Selective licensing of Private landlords

Your opinion counts

Oldham Council is considering introducing Selective Licensing of private landlords in parts of Oldham.

See map below of the proposed area near you. To do this we must undertake extensive consultation.
What is Selective Licensing?
The Housing Act 2004 gives Councils the power to introduce the licensing of private rented homes, within a designated area, where it is or is likely to become:
• An area of low housing demand and /or
• An area which is experiencing a significant and persistent problem caused by anti-social behaviour.
The aim of Selective Licensing is to improve the management of these properties to ensure they have a positive impact on the area.

Why is the Council considering Selective Licensing?
The Council wants to introduce Selective Licensing as part of a wider strategy to address low housing demand. The Council has considered other remedies, but considers Selective Licensing to provide the best chance of improving the management and conditions in the private rented sector.

More detailed information on low housing demand, other courses of action that the Council considered and details of other regeneration activity can be found in the Draft Designation Report on the Council’s website.

The way it would work
All private landlords with residential property within the proposed area would need to apply for a licence for each property they let in the area. This means that a landlord has to meet a certain standard before they can legally rent out a property.

The Benefits
Councils can introduce Selective Licensing where it would benefit the local community and it would ensure that all private rented property within the designated area is managed to a satisfactory standard. Some of the added benefits we expect to see are:
• Higher standards of management
• Provision of better housing
• An improved image and perception of the area
• A positive economic future for the local community and local businesses
• A possible reduction in anti-social behaviour
• A reduction in low demand housing

Whilst we acknowledge that many landlords provide decent well-managed and maintained accommodation, which does not cause any problems for the local community, we also recognise that there are poor management practices within the private rented sector which are having a negative effect on the area.

Fees
Licensing would run for a maximum of five years and carry a one-off fee of £650 per property, subject to change following consultation when the actual number of properties are confirmed.

Licensing Conditions
There would be conditions attached to each licence which would relate to the management of the property. Several conditions are mandatory, imposed by the Act, which include:
• A gas safety certificate must be obtained annually and produced to the Council (if there is a gas supply to the house)
• Electrical appliances and furniture supplied by the landlord must be kept in a safe condition;
• Smoke alarms must be installed in the house which should be maintained in good working order;
• The Licence holder must supply the occupiers of the house with a written statement on the terms of occupation;
• The Licence holder must demand references from persons who wish to occupy the house.

In addition to the mandatory conditions outlined on the previous page the Council may attach local conditions. The Council has discretion to vary these with every licence issued. In Oldham we propose to include the following conditions:
• The House is free from category 1 Hazards (this means the house is legally safe to occupy);
• Any house legally required to have an Energy Performance Certificate must have one;
• An appropriate electrical test certificate for the fixed wiring in the house must be provided at least once every five years and an annual portable appliance test be carried out on any portable appliances supplied by the landlord;
• Where there’s a gas supply, a suitable carbon monoxide detector must be provided, maintained in good working order and tenants aware of its operation;
• Occupiers are reminded of their responsibilities for the storage and
disposal of household waste; Landlords must ensure the correct bins are at the property at the start of the tenancy and carry out regular checks to ensure refuse is being disposed of correctly.

- Landlords must keep the property free of pests and carry out any pest proofing and treatment needed.
- The licence holder does not knowingly allow the house to be overcrowded;
- At the change of tenancy the house and any land associated with it is in a clean and tidy condition with reasonable levels of decoration;
- The property is kept secure and free from accumulations of refuse during vacant periods;
- A copy of the licence including the conditions attached is provided to all tenants;
- All tenants are provided with contact details including emergency telephone number of the licence holder and if applicable the manager;
- The licence holder and any appointed manager provide up to date contact details (including telephone number) for the Council, so that problems can be swiftly addressed;
- The licence holder takes all possible actions to resolve anti-social behaviour and remove occupiers where there is evidence of criminal activity or serious anti-social behaviour;

These conditions would be monitored by the Council to ensure they were being complied with. Any licence holder found to be in breach of the licence conditions can face, upon conviction in a Magistrates court a fine of up to £5,000. In such circumstances, the Council will then consider whether it is appropriate to revoke the licence and make Management Order taking over management of the property.

**Additional measures to complement Selective Licensing**

- Empty property actions are targeted within the designated area in order to bring as many empty properties back in use.

In addition, should licensing be introduced, the Council will provide training and support to help landlords.

*working for a co-operative borough*