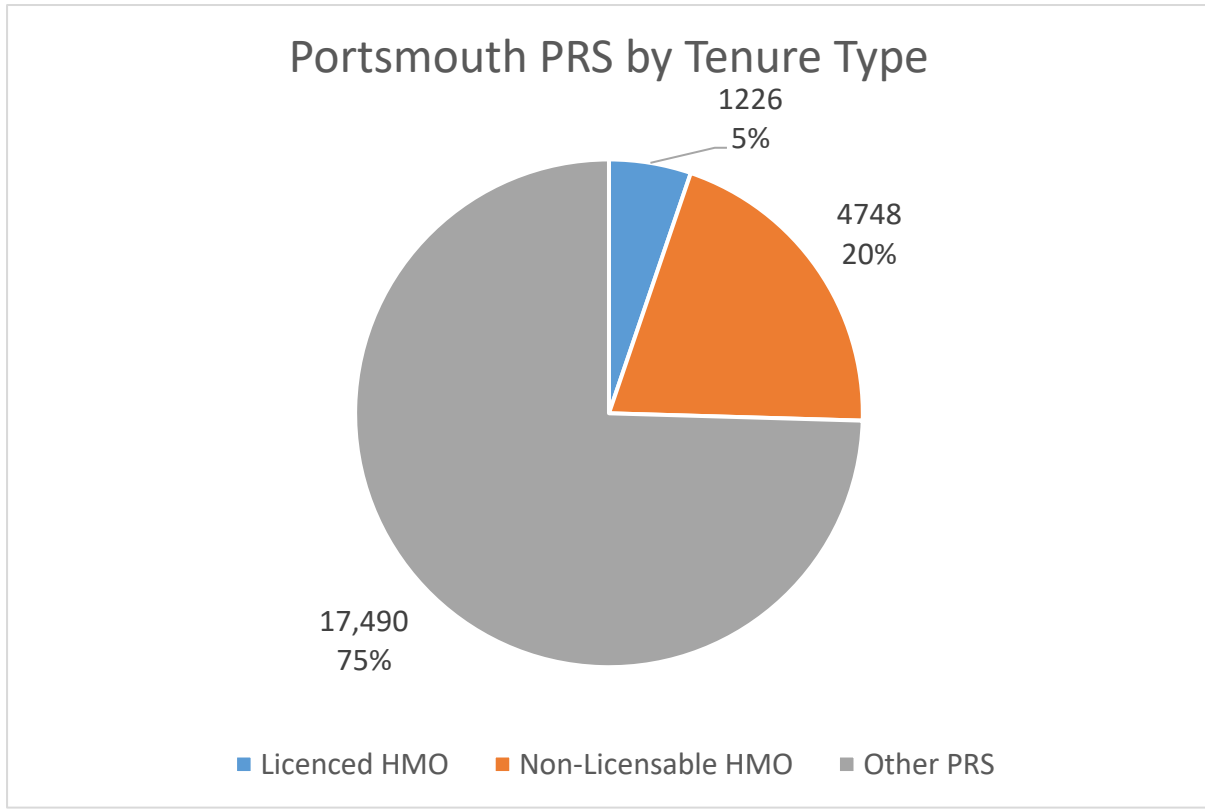
#### 3.1 Housing Tenure in Portsmouth

All the figures in the data presented below are based on the current known number of licenced HMO properties in Portsmouth, currently 1,226 properties, and uses data obtained by the Building Research Establishment (BRE) to indicate the total number of non-licensable HMOs in Portsmouth, believed to be 4,700 properties. The total number of HMOs in the city is therefore believed to be approximately 6,000.

The following table shows the breakdown of the tenure types in Portsmouth.

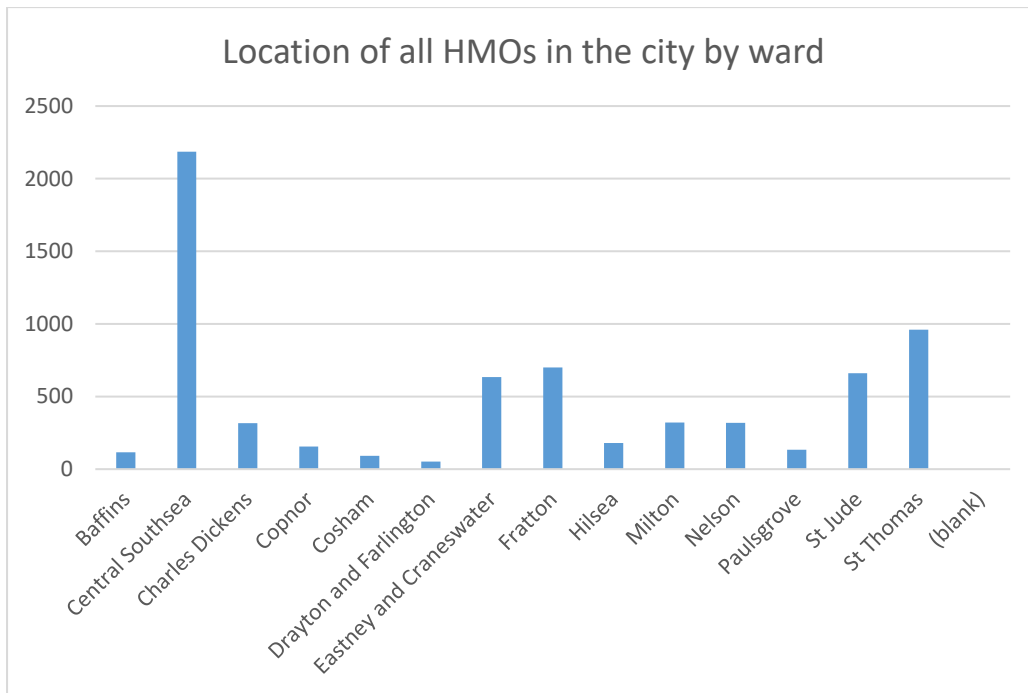


HMOs account for approximately 25% of the total Private Rental Sector (PRS) in Portsmouth.



Of the total Private Rental Sector 5% is made up of Licensed HMOs, and 20% are HMOs which currently do not require a mandatory license. It is estimated that 80% of HMOs in the city do not currently require a license.

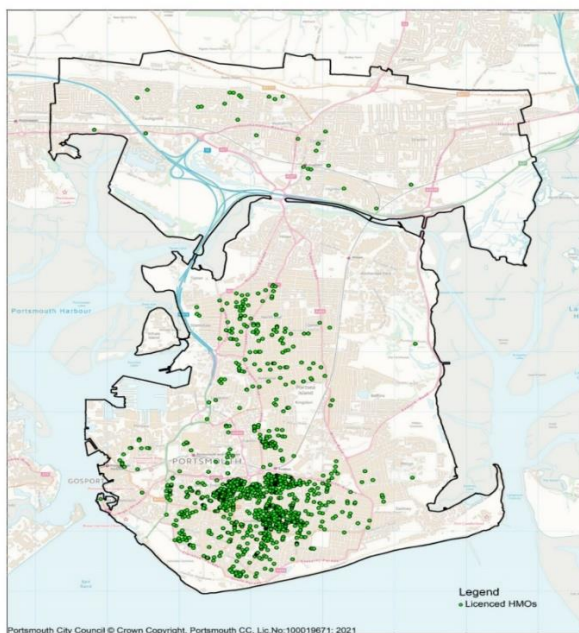
### 3.2 Location of HMOs in the City



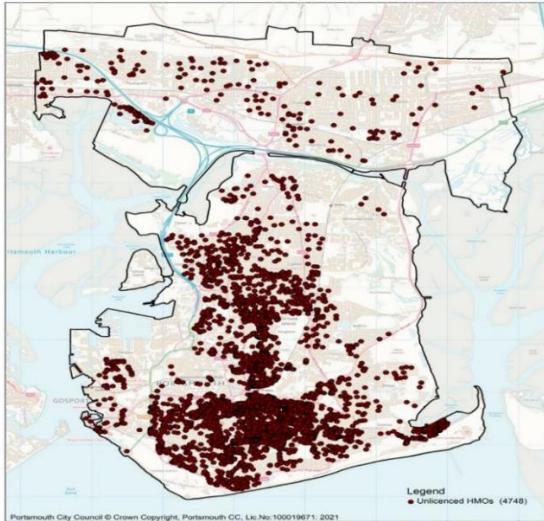
The wards with the highest numbers of HMOs in the City are Central Southsea, St Thomas, Fratton, St Jude, and Eastney and Craneswater.

The following maps show a visual representation of the location of HMOs in City.

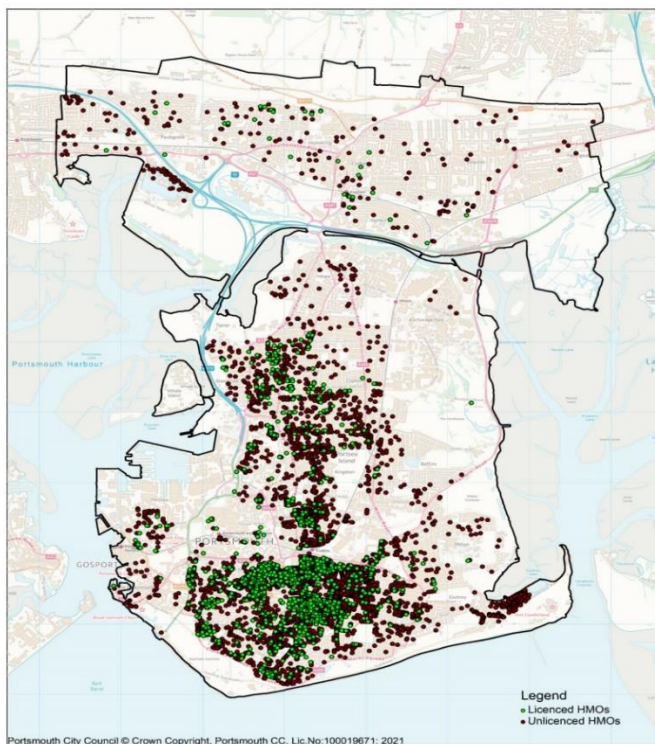
The first map shows the location of current mandatory licensed HMOs in the city.



The second map shows the location of estimated non-licensable HMOs in the city.



The following map provides a combined visual location of all HMOs in Portsmouth.



### 3.4 Student occupied HMOs

Approximately 28,000 students attend The University of Portsmouth, some of whom live in the private rented sector in Portsmouth, including HMOs. It is not possible to ascertain the exact number of students who live in the PRS in Portsmouth as the university do not collect data on the tenure of housing that every student lives in.

It is possible to identify the number of student occupied HMOs in city, although there are some limitations to this. The majority of HMOs occupied by students are solely occupied by students, and in these cases the property will have a council tax exemption and are therefore identifiable through council tax data. However, some HMOs will contain a mix of students and non-students. In this situation, it is only possible to identify a HMO as being student occupied when the property is occupied by only one person who is not full time student, as the Council tax team in this scenario record the property as student occupied, with a single person discount. Any HMOs occupied by 4 students, and 2 tenants who are not full-time students for example, cannot be identified through council tax records.

To count as a full-time student, if the student is 20 years of age or over, the course must involve at least 21 hours study per week and last at least 24 weeks of an academic or calendar year. If a student is studying a qualification up to A level and is under 20 years of age, the course must: last at least 3 months and involve at least 12 hours study per week.

Information obtained from the University shows the below number of students who reside in halls of residence:

2018/19: 4272

2019/20: 4314

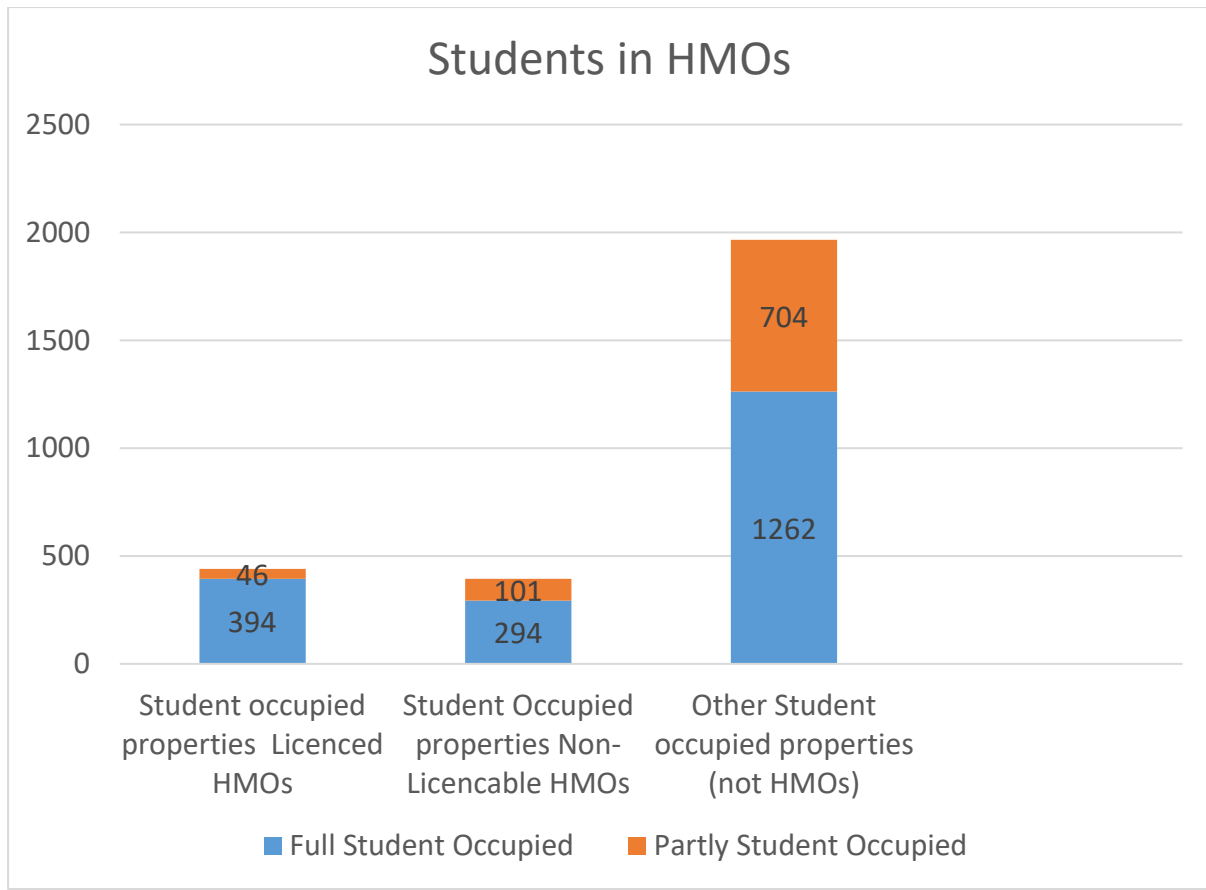
2020/21: 4030

2021/22: 3262

*"It may be helpful to note that the statistics provided for the current year to date will not include students who arrive in January and reside in halls from January to June, who are included in the other years listed above. It may also be helpful to note that these figures include all students who resided in halls, whether for the full academic year or a shorter duration".*

The below graph shows the number of properties in the city identified through Council tax records as being student occupied HMOs in Portsmouth, compared with other tenure types not including halls of residence or purpose built student accommodation:





Source: Council Tax Student Exempt and Discounted Data October 2021

According to Council Tax data regarding student occupied dwellings, not including halls of residence or purpose built student accommodation, there are 2801 student dwellings in Portsmouth. Of the 835 student occupied HMOs, 53% are currently licensed through the Councils mandatory licensing scheme. Overall student occupied properties represent approximately 3% of the total housing tenure in the city.

The following map provides a visual representation of the location of HMOs occupied by students in the city.



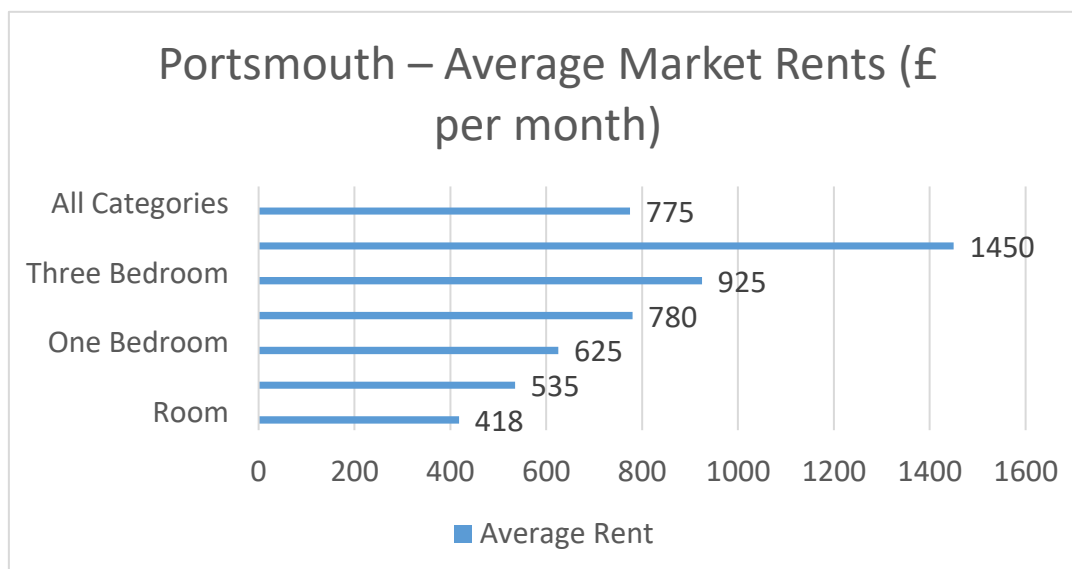
### 3.5 Living conditions for HMO tenants

HMOs provide an important accommodation option for a variety of people and are required for a variety of reasons. Typically, the following groups of people may live in a HMO:

- Students (including further education, undergraduates, postgraduates, overseas and language schools)
- Unemployed people - either single or couples/ families
- People who move to an area for work, seasonal or transient/contract workers
- Residents in hostels/refugees
- People with special social needs- with live in carers or social workers
- Migrant workers
- Older house sharers who cannot afford to buy or rent their own property
- Lodgers
- People on bail/ fleeing domestic violence/refugees
- Newly homeless people/people who are being re-habilitated back into the community
- Local Housing Allowance (housing benefits) claimants
- Staff supplied with accommodation as part of their job, for example hotel, restaurant or hospitality workers
- Trainee and recently qualified medical staff

- Young professionals and recent graduates
- Young non-professionals

The following table shows the average market rents in Portsmouth.



Source: Valuation Office Agency – (Lettings Information Database, Office for National Statistics.) Median monthly private rental price in England, by local authorities and bedroom category, 1 April 2020 to 31 March 2021

HMOs are the cheapest rental option in the PRS and those living in them are often on the lowest incomes. National studies have shown that tenants on a low income and living in poor conditions are unlikely to report disrepair issues to the local authority due to fear of retaliatory eviction, the financial strain this could cause in potential rent increases or having to find alternative accommodation, and the sense that they cannot afford better conditions elsewhere. This reluctance to report poor living conditions in the lowest income properties means that the true extent of disrepair in non-licensable HMOs is unknown.

#### Hazards Identified in HMOs

The housing health and safety rating system (HHSRS) is a risk-based evaluation tool to help local authorities identify and protect against potential risks and hazards to health and safety from any deficiencies identified in dwellings. It was introduced under the Housing Act 2004 and applies to residential properties in England and Wales.

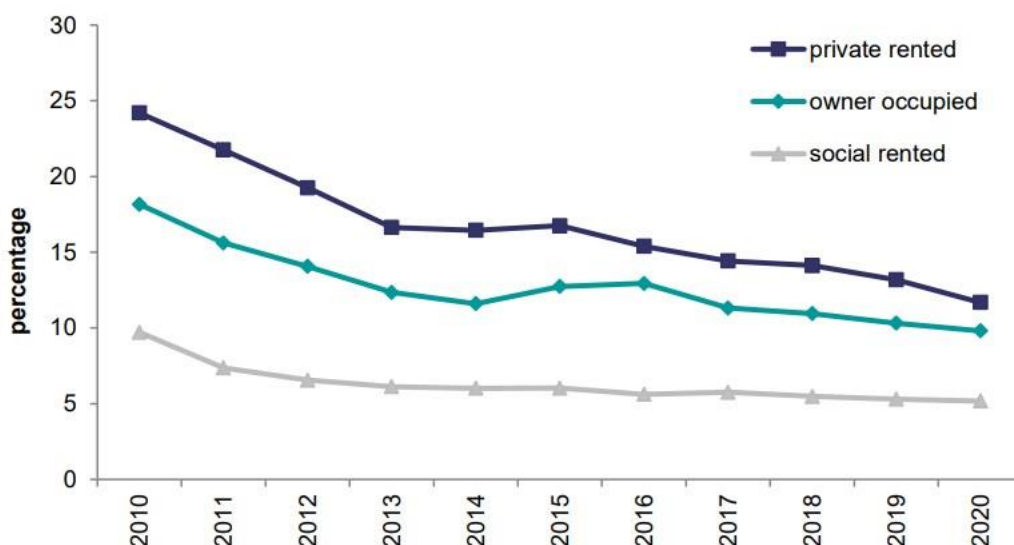
This assessment method focuses on the hazards that are present in housing, and categorises them as either Category 1 hazards (being the most serious which local authorities must take action to address when identified), and Category 2 Hazards

which present a less severe risk. Tackling these hazards make housing healthier and safer to live in.

National data from the English Housing Survey 2020-21 indicates that approximately 12% of properties in the private rental sector have Category 1 hazards.

### English Housing Survey 2020-21

#### Homes with Category 1 Hazards, by tenure, 2010 to 2020



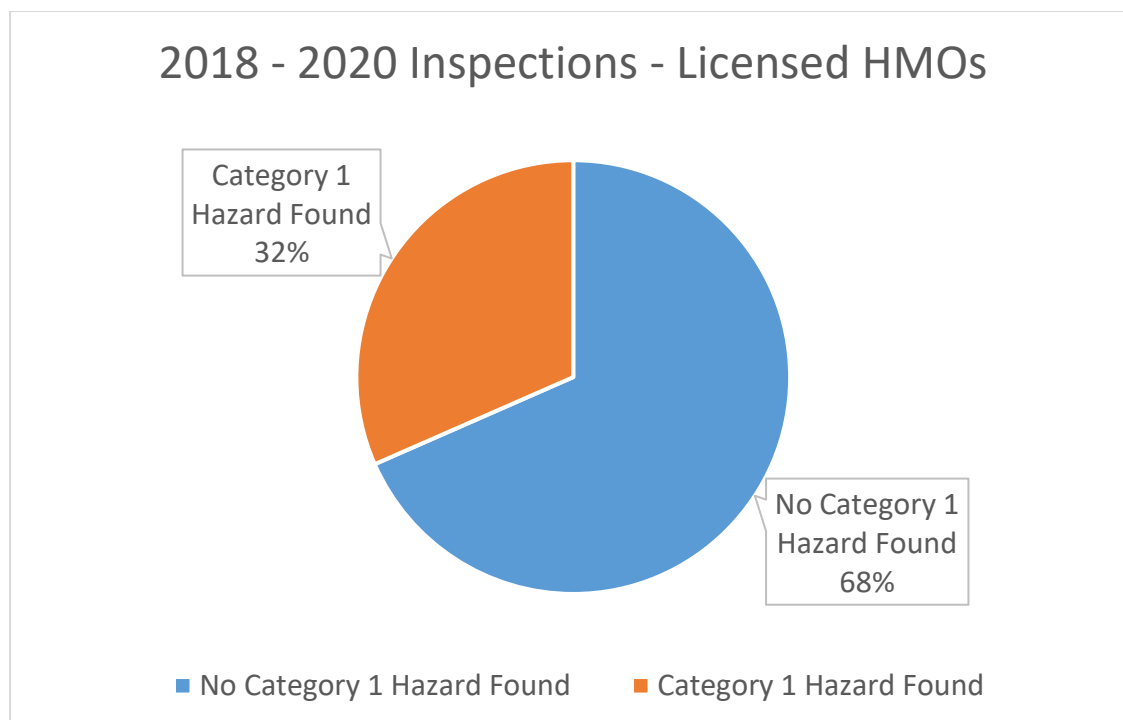
**Notes:**

- 1) 2020 figures are estimated based on 2018 and 2019 figures
- 2) Underlying data are presented in Annex Table 2.4

**Sources:**

- 2010-2019: English Housing Survey, dwelling sample
- 2020: English Housing Survey, modelled data including vacant dwellings

Findings from the councils Private Sector Housing teams inspections for mandatory licensed HMO, based on inspections taken place between 2018 and 2020, suggested that a significantly higher percentage of Category 1 hazards have been identified in licensed HMOs in the city:



This data suggests a higher proportion of hazards are likely to exist in HMOs in the city compared with other PRS properties. Currently only 20% of the estimated number of HMOs in the city are licensed. Given the economics of scale, significant hazards are likely to be identified in a significantly high proportion of the other 80% of HMOs in the city not currently licensed, particularly as a large majority of these non-licensed HMOs will have had no inspection by the council before.

#### Landlord compliance

Based on national data, it is estimated that there are 11,000 landlords operating in Portsmouth. We know from research included in the City Councils Private Rental Sector Strategy, approved in January 2021, that the vast majority of landlords rent their properties on a small scale and are not a landlord as a main profession.

A survey of landlords conducted as part of the PRS strategy found that 57% of landlords in Portsmouth own just 1 or 2 properties and have invested in them for what they describe as a "pension-plan". 18% of landlords describe themselves as becoming landlords through circumstance, perhaps through inheritance or merging of two families, sometimes referred to as "accidental" landlords. A further 18% of landlords described themselves as a "one man band" business. Only 5% of landlords who responded to the survey identified themselves as running on a large scale commercial basis.

It is likely therefore that a significant number of landlords in the city, including those letting HMOs, may not be abreast of all current legislative requirements and how to manage their properties accordingly.

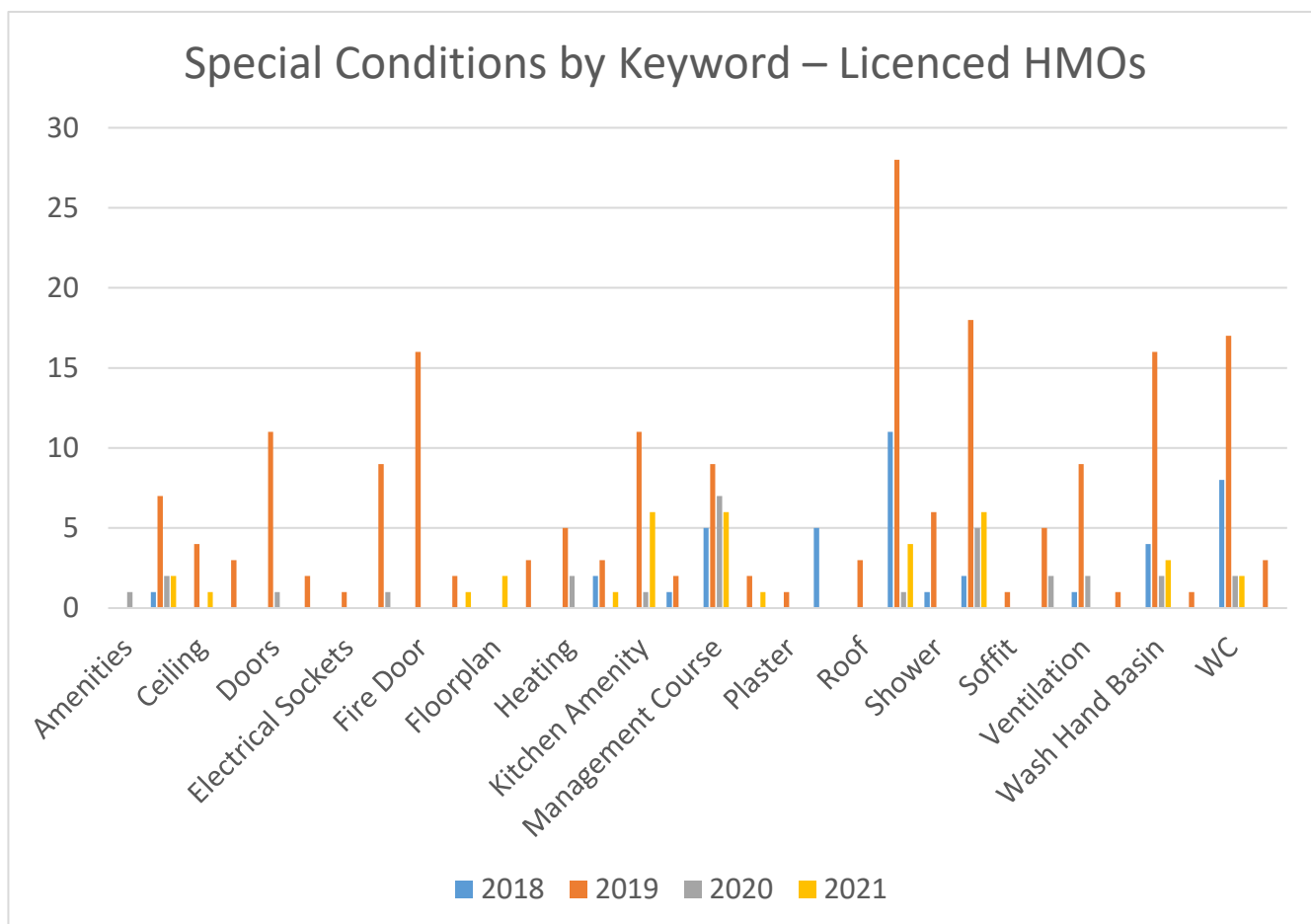
This is reflected in the data held by the City Council in relation to compliance of landlords for the existing mandatory Licensing scheme.

HMO licenses are issued with a number of conditions attached to them. These conditions include the need for Landlords to provide certification such as gas safety certificates to the council on an annual basis. Since 2018 the Private Sector Housing team have had to issue 1397 formal written letters to landlords to chase up late certification. These relate to 929 separate HMOs out the 1226 which are currently licensed, and relates to 653 separate landlords, indicating that their management and compliance is poor.

Furthermore, where a property or its management do not meet the required criteria at the time a HMO license is applied for, the PSH team can impose special conditions onto the licence. An example of this would be to add a condition to provide additional amenities or facilities, or to restrict the number of occupants where it is over-occupied for the size and layout of the property.

Since 2018, 306 special conditions have been applied to Licenced HMOs, relating to 188 properties out of a total 1226 Licenced HMOs. This indicates that 15% of HMOs currently licensed were deficient in amenities, or over-occupied, which would not have been identified if they had not been licensed.

The below graph demonstrates volume and types of special conditions applied to Licenced HMOs based on keywords from October 2018 to October 2021:



The above graph indicates that the majority of special conditions applied to licenced properties relate to room restrictions, lack of amenities or size of the property. Typically these special conditions will be applied based on the need to restrict the use of a room or regarding how many occupants the licenced HMO can adequately house based on its size or amenities.

From June 2019 to December 2020, 11 Civil Penalties were issued by the PSH team in relation to licensable HMOs, largely due to failure to apply for a HMO license where it was required or due to breach of license conditions.

Issues experienced by the council regarding compliance could be summarised as: frequently providing late certification often after reminders have been issued and some properties not being wholly suitable when the application is made. Based on the levels of enforcement taken in relation to these, it can be seen that typically this informal approach is suitable when addressing issues of non-compliance. It is seen that in most occasions conditions of licenses are met, negating the need to escalate towards more punitive action. Typically, special conditions placed onto licenses are adhered to once in place with very few civil penalties are issued against breach of license conditions.

Similarly, low rates of penalties against unlicensed HMOs may suggest that where a license is required for a HMO landlords and managers are generally aware of this and submit applications.

### 3.6 Houses in Multiple Occupation Survey 2021-22

The city council conducted a public survey between 6<sup>th</sup> December 2021 and 16<sup>th</sup> January 2022. The purpose of this survey was to capture the views and experiences of people regarding Houses in Multiple Occupation. The survey was split to capture the views of three key groups: tenants, landlords and residents or local community groups. The results of the survey were presented to the Councils cabinet in March 2022 [Additional Licensing of HMOs.pdf \(portsmouth.gov.uk\)](#)

As with any survey, there are limitations on the methods and data that it can provide. Officers from the City Council's Private Sector Housing (PSH) team worked to provide a survey that was accessible by as many people as possible, and that awareness of the survey was with as many people as possible who may realistically be considered as wanting to respond.

The survey was not mandatory, and was completed by those tenants, landlords and residents who wanted to complete it. This should be taken into consideration when considering the value of the responses given. It should also be considered that the survey outcomes are based upon the respondents and cannot necessarily be assumed to represent the whole population of the city, or even of tenants, landlords and residents living near HMOs.

#### Impact of HMOs on tenants

The following is a summary of some of the key results of the survey from HMO tenants, of which there were 101 respondents.

The survey for HMO tenants suggested that a third of respondents expected to continue living in HMO accommodation during the next 5 years, indicating that a notable portion view this as their long-term housing option.

The data also showed that most HMO tenants surveyed were over the age of 35, with a significant portion between 45 - 54 years old.

Just over half of HMO tenants said they could not afford to move if they wanted to. However, 46% indicated they had plans to move out of HMO accommodation in the next 5 years. This data suggests a lack of choice amongst many HMO tenants regarding their housing options, relying on HMOs as an affordable option for them.

The survey told us that tenants overall felt positive about the relationships they had with their housemates and landlords. However, many gave a neutral answer regarding their relationship with neighbours. This may indicate that HMO tenants do not know their neighbours well, or not feeling a sense of community.



Only 17% of HMO tenants who responded said that they had needed to contact the city council regarding the conditions or management. Approximately half indicated they were satisfied with conditions, safety, standards and management generated more positive responses. However, a third said they were unhappy with property conditions, standards and managements. Similar responses were given regarding confidence in landlords to carry out repairs on time.

23% of HMO tenants who responded indicated they would not be happy to report repairs or problems to their landlord due to concerns of repercussions such as eviction or rent increases.

### Impact of HMOs on the local community

The impacts of those who live in HMOs on those around them, are issues that were explored in the city-wide survey, the results of which were contained in a report to the Councils cabinet meeting in March 2022 [Additional Licensing of HMOs.pdf \(portsmouth.gov.uk\)](#). The survey results strongly suggests that HMOs impact upon residents in a number of ways, such as increased parking issues, waste management, noise and ASB. These issues can be complex, although various council services work together to react to, and resolve, them where possible. However additional licensing will not directly address these issues, and therefore the overall aim of the proposed additional licensing scheme is focused on protecting private rented tenants of HMOs from poorly managed and maintained properties. However, by improving the management of HMOs, the proposed licensing scheme may have potential benefits to the wider local community.

### 3.12 The potential benefits of licensing

Potential benefits to tenants:

- More professional landlords should bring about improvements to the quality, safety and management of property.
- Improvements to the neighbourhood would also benefit private tenants' security and sense of community.
- Better management practices should help to increase length of tenure and reduced incidence of unplanned moves or homelessness.
- Enforcement of standards will improve quality of lettings for tenants resulting in improvements to the welfare of tenants.
- Increased support for necessary enforcement action on rogue and criminal landlords.
- Better informed as to premises that are suitably licensed.
- Tenants living in purpose-built flats will be protected.

Potential benefits to landlords:

- Responsible landlords will receive information and support.
- Equalisation of standards with mandatory licensable HMOs will create a more level playing field.
- Licensing creates an equality of opportunity, so decent landlords will not be undercut by an unscrupulous minority and robust enforcement can be taken against rogue and criminal landlords.
- Improvement in the reputation of private landlords through promotion of a public register of licensed premises.
- Shorter void periods and reduced tenant turnover.
- The local authority can provide practical support and training around dealing effectively with issues such as anti-social behaviour from tenants, or how to support vulnerable tenants.

Potential benefits to neighbourhoods and communities:

- Making these properties safer will lead to more desirable places to live.
- Making it easier to involve all landlords in wider strategies.
- Protecting vulnerable groups, who are often occupiers of privately rented accommodation which are poorly managed and maintained.
- Improve community cohesion through a reduction of tenancy turnover due to increased satisfaction with living environment.

Potential benefits to the council:

- This will enable the council to target support, information and enforcement more effectively.
- Landlords who have not responded to any previous measures (such as voluntary landlord engagement schemes) will be forced to engage with the council.
- Irresponsible landlords will be forced to improve their practices or leave the market.
- Rogue and criminal landlords will be subject to enforcement action.
- Schemes should be easy to administer and explain, as all private HMO landlords in a designated area would be covered by licensing of some kind.

- The council will gain extensive knowledge about private renting in a particular area.

### 3.12 Overall justification of the scheme

The Evidence shows a clear correlation between the houses in multiple occupation that the council are proposing could be subject to additional licensing, and housing conditions concerns, and management concerns. The council feel that additional licensing would impose conditions to regulate the prevalence of these issues relating to this property type. The council are proposing to licence all HMOs not already covered by mandatory licensing including those those living in section 257 HMOs.

## 4.0 Licensing criteria and exemptions

### 4.1 Which HMOs will be licensable?

It is proposed to designate a city wide additional licensing scheme to cover the following types of HMOs. See Appendix 1 for a map of the proposed additional licensing designation area.

#### a) Shared flats and houses

Shared by three or more people forming more than one household.

This will include all HMOs as defined in section 254 of the Housing Act 2004 that are not required to hold a licence under the current mandatory licensing requirements and that are occupied by three or more people forming more than one household. The households share one or more basic amenity (such as a toilet, bathroom, or kitchen), or the living accommodation will be lacking in one or more of these basic amenities. This licence will cover the whole flat or house.

Specifically, this will include private flats in council blocks, and other purpose built accommodation which are currently exempt from licensing, but it will not include the common parts of such properties.

If you own and live in a property and have lodgers, additional licensing will only apply if you have three or more non-family members living with you.

#### b) Houses converted into self-contained flats

Where less than two-thirds of the self-contained flats are owner-occupied, and the building does not meet the standard of the 1991 Building Regulations (or later).

It is proposed that very small two storey flat conversions will be excluded. The proposal is to licence properties which meet the following criteria:

- Contain three or more flats in a building which is entirely in residential use or

- Contain two or more flats in a building with mixed business and residential uses.
- AND
- Have a common entrance way shared by 2 or more flats
  - Comprise three or more storeys (including basements and floors occupied by businesses)

This will include most HMOs defined under section 257 of the Housing Act 2004 which are buildings converted into self-contained flats that do not meet the “applicable standards”.

This licence will cover the communal areas and any lettings under the control of the licence holder.

Flats in converted properties will be deemed owner occupied if it is occupied by:

- Someone who has a lease of the flat which has been granted for a term of more than 21 years,
- Someone who has the freehold estate in the converted block of flats, or
- By a member of the household of the people mentioned above

#### 4.2 House conversions that don't meet the applicable standard

‘Applicable standard’ means:

- A conversion into flats where the building work was completed before 1 June 1992, or which is dealt with by regulation 20 of the Building Regulations 1991 and which would not have been exempt under those regulations, or
- Building standards equivalent to those imposed, in relation to a building or part of a building to which those regulations applied, by those regulations as they had effect on 1 June 1992; and
- In the case of any other converted block of flats, the requirements imposed at the time in relation to it by regulations under section 1 of the Building Act 1984

This means that for conversions completed prior to 1 June 1992, they must meet the building regulation standard in force from 1 June onwards. Conversions completed after this date must comply with the building regulations in force at the time of conversion.

In order to identify where conversions don't meet this standard, typical features could include:

- Original lath and plaster walls and ceilings.
- Lack of 30 minute fire proofing between flats.
- Poor sound insulation between flats.
- Single glazing in some of the windows.
- Energy efficiency requirements may not be met.

### 4.3 Will the scheme cover all of Portsmouth?

We are proposing to make the scheme city wide. Whilst some wards have higher concentrations of HMOs than others, our data indicates that 32% of HMOs across Portsmouth have potentially serious hazards present. There is therefore no justification for targeting specific areas of the city. We also believe that having different requirements in certain areas would cause confusion to landlords and tenants. It may also put undue pressure on neighbouring wards where rogue operators may be displaced. We want to see an equalisation of standards across the city with well managed multiple occupancy properties in every ward.

### 4.4 Which properties are exempt

Certain properties are exempt through legislation and do not require a licence. These will include:

- Houses and flats controlled or managed by public sector bodies
- Where the person managing or in control of it is a registered provider of social housing.
- Certain buildings controlled or managed by a co-operative society.
- Buildings occupied by students where the person managing or having control is the educational establishment.
- Buildings principally occupied and used by religious communities (shared houses and flats only).
- Buildings that are already regulated, such as bail hostels

## 5.0 The licensing process

### 5.1 Licensing Policy

It is the council's intention to engage and work alongside landlords to ensure they are fully aware of their legal responsibilities, are provided with any necessary support and advice in this regard, and ensure compliance is achieved in how properties are managed.

However, where it is clear that landlords are not willing to effectively engage, and legal duties are not being upheld, the council will make use of its enforcement powers to ensure that private rented accommodation, including multiple occupancy accommodation, is appropriately managed, maintained and licensed.

The council's approach to regulating HMOs, including the effective administration of its licensing scheme, follows the principles set out in the Private Sector Housing Enforcement Policy as follows, which aims to:

- demonstrate the transparency of enforcement with respect to private sector housing and caravan sites in Portsmouth, by setting out legal requirements, policies and principles that officers will follow when enforcing legislation;
- improve housing conditions and raise the standard of property management within the private rented sector;
- provide safer, healthier, affordable and warmer homes in the private sector to enable all people within Portsmouth to benefit from healthy housing and environments;

It is intended that this policy will be updated before the introduction of any proposed licensing scheme to ensure that the scheme is administered accordingly. The proposed new Enforcement Policy is contained in Appendix 7.

## 5.2 Applying for a licence

Applications for new HMO licences and renewals can be made on the council's website.

In order to meet the requirements set out in legislation and to ensure that the property is suitable for occupation (or can be made suitable), we will ask for the following information to be attached to applications:

- A current certificate certifying the safety of the landlord's gas appliances and installations (if present).
- A current certificate of service demonstrating the proper operation of the emergency lighting system (if present).
- A satisfactory Electrical Installation Condition Report or similar
- A current certificate of service demonstrating the proper operation of the fire alarm system(s)
- A current PAT certificate (electrical appliance safety certificate) for appliances provided by the landlord (if required).
- A current fire risk assessment

We will also ask for accurate information on the application including the number of sleeping rooms, amenities (kitchens, bathrooms, WC's, etc) as well as room sizes. This is to help us determine whether the property is suitable for the proposed number of occupants. Certain items such as the gas safety certificate are a legal requirement when applying for a HMO licence.

For houses converted into flats, we will need to know how many flats (if any) are under the direct control of the licence holder.

## 5.3 Proposed licence holder

## **Shared houses and flats**

The most appropriate person to apply for a licence will be the person having control of the property. This is normally the person who receives the rent. This could be the freeholder or any other owner or lessor who receives rent (whether directly or through an agent or trustee) from tenants or lodgers in the premises.

In determining whether the proposed licence holder is the most appropriate party the council will consider whether they have:

- The authority to ensure compliance with the licence conditions.
- The authority to let and terminate the tenancies and receive the rental income.
- Are able to access all parts of the premises.

## **Houses converted into self-contained flats**

The 'person having control' and the most appropriate licence holder in respect of a section 257 HMO is:

Where no person has been granted a long lease of a flat within the HMO, the person who receives the rent for the HMO, whether on their own account or as an agent or trustee of another person;

In relation to an HMO in respect of which a person has been granted a long lease of a flat within the HMO, in the order of preference listed below:

1. Has acquired the right to manage the HMO under Part 2 of the Commonhold and Leasehold Reform Act 2002;
2. Has been appointed by the Leasehold Valuation Tribunal under section 24 of the Landlord and Tenant Act 1987;
3. Is the person who is the lessee of the whole of the HMO under a lease between him and a head lessor or the freeholder, or is the freeholder of the HMO; or
4. Has been appointed to manage the HMO by the freeholder, by a head lessor of the whole of the HMO, or by a person who has acquired the right to manage the HMO under Part 2 of the Commonhold and leasehold Reform Act 2002.

## **5.4 Licensing Standards**

Details of the proposed relevant HMO standards can be found in Appendix 2.

## **5.5 Licensing conditions**

Certain conditions applicable to licensed HMOs are set out in legislation and will apply to all HMOs that are covered by the scheme. The council may also impose property specific conditions to ensure that HMOs are suitable and safe for occupation.

Conditions many include requirements to carry out improvement works to make the HMO suitable for the number of occupants and will also include management conditions. The conditions will be tailored to the type of property being licensed.

The full set of proposed conditions can be found in Appendix 3.

General conditions will include:

- Maximum permitted number of occupants and households per unit of accommodation.
- Ensuring statutory minimum bedroom sizes are met.
- Effective tenancy management with assured shorthold tenancies.
- Suitable management arrangements are in place for dealing with repair issues and emergencies.
- Addressing complaints about anti-social behaviour.
- Gas and electrical installations are safe at all times.
- Fire precautions and in place that are suitable for the type of property.
- Ensuring furnishings in the property are safe.
- Maintaining adequate provision for the storage and disposal of waste.
- A requirement to notify the council of any changes in management or person in control.

The council believes that such conditions are not onerous and would be typical requirements for well managed properties.

## 5.6 HMO Licence Fees

There will be a fee payable upon application to licence a property. Legislation allows local authorities to charge fees to recover the costs incurred in administering a licensing scheme. Our proposed fees have been calculated in accordance with this and can be found in Appendix 6.

The fee structure is based upon the number of occupants. The licence fees are split into two parts as required by law; the first part covers the costs of receipt and validation of a licence application and will be charged alongside the initial licence application. The second part will be charged once a decision has been reached to issue a licence which covers the costs of enforcing the licence. These separate fee elements are also set out in Appendix 6.



Fees can be paid online or over the phone, and details of how to do this will be provided alongside the application form. The full fee must be paid in order for the licence to be issued.

### 5.7 Granting or refusing a licence

In order to hold an HMO licence the council must be satisfied that the proposed licence holder is a fit and proper person. This means, they have not been convicted of housing and certain other offences that would indicate they are unfit to manage a property and may place tenants at risk.

The main reasons we would refuse to issue a licence are:

- The house is not suitable for the number of households and it would not be possible to make it suitable by imposing conditions.
- There are insufficient management arrangements in place.
- There is a banning order in place.
- The applicant is not considered the most suitable person to hold the licence.
- The licence holder is not considered to be fit and proper.

Proposed licence holders will be required to complete a fit and proper person declaration when making an application. We will also conduct checks to ensure that there is no history of previous enforcement action.

Before we approve a licence, we will issue a draft copy of the licence to the applicant, proposed licence holder (if different) and other “relevant persons”.

“relevant persons” is defined in the Act and includes other people having an estate or interest in the property such as leaseholders, mortgage companies and management companies. This will provide the opportunity to make representations on the occupation limits and any proposed licensing conditions.

### 5.8 Licence duration

In most situations the licence will run for five years from the date of approval. This is the maximum length of time a licence may last.

The council may however decide it is necessary to issue a licence of a reduced duration where:

- The HMO is identified by the council or as a result of a complaint rather than through a licence application.
- There is previous history of non-compliance either in Portsmouth or another local authority.
- Conditions within the property are poor, or conditions are attached to the licence that will require a review of management arrangements in the following 12 months.

- The applicant is not able to demonstrate they will maintain full control over the property for five years, for example due to a short lease.
- The property is occupied by 'Property Guardians' on a short-term basis.
- The planning status for use as an HMO is unconfirmed.

As the designation for Additional Licensing is for a maximum of 5 years, licenses issued after the start of scheme would run until the end of designation period (e.g. a license applied for one year after the designation started would be granted for a maximum of 4 years).

### 5.9 Enforcement of Licensing Conditions

We are committed to working with landlords to ensure properties are safe and well managed. Where any breach of legislation is identified we will follow the council's private sector housing enforcement policy in determining the most appropriate course of action. This will take into account the severity and number of breaches, potential or actual harm caused to tenants as well as the licence holders track record.

In the case of significant breaches of licence conditions, the council may:

- Issue a Civil Penalty Notice up to £30,000
- Prosecute the licence holder or managing agent
- Revoke the licence

The proposed enforcement policy can be found in Appendix 7.

### 5.10 What happens if a landlord lets a property without a licence?

As is the case with our currently mandatory HMO licensing scheme, it will be an offence to knowingly let out and be in control of a property under the proposed additional scheme without applying for a licence.

Licensing of HMOs provides an excellent way of identifying and taking actions against criminal landlords. Typically, in addition to non-compliance with other housing, consumer protection and health and safety legislation, they are unlikely to apply for a licence.

If a property is identified that is without a valid licence, the council will assess the circumstances of each case individually. The first priority will be to ensure that an appropriate licence holder is put in place to ensure that the property is properly managed and maintained for the safety of the residents. For cases where there is clear culpability, evidence of poor management, or the property is in a poor condition the council may pursue the following enforcement options:

- Issue a Civil Penalty Notice up to £30,000
- Prosecute the person in control or managing

- Apply for a Rent Repayment Order (if housing benefit/Universal Credit paid)
- Consider a Banning Order

In addition to the steps that the council can take, tenants living in unlicensed properties will have the ability to reclaim up to 12 months' rent through a Rent Repayment Order.

## **6.0 Aims and objectives of the proposed scheme**

### **6.1 Aims of Licensing**

Our aim for licensing overall is:-

- To protect private rented tenants of HMOs from t poorly managed and maintained properties.

Our view is that licensing will improve housing conditions and management. It will aid in protecting the welfare of tenants, provide confidence in the private rented sector and put clear standards in place. It will be more conducive to good landlords and provide an environment which is less opportunistic and attractive for irresponsible and criminal landlords.

The objectives of the additional licensing scheme are:

- To effectively regulate HMOs in the private rented sector by identifying dedicated property licence holders responsible for the management and conditions of the property, ensuring consistency of standards across the city for HMOs in the private rented sector.
- To drive up housing standards in properties where there is poor management, need for repairs, amenity and safety issues.
- To enable council officers to utilise enforcement powers effectively to significantly drive up housing standards, housing management and the wellbeing of tenants in high risk properties.
- To support good landlords to operate within the area and make it easier to identify and enforce against rogue landlords.

Our proposal for additional licensing is made on the grounds that the proposed property type:

- a) Is prevalent for issues relating to poor property conditions.
- b) Is prevalent for poor property management.
- c) Is likely to have high occurrence of Overcrowding and lack of adequate space or amenities for the number of occupants.

and that an additional licensing designation would impose conditions directly relating to addressing these issues.

## **7.0 What are the risks?**

### **7.1 Risks identified to the implementation of a successful scheme**

The council has considered the risks of introducing licensing, particularly the risk of increased costs to landlords who are fully compliant with their obligations. It is also important for local authorities to consider some of the possible effects of making a designation and to include any risk assessment they may have carried out. A number of risks have been identified principally around costs to the landlords, tenants and the council itself. A copy of the Risk Assessment can be found at Appendix 4.

## **8.0 What other options have been considered?**

### **8.2 Alternatives to HMO Licensing**

Other alternatives to HMO Licensing have been considered. These include action through The Housing Health and Safety Rating Scheme (HHSRS), Landlord accreditation and use of management regulations.

The HHSRS is designed for individual properties; not for area wide action, and is resource intensive. It is also largely reactive, being applied in response to complaints about housing conditions, as opposed to the proactive measures available through licensing. The HHSRS cannot be used to improve standards of management.

Landlord accreditation is an option which might be considered. Portsmouth City Council has been running a Landlord accreditation scheme since 2010 which was rebranded in 2018 to "Rent it Right". It was well advertised when relaunched and free to join, as well as offering many benefits to members such as free support and advice and discounts. However, take up from local landlords has been limited, as at May 2021 there were 277 accredited landlords registered with the Rent it Right scheme, out of an estimated 11,000 landlords in Portsmouth. As with most types of accreditation those who join are usually those who already have the knowledge and capacity to adequately manage their properties, meaning the poorer performing landlords are not reached. It must also be acknowledged that some landlords employ professional companies and agents to manage their properties and these are usually members of national agents' bodies such as UKALA, Safeagent, or ARLA.

Selective licensing is an alternative method of regulating anti-social behaviour and requires landlords to be fit and proper persons in a similar way to HMO licensing. However, it does not address property standards and not all HMOs would be captured by selective licensing. City wide selective licensing covering more than 20% of the geographical area also requires the Secretary of States approval.

The targeted use of Interim Management Orders and Empty Dwelling management orders allows a local authority to tackle the day to day management of the private sector tenancy where certain prescribed conditions are met relating to antisocial behaviour and protection of health and safety. However, this is resource intensive and requires the management to be taken over by the council, or a council's agent, to manage the property. This effectively means that poor landlords would have the council manage their property for them and potentially still receive income from the property. This does not provide a long-term solution to poor management of private rented properties.

## **9.0 Alignment with other housing strategies**

### **9.1 Private rented sector Strategy**

Portsmouth City Council's Private Rental Sector Strategy 2021-2026 sets out the council's intentions towards the private rented sector. The Strategy published in January 2021, aims to:

- achieve an active and well-functioning PRS which works fairly for all.
- For the PRS to be seen as a desirable type of tenure which meets the needs of those who use it, with support being focussed on those who need it most.

An extract of the council's private rental sector strategy 2021-2026 can be found in Appendix 5 along with a link to the full document which can also be found on the council's website.

The strategy includes proposals to consult on an additional licensing scheme for HMOs, to help in the better management of them and understand how they interact with the local community. The case for selective licensing will also be kept under review. There are plans to raise awareness of support services for tenants, as they are often unaware of them and as there is high turnover in the sector. Increasing the number of accredited landlords and lettings agents is suggested as it offers them training and professional development and gives assurance to tenants.

It includes proposals to provide workshops for landlords on how to be good landlords; such as how to choose appropriate tenants and carry out HHSRS assessments of their properties. Workshops for tenants on how to be good tenants, aimed at helping them to maintain tenancies, including money management, behaviour, and how to work with their landlord. Workshops have been provided since September 2021 but with low take up.

It also proposes to provide a mediation service between landlords and tenants to help improve security of tenure, which has been running as a pilot scheme since July 2021.

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<b>Title of meeting:</b>	Governance and Audit and Standards Committee Cabinet City Council
<b>Date of meeting:</b>	Cabinet 22 November 2022 Governance and Audit and Standards Committee 23 November 2022 City Council 06 December 2022
<b>Subject:</b>	Treasury Management Mid-Year Review 2022/23
<b>Report by:</b>	Chris Ward, Director of Finance and Resources (Section 151 Officer)
<b>Wards affected:</b>	All
<b>Key decision:</b>	No
<b>Full Council decision:</b>	Yes

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## 1. Executive Summary

This report outlines the Council's performance against the treasury management indicators approved by the City Council on 15 March 2022.

No borrowing has been undertaken in the first half of 2022/23.

Investment returns have been subdued in the first half of 2022/23 as they have been weighed down by existing investments. This is particularly the case with long term investments in externally managed funds. However, 93% of the Council's investments are in simple vanilla deposits. The Bank of England's base rate has been rising and this is being reflected in the returns on newer investments. There are therefore grounds to be optimistic that overall investment returns will increase as existing investments mature and are replaced with new investments with higher returns.

## 2. Purpose of report

The purpose of the report is to inform members and the wider community of the Council's Treasury Management position, i.e. its borrowing and cash investments at 30 September 2022 and of the risks attached to that position.

Whilst the Council has a portfolio of investment properties and some equity shares which were acquired through the capital programme; these do not in themselves form part of the treasury management function.

### **3. Recommendations**

It is recommended that the following be noted:

- 3.1 That the Council's Treasury Management activities have remained within the Treasury Management Policy 2022/23 in the period up to 30 September 2022.
- 3.2 That the actual Treasury Management indicators as at 30 September 2022 set out in Appendix A be noted.

### **4. Background**

The Council's treasury management operations encompass the following:

- Cash flow forecasting (both daily balances and longer term forecasting)
- Investing surplus funds in approved cash investments
- Borrowing to finance short term cash deficits and capital payments
- Management of debt (including rescheduling and ensuring an even maturity profile)

The key risks associated with the Council's treasury management operations are:

- Credit risk - i.e. that the Council is not repaid, with due interest in full, on the day repayment is due
- Liquidity risk - i.e. that cash will not be available when it is needed, or that the ineffective management of liquidity creates additional, unbudgeted costs
- Interest rate risk - that the Council fails to get good value for its cash dealings (both when borrowing and investing) and the risk that interest costs incurred are in excess of those for which the Council has budgeted
- Maturity (or refinancing risk) - this relates to the Council's borrowing or capital financing activities, and is the risk that the Council is unable to repay or replace its maturing funding arrangements on appropriate terms
- Procedures (or systems) risk - ie. that a treasury process, human or otherwise, will fail and planned actions are not carried out through fraud or error

The treasury management budget accounts for a significant proportion of the Council's overall budget.

The Council's Treasury Management Policy aims to manage risk whilst optimising costs and returns. The Council monitors and measures its treasury management position against the indicators described in this report. Treasury management monitoring reports are brought to the Governance and Audit and Standards Committee for scrutiny.

The Governance and Audit and Standards Committee noted the recommendations to Council contained within the Treasury Management Policy 2022/23 on 4 March 2022. The City Council approved the Treasury Management Policy 2022/23 on 15 March 2022.



**5. Reasons for Recommendations**

To highlight any variance from the approved Treasury Management Policy and to note any subsequent actions.

To provide assurance that the Council's treasury management activities are effectively managed.

**6. Integrated impact assessment**

An integrated impact assessment is not required as the recommendations do not directly impact on service or policy delivery. Any changes made arising from this report would be subject to investigation in their own right.

**7. Legal Implications**

The Section 151 Officer is required by the Local Government Act 1972 and by the Accounts and Audit Regulations 2015 to ensure that the Council's budgeting, financial management, and accounting practices meet the relevant statutory and professional requirements. Members must have regard to and be aware of the wider duties placed on the Council by various statutes governing the conduct of its financial affairs.

**8. Director of Finance and Resources (Section 151 Officer) comments**

All financial considerations are contained within the body of the report and the attached appendices.

.....  
Signed by Director of Finance and Resources (Section 151 Officer)

**Appendices:**

**Appendix A: Treasury Management Mid-Year Review 2022/23**

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b><u>Title of document</u></b>	<b>Location</b>
1 Treasury Management Records	Financial Services

**TREASURY MANAGEMENT MID YEAR REVIEW FOR 2022/23****A1. SUMMARY OF TREASURY MANAGEMENT INDICATORS**

The City Council approved the authorised limit (the maximum amount of borrowing permitted by the Council) and the operational boundary (the maximum amount of borrowing that is expected) when it considered the budget on 15<sup>th</sup> February 2022. The Council's debt on 30<sup>th</sup> September was as follows:

<b>Prudential Indicator</b>	<b>Limit £m</b>	<b>Actual £m</b>
Authorised Limit - the maximum amount of borrowing permitted by the Council	1,009	748
Operational Boundary - the maximum amount of borrowing that is expected	995	748

The maturity structure of the Council's fixed rate borrowing was:

	<b>Under 1 Year</b>	<b>1 to 2 Years</b>	<b>3 to 5 Years</b>	<b>6 to 10 Years</b>	<b>11 to 20 Years</b>	<b>21 to 30 Years</b>	<b>31 to 40 Years</b>	<b>41 to 50 Years</b>
Minimum proportion of loans maturing	0%	0%	0%	0%	0%	0%	0%	0%
Maximum proportion of loans maturing	10%	10%	10%	20%	30%	40%	40%	40%
Actual proportion of loans maturing	1%	1%	4%	13%	14%	6%	34%	27%

The maturity structure of the Council's variable rate borrowing was:

	<b>Under 1 Year</b>	<b>1 to 2 Years</b>	<b>3 to 5 Years</b>	<b>6 to 10 Years</b>	<b>11 to 20 Years</b>	<b>21 to 30 Years</b>	<b>31 to 40 Years</b>	<b>41 to 50 Years</b>
Minimum proportion of loans maturing	0%	0%	0%	0%	0%	0%	0%	0%
Maximum proportion of loans maturing	10%	10%	10%	20%	30%	40%	40%	40%
Actual proportion of loans maturing	2%	2%	7%	11%	23%	25%	15%	15%

Surplus cash invested for periods longer than 365 days on 30<sup>th</sup> September 2022 was:

	<b>Limit</b>	<b>Quarter 2 Actual</b>
	£m	£m
Maturing after 31/3/2023	125	73
Maturing after 31/3/2024	50	19
Maturing after 31/3/2025	50	5

## **A2. GOVERNANCE**

The Treasury Management Policy approved by the City Council on 15<sup>th</sup> March 2022 provides the framework within which treasury management activities are undertaken.

There have been no breaches of these policies during 2022/23 up to the quarter ending 30<sup>th</sup> September 2022.

### A3. INTEREST RATE FORECASTS

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates.

The latest forecasts are shown below.

Link Group Interest Rate View 27.09.22		Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25
<b>BANK RATE</b>		4.00	5.00	5.00	5.00	4.50	4.00	3.75	3.25	3.00	2.75	2.75	2.50
3 month ave earnings		4.50	5.00	5.00	5.00	4.50	4.00	3.80	3.30	3.00	2.80	2.80	2.50
6 month ave earnings		4.70	5.20	5.10	5.00	4.60	4.10	3.90	3.40	3.10	3.00	2.90	2.60
12 month ave earnings		5.30	5.30	5.20	5.00	4.70	4.20	4.00	3.50	3.20	3.10	3.00	2.70
5 yr PWLB		5.00	4.90	4.70	4.50	4.20	3.90	3.70	3.50	3.40	3.30	3.20	3.20
10 yr PWLB		4.90	4.70	4.60	4.30	4.10	3.80	3.60	3.50	3.40	3.30	3.20	3.20
25 yr PWLB		5.10	4.90	4.80	4.50	4.30	4.10	3.90	3.70	3.60	3.60	3.50	3.40
50 yr PWLB		4.80	4.60	4.50	4.20	4.00	3.80	3.60	3.40	3.30	3.30	3.20	3.10

PWLB is the Public Works Loans Board

The latest forecast on 27th September sets out a view that both short and long-dated interest rates will be elevated for some little while, as the Bank of England seeks to squeeze inflation out of the economy, whilst the government is providing a package to try and protect households and businesses from the ravages of ultra-high wholesale gas and electricity prices. To that end, the Bank of England is expected to continue to tighten short-term interest rates with a view to trying to slow the economy sufficiently to keep the secondary effects of inflation – as measured by wage rises – under control.

The increase in PWLB rates reflects a broad sell-off in sovereign bonds internationally but more so the disaffection investors have with the position of the UK public finances.

### A4. BORROWING ACTIVITY

No borrowing was undertaken during the first half of 2022.

The Council's gross borrowing on 30<sup>th</sup> September 2022 of £748m is within the Council's Authorised Limit (the maximum amount of borrowing approved by City Council) of £1,009m and within the Council's Operational Boundary (the limit beyond which borrowing is not expected to exceed) of £995m.

The Council plans for gross borrowing to have a reasonably even maturity profile. This is to ensure that the Council does not need to replace large amounts of maturing borrowing when interest rates could be unfavourable.

The actual maturity profile of the Council's borrowing is within the limits contained within the Council's Treasury Management Policy (see paragraph A1).

## Early Redemption of Borrowing

Debt rescheduling opportunities have been limited in the current economic climate and following the various increases in the margins added to gilt yields which has impacted PWLB new borrowing rates since October 2010.

Apart from two loans all the Council's borrowings to finance capital expenditure are fixed rate and fixed term loans. This reduces interest rate risk and provides a high degree of budget certainty.

The Council's borrowing portfolio is kept under review to identify if it would be financially beneficial to repay any specific loans early. Repaying borrowing early invariably results in a premium (early repayment charges) by the PWLB that are sufficiently large to make early repayment of borrowing financially unattractive to the Council.

No debt rescheduling or early repayment of debt has been undertaken during the first half of 2022/23 as it has not been financially advantageous for the Council to do so.

## **A5. INVESTMENT ACTIVITY**

The Council's investments averaged £457m to 30<sup>th</sup> September. 93% of the Council's investments were in simple vanilla deposits, 3% was invested in long term managed funds and 4% was invested in tradable notes. The Council's investments made an average annualised return of 0.24% in the first half of 2022/23.

Simple vanilla deposits continued to provide the best returns in the first half of 2022/23. However, investment returns have been held back by our investments in long term managed funds. This is shown in the table below.

Period	20/21 Q1	20/21 Q2	20/21 Q3	20/21 Q4	21/22 Q1	21/22 Q2	21/22 Q3	21/22 Q4	22/23 Q1	22/23 Q2
Long Term Managed Funds	24.28	38.16	25.97	-3.36	9.96	-2.84	1.2	-27.03	-20.59	-26.41
Structured Notes	22.55	23.26	1.63	-3.06	-0.47	-1.84	0.37	-3.4	-10.74	-3.01
Vanilla Deposits	0.98	0.43	0.45	0.22	0.27	0.45	0.77	0.61	1.16	1.04
Overall Return	2.02	1.66	0.94	0.08	0.42	0.28	0.77	0.02	0.31	0.24

When market interest rates increase, the returns available to investors also increase. This can be seen in the near doubling of the return on the Council's vanilla deposits in the first quarter of 2022/23. However, the returns on long term managed funds and tradable structured notes often move the other way. This can be seen in the first half of 2020/21 when the returns on vanilla deposits were falling, but the returns from long term managed funds and structured notes were increasing because the previous higher market interest rates had been locked into, causing these investments to trade at a premium above their face value. Conversely, in the first half of 2022/23, when returns on vanilla deposits increased, the returns on long term managed funds and structured notes fell because the previous lower market rates had been locked into, causing these investments to trade at a discount below their face value. Despite trading at a discount below their face value structured notes and the underlying investments in long term managed funds will still make the contractual payments of principal and interest providing that the underlying investments do not default. It can also be seen from the table above that, although the returns on long term managed funds and tradable structured notes are volatile with returns sometimes being negative, overall, they have had a stabilizing influence on the investment portfolio, increasing overall returns when the returns on vanilla deposits have fallen, but reducing overall returns when the returns on vanilla deposits have risen.

#### **A6. COMBINED BORROWING AND INVESTMENT POSITION (NET DEBT)**

The Councils net debt position on 30<sup>th</sup> September 2022 is summarised in the table below.

	<b>Principal</b>	<b>Average Interest Rate</b>	<b>Interest to 30<sup>th</sup> September 2022</b>
Borrowing (including finance leases & private finance initiative (PFI) schemes)	£748m	3.09%	£11.56m
Investments	(£425m) *	(0.24%)	(£0.56m)
Net Debt	£323m		£11.00m

\*Although the Council's investments were £425m on 30<sup>th</sup> September 2022, the average sum invested over this period was £457m.

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