Chartered Institute of Environmental Health

HMO network

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HMO Licensing Project Plan

Preparing for HMO Licensing – a guide for local authorities

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Foreword

This guide has been produced jointly by the HMO Network and the Chartered Institute of Environmental Health. The guide is available as a pdf file on both websites (**www.nationalhmonetwork.com** and **www.cieh.org**). It is designed to give local housing authorities guidance and resources help in preparing for implementing HMO licensing.

The guide contains a detailed project plan together with a range of sample forms, flowcharts, and information for landlords and tenants.

It is important to note that the guide is not definitive. Local authorities should choose which procedures or forms are suitable for use in their areas as the guide is not in any way prescriptive. Authorities will need to satisfy themselves that the materials they use are accurate and comply with the requirements of the Housing Act 2004.

The guide will be updated whenever appropriate. Additional supplementary material is available on the websites alongside this guide and further contributions to this material are invited. Details for submitting material are on the websites.

Thanks are due to Jon Venables of Birmingham City council who devised the original project plan and to Brighton and Hove Council for the sample forms.

Others who worked on the project are, in alphabetical order:

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HMO Licensing Project Plan

PROJECT DESCRIPTION

To prepare for, and put in place, efficient and effective procedures for the mandatory licensing of high-risk houses in multiple occupation by the time Part 2 of the Housing Act 2004 ('The Act') comes into effect.

Amongst the key tasks to be achieved will be:
- the identification of properties and landlords to be licensed
- the production and distribution of adequate information and publicity
- the establishment of a licensing team and appropriate administrative systems to process licence applications
- the development of new policies and procedures to deal with non-compliance with licensing requirements
- the development of partnerships with registered social landlords (RSLs) and other departments to assist with the management of unlicensable properties
- the development of a risk-based property inspection programme
- the development of monitoring systems and progress reporting procedures.

LEGAL REQUIREMENT

Section 55 of The Act:

Imposes a duty on local housing authorities (LHAs) to:
- effectively implement a licensing regime
- deal with applications in a reasonable time
- satisfy themselves as soon as practicable (within 5 years maximum) that no functions under Part 1 (HHSRS) ought to be exercised.

DEFINITION OF HIGH-RISK HMO

HMO of 3 storeys or more and occupied by 5 or more persons who constitute more than one household. (NB. Excludes RSL, local authority and other houses owned by or managed by a public authority, university, houses converted into self-contained flats.)

Summary of activities
1. Intelligence/Information Gathering

MAIN ACTIVITY HEADING: INTELLIGENCE/INFORMATION GATHERING					REF: 1.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Identify licensable HMOs from existing databases	1.01	H	Set Date		
Identify licensable HMOs from other sources (street walking and fire authority)	1.02	H	Set Date		
Identify licensable HMOs from other sources (e.g. universities & colleges, local landlord's associations and fire authority)	1.03	M	Set Date		
Identify potentially licensable HMOs	1.04	M	Set Date		
Collate information returned by landlords and update database	1.05	M	Set Date		
Identify potential HMOs from council tax and housing benefit records (The Housing Act 2004 (Commencement No.3) (England) Order 2005 – S.237 Housing Act 2004)	1.06	M	Set Date		

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August 05 –

MAIN ACTIVITY HEADING: INTELLIGENCE/INFORMATION GATHERING	REF: 1.00
Description of Activity	
Identify licensable HMOs from existing databases	**REF: 1.01**
Objective	
To be in a position well in advance of the implementation date to inform landlords of licensaable HMOs of the need to apply for a licence	
	Staff
Methodology	
Examine existing databases to identify the following: • All properties of 3 or more storeys falling within CAT A, CAT B or CAT D (excluding RSLs, NHS, university-owned accommodation) • Produce a definitive list/database upon which to base the programme	
Target Date/Period	**Date to be set**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: INTELLIGENCE/INFORMATION GATHERING	REF: 1.00
Description of Activity	
Identify licensable HMOs from other sources (e.g., street walking and fire authority)	**REF: 1.02**
Objective	
To consolidate information gained from street walking exercise and from fire authority (as a result of home fire risk assessments), and to ensure that this information is entered as fully and accurately as possible onto database Links to objective 1.01	
	Staff
Methodology	
(i) Call a meeting of 'street walk staff' and 'lead officer' to establish what information has been obtained. If sufficiently detailed, will need to identify staff to enter data (ii) Set up a system to receive and record referrals from fire authority and input data This will be an on-going process once initial bulk of information has been recorded	
Target Date/Period	**Date to be set**
Outcome	
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: INTELLIGENCE/INFORMATION GATHERING	REF: 1.00
Description of Activity	
Identify licensable HMOs from other sources (miscellaneous)	**REF: 1.03**
Objective	
To ensure that all possible agencies likely to hold information or gather information relating to potentially licensable HMOs are made aware of the issue and have a clear method of referral to HMO licensing team to enable database to be updated	
	Staff
Methodology	
Establish contact with all local organisations involved in HMOs in the area to request information regarding potentially licensable properties, and to set up a system of receiving and recording the information so gathered	
Target Date/Period	**Date to be set**
Outcome	
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: INTELLIGENCE/INFORMATION GATHERING	REF: 1.00
Description of Activity	
Identify licensable HMOs from Housing/HMO Strategy if appropriate	**REF: 1.04**
Objective	
To ensure that strategic information gathered is best utilised to assist in identifying areas known to consist of high concentrations of multi-occupied properties	
	Staff
Methodology	
To arrange a meeting with GIS Officer (if available) to find out what type of information is held and whether it can be of any use (e.g., number of properties where multiple housing benefit claims are paid on a ward basis)	
Target Date/Period	**Date to be set**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: INTELLIGENCE/INFORMATION GATHERING	REF: 1.00
Description of Activity	
Collate information returned by landlords as a result of general mailing	**REF: 1.05**
Objective	
To ensure that any information received from landlords/agents in response to general mailing is accurately updated on database	
	Staff
Methodology	
Set up a system for receiving responses and sending acknowledgements. Information to be updated at least weekly by admin support. Initial bulk of responses may be expected in first month after general mailing This will be an on-going process	
Target Date/Period	**Set Start Date and then on-going**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: INTELLIGENCE/INFORMATION GATHERING	REF: 1.00
Description of Activity	
To utilise the powers given in S.237 Housing Act 2004 to identify potentially licensable HMOs	**REF: 1.06**
Objective	
Identify potential HMOs from council tax/housing benefit records	
	Staff
Methodology	
Make contact with the relevant housing benefit and council tax departments at an appropriate officer level to inform them of this new statutory power and discuss ways as to how it can be utilised	
Target Date/Period	**Date to be set**
Outcome	
Activity completed	**Date to be set**

Summary of activities
2. Publicity/Awareness

MAIN ACTIVITY HEADING: PUBLICITY/AWARENESS					REF: 2.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Relevant officers keep up to date with secondary legislation, ODPM guidance and publicity	2.01	M			
Produce guidance booklet for landlords and distribute (sample copy attached as Appendix 1)	2.02	H	Set Date		
Produce guidance booklet for tenants and distribute (sample copy attached as Appendix 2)	2.03	M	Set Date		
• Make contact with managing/letting agents/ landlord groups • Make contact with universities	2.04	M M	Set Date		
• Design and activate website • Design and activate intranet • Explore other publicity avenues (such as poster campaigns, radio coverage and mobile information units)	2.05	H M M/L	Set Date		

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MAIN ACTIVITY HEADING: PUBLICITY/AWARENESS	REF: 2.00
Description of Activity	
Staff to maintain knowledge of legislation/guidance and procedures and government publicity	**REF: 2.01**
Objective	
To ensure that all staff involved in the licensing procedure and management have a thorough knowledge of all secondary legislation and guidance and government-produced publicity as and when it is issued	
	Staff
Methodology	
ODPM website (odpm.gov.uk) to be scanned on at least a weekly basis and relevant documents downloaded and distributed Procure supplies of any government-produced guidance booklets, posters, etc.	
Target Date/Period	**Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

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MAIN ACTIVITY HEADING: PUBLICITY/AWARENESS	REF: 2.00
Description of Activity	
Produce a licensing guidance booklet for landlords and distribute (see sample guide)	**REF: 2.02**
Objective	
To inform landlords/managing agents and help them identify whether or not their property is licensable, and what they must do to comply with licence conditions, payment of fees, etc.	
	Staff
Methodology	
Once available the booklet should be sent with a covering letter to all landlords/managing agents of relevant properties identified from existing databases. Letter should include a tear-off slip inviting recipients to amend property/ownership details as appropriate	

Target Date/Period	**Decide on print number**
Outcome	**Produce Booklet – Set Date**
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: PUBLICITY/AWARENESS	REF: 2.00
Description of Activity	
Produce guidance booklet for tenants (see sample guide)	**REF: 2.03**
Objective	
To ensure as many tenants as possible are aware of the forthcoming licensing requirements. Well-informed tenants should hopefully act as a positive incentive for landlords to come forward and apply for a licence	
	Staff
Methodology	
Similar to landlord booklet (2.02) but can be briefer with more emphasis on tenant responsibilities Initially to be sent in August/September 05 to all properties identified on landlord mailing list Also supplies of tenants booklets to be available at all neighbourhood offices, libraries, universities, other public buildings, etc.	

Target Date/Period	**Produce Tenant Booklet – Set Date**
Outcome	**Send mass mailing – Set Date**
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: PUBLICITY/AWARENESS	REF: 2.00
Description of Activity	
To inform other concerned parties	**REF: 2.04**
Objective	
To ensure that other parties (other than landlords) are informed of the licensing requirements	
	Staff
Methodology	
Produce a list of all managing and letting agents operating in the area and send supplies of landlord and tenant booklets Make contact with accommodation officers at universities/colleges (if appropriate). Meet accommodation officers face-to-face to talk about licensing and give them supplies of advice booklets	

Target Date/Period	**Produce list of managing/letting agents – Set Date**
Outcome	**Arrange meetings with accommodation officers – Set Date**
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: PUBLICITY/AWARENESS	REF: 2.00
Description of Activity	
Production of other forms of publicity/promotion	**REF: 2.05**
Objective	
To ensure as wide an audience as possible has access to licensing information	
	Staff
Methodology	
1. Design a website page(s) for inclusion on council website – Include all info as given in landlord and tenant advice booklets – Work in conjunction with IT services 2. Produce information for intranet page(s) 3. Explore other avenues, for example: • landlords forum • poster campaign • purchase or hire a mobile information unit and operate in strategic localities • local radio	
Target Date/Period	**Design website and intranet pages by Set Date**
Outcome	
Activity completed	**Date to be set**

Summary of activities
3. Training

MAIN ACTIVITY HEADING: TRAINING					REF: 3.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Awareness briefing for all enforcement staff	3.01	H	Set Date		
Landlord training	3.02	M	Set Date		
Inspection staff training	3.03	M	Set Date		
Administration staff training	3.04	M	Set Date		
Produce staff procedure manual/flowchart (sample flowchart attached as Appendix 3)	3.05	M	Set Date		

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MAIN ACTIVITY HEADING: TRAINING	REF: 3.00
Description of Activity	
Provide staff briefing for all enforcement staff plus other concerned departments	**REF: 3.01**
Objective	
To raise awareness amongst enforcement staff to improve ability to answer queries and give advice to landlords and others in the lead-up to implementation	
	Staff
Methodology	
Give presentation/talk to all staff plus other invited participants (fire authority, planning, building control), and provide supporting notes	

Target Date/Period	**Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

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MAIN ACTIVITY HEADING: TRAINING	REF: 3.00
Description of Activity	
Landlord training	**REF: 3.02**
Objective	
To be in a position to be able to deliver specific training on proper standards of property and tenancy management for those landlords/managing agents who request it and those who are required to receive training under the terms of a licence condition	
	Staff
Methodology	
Develop a landlords training pack. Decide if a charge is to be made for this Arrange a series of training dates and venues. This could be arranged through a landlords forum Explore possibility of other local organisations providing the training	
Target Date/Period	**On-going**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

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MAIN ACTIVITY HEADING: TRAINING	REF: 3.00
Description of Activity	
Training for inspection staff	**REF: 3.03**
Objective	
To ensure that all staff involved in property inspection are fully competent to identify: hazards under HHSRS; breaches of HMO Management Regulations; departures from approved code of practice; and be able to take appropriate follow-up action under Part 1 of the Act (HHSRS) and Part 2 (Licensing provisions)	
	Staff
Methodology	
Government subsidised training through IDeA currently on-going with further cascade training available As well as formal externally organised training there will be a need for ongoing 'shadowing'/mentoring for less experienced and new staff	
Target Date/Period	**All inspection staff should have received training in HHSRS & Licensing procedures by commencement date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

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MAIN ACTIVITY HEADING: TRAINING	REF: 3.00
Description of Activity	
Training for administrative/procedural staff	**REF: 3.04**
Objective	
To ensure that all staff involved in the handling of applications are fully competent in carrying out the tasks they are expected to fulfil	
	Staff
Methodology	
By end of September 05 the staff to be part of the licensing 'team' or process should be established There will be a need for a series of regular briefings to ensure the system is fully operational on the implementation date	
Target Date/Period	**Commence detailed staff briefings in September 05**
Outcome	
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: TRAINING	REF: 3.00
Description of Activity	
Produce a staff procedure manual	**REF: 3.05**
Objective	
To have all procedures/tasks and roles fully documented as a reference for licensing team members and new starters, etc.	
	Staff
Methodology	
Produce draft staff guidance document by end September 05 with final version completed by mid October 05	
Target Date/Period	**Produce guidance booklet for staff – Set Date**
Outcome	
Activity completed	**Date to be set**

Summary of activities

4. Learning From/Sharing with Others

MAIN ACTIVITY HEADING: LEARNING FROM/SHARING WITH OTHERS					REF: 4.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Learn from other licensing functions	4.01	H	Set Date		
Investigate source of other seminar Attend Housing Act training sessions from other professional organisations Attend HMO network	4.02	H M	Set Date 09/11/05		
Exchange ideas with neighbouring authorities	4.03	M	Set Date		
Participate in regional & sub-regional collaborations	4.04	M			
Where appropriate learn lessons from HMO Registration	4.05	M			

HMO LICENSING PROJECT PLAN

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MAIN ACTIVITY HEADING: LEARNING FROM/SHARING WITH OTHERS	REF: 4.00
Description of Activity	
Contact and learn from other departments	**REF: 4.01**
Objective	
To find out how departments with existing licensing duties (for example, taxi, public entertainment), carry out checks to establish a 'fit and proper person', how they use the information obtained, costs, time to process applications etc.	
	Staff
Methodology	
Make contact with colleagues in relevant departments, and set up meetings with appropriate staff	
Target Date/Period	**To have held initial meetings by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LEARNING FROM/SHARING WITH OTHERS	REF: 4.00
Description of Activity	
Attend seminar/training sessions at other professional bodies	**REF: 4.02**
Objective	
To seek ideas/exchange information with other authorities in a similar position on how to set up and operate an efficient licensing scheme	
	Staff
Methodology	
Next HMO Network conference in Gateshead on 9 November 05 ODPM funded training September/October 05	
Target Date/Period	**Set Date**
Outcome	
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: LEARNING FROM/SHARING WITH OTHERS	REF: 4.00
Description of Activity	
Information/idea exchange with neighbouring authorities	**REF: 4.03**
Objective	
To compare procedures with neighbouring local authorities to achieve consistency as far as possible	
	Staff
Methodology	
Contact regional and sub-regional groups to exchange information	
Target Date/Period	**Set Date**
Outcome	
Activity completed	**Date to be set**

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August 05 –

MAIN ACTIVITY HEADING: LEARNING FROM/SHARING WITH OTHERS	REF: 4.00
Description of Activity	
Participate in regional and sub-regional collaborations	**REF: 4.04**
Objective	
To ensure that good practice is used to deliver HMO licensing schemes	
	Staff
Methodology	
Active participation in regional and sub-regional groups on HMO licensing will ensure that lessons are learned from good practice. To ensure continuity, specific members of staff could attend different groups	
Target Date/Period	**Set Date**
Outcome	
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: LEARNING FROM/SHARING WITH OTHERS	REF: 4.00
Description of Activity	
Learn lessons from HMO registration	**REF: 4.05**
Objective	
To ensure that the experiences of local authorities that have run HMO registration schemes are captured to enable an efficient approach to mandatory HMO licensing	
	Staff
Methodology	
Contact neighbouring local authorities which have run HMO registration schemes to determine successes, and areas of concern. Also make contact with other authorities, where their HMO stock is broadly similar, to identify stock specific issues	
Target Date/Period	**Set Date**
Outcome	
Activity completed	**Date to be set**

Summary of activities
5. Establish Licensing Team/Functions

MAIN ACTIVITY HEADING: ESTABLISH LICENSING TEAM/FUNCTIONS					REF: 5.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Establish staff members for enforcement	5.01	H	Set Date		
Set up licensing enquiry helpline	5.02	M	Set Date		
Establish inter-departmental working group	5.03	H	Set Date		
Contact external agencies	5.04	M	Set Date		
Establish operational database	5.05	M	Set Date		
Design application form (see sample template, Appendix 4)	5.06	M	Set Date		
Design self-declaration form for landlords to assist with fit & proper person assessment (see sample template, Appendix 4)	5.07	M	Set Date		

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MAIN ACTIVITY HEADING: ESTABLISH LICENSING TEAM/FUNCTIONS	REF: 5.00
Description of Activity	
Establish team to undertake licensing function	**REF: 5.01**
Objective	
To identify staff who will undertake the licensing function and to allocate specific duties	
	Staff
Methodology	
The following staffing is suggested: • Licensing project manager • Development officer • Administrative support Other staff will be needed for: • Database interrogation and analysis • Development of licensing page(s) in databases • Examination of implications for tenants	
Target Date/Period	**Establish Project Team – Set Date**
Outcome	
Activity completed	**Date to be set**

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August 05 –

MAIN ACTIVITY HEADING: ESTABLISH LICENSING TEAM/FUNCTIONS	REF: 5.00
Description of Activity	
Set up licensing enquiry helpline	**REF: 5.02**
Objective	
To be able to respond to enquiries as a result of distributing advice booklets and other publicity (as described under activity heading 2.00)	
	Staff
Methodology	
It is likely that any council duty officer contact number will come under increasing pressure, thereby reducing its effectiveness in dealing with requests for assistance A dedicated licensing helpline with answer service may need to be considered This number should be quoted on any information/publicity distributed Messages to be taken off daily and calls returned	
Target Date/Period	**Set up helpline by Set Date**
Outcome	
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: ESTABLISH LICENSING TEAM/FUNCTIONS	REF: 5.00
Description of Activity	
Establish inter-departmental working group	**REF: 5.03**
Objective	
To ensure that all departments likely to have a role in the licensing procedure are fully aware of their responsibilities and of the implications of licensing	
	Staff
Methodology	
HMO licensing will require inter-departmental co-operation including: 1. Legal services (prosecutions/policy) 2. Housing finance (invoicing and collection of fees) 3. IT services (development of database) 4. Data protection staff (to ensure adherence to principles of data protection and freedom of information) 5. Planning department	
Target Date/Period	**To have made contact with all other concerned departments by Set Date**
Outcome	
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: ESTABLISH LICENSING TEAM/FUNCTIONS	REF: 5.00
Description of Activity	
Establish contact with external agencies	**REF: 5.04**
Objective	
To ensure that other organisations outside the council are made aware of their roles in the licensing process	
	Staff
Methodology	
Make contact with, and perhaps hold briefing sessions for, the following: 1. Residential Property Tribunal 2. Magistrates Association 3. Police 4. Fire authority	
Target Date/Period	**To have made contact with and held briefing sessions by October 05**
Outcome	
Activity completed	**Date to be set**

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August 05 –

MAIN ACTIVITY HEADING: ESTABLISH LICENSING TEAM/FUNCTIONS	REF: 5.00
Description of Activity	
Operational database	**REF: 5.05**
Objective	
To ensure that the licensing database is operational in advance of the commencement date	
	Staff
Methodology	
Target Date/Period	**Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: ESTABLISH LICENSING TEAM/FUNCTIONS	REF: 5.00
Description of Activity	
Design application form (see sample template, Appendix 4)	**REF: 5.06**
Objective	
To ensure that all staff are aware of the format of the application form and to produce an adequate supply adapted with council corporate logo Need to produce appropriate covering letter(s)	
	Staff
Methodology	
Adapt sample copy	
Target Date/Period	**End September 05**
Outcome	
Activity completed	**Date to be set**

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MAIN ACTIVITY HEADING: ESTABLISH LICENSING TEAM/FUNCTIONS	REF: 5.00
Description of Activity	
Design self-declaration form for landlords to assist with fit & proper person assessment (see sample template, Appendix 4)	**REF: 5.07**
Objective	
To produce from for landlords to complete as part of the fit & proper person assessment	
	Staff
Methodology	
Adapt sample copy	
Target Date/Period	**End September 05**
Outcome	
Activity completed	**Date to be set**

Summary of activities

6. Development of Procedures for Management Orders

MAIN ACTIVITY HEADING: DEVELOPMENT OF PROCEDURES FOR MANAGEMENT ORDERS					REF: 6.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Partnership arrangements with housing department/empty property teams/RSLs/ARLA/ local strategic partnerships/ local estate agents/surveyors	6.01	M	Set Date		

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MAIN ACTIVITY HEADING: DEVELOPMENT OF PROCEDURES FOR MANAGEMENT ORDERS	REF: 6.00
Description of Activity	
Establish partnerships with all potential partners to manage properties subject to an interim management order or final management order (IMO/FMO)	**REF: 6.01**
Objective	
To ensure that an effective system is in place for transferring control of a property from the landlord to the council where it is decided that a licence cannot be issued and that an IMO or FMO is the most appropriate course of action	
	Staff
Methodology	
Some councils will have the resources or ability to take over management responsibility of a large HMO in poor condition, although not all. For those who do not, it is therefore important to set up a system to transfer responsibility to an RSL or other partner quickly and effectively. Service level agreements will need to established. The likely number of properties concerned is an unknown quantity. Retainer fees may need to be made available as there may be some years when no IMO/FMOs are made. Negotiations with RSLs and other partners should be commenced as soon as possible to assess their views	
Target Date/Period	**Meetings with relevant strategy unit & legal services – Set Date**
Outcome	
Activity completed	**Date to be set**

Summary of activities
7. Licensing Enforcement Strategy/Policy

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY					REF: 7.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Strategy for dealing with various application scenarios	7.01	H	Set Date		
Prosecution policy	7.02	M	Set Date		
Decision rules for licence conditions	7.03	M	Set Date		
Decision rules for when to inspect property	7.04	M	Set Date		
Decision rules for licence revocation	7.05	L	Set Date		
Implications of licensing on homelessness	7.06	H	Set Date		
Decision rules for when to apply a temporary exemption notice	7.07				
Decision rules for when to apply rent repayment orders	7.08				
Determining length of licence	7.09				

HMO LICENSING PROJECT PLAN

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MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Develop a strategy for dealing with various scenarios in relation to numbers and concentration of licence applications	**REF: 7.01**
Objective	
To ensure the establishment of a system that can cope with fluctuating demands	
	Staff
Methodology	
Establish a working group of experienced officers should look into the following scenarios and develop appropriate systems: 1. An initial flood of applications 2. Regular and steady flow of applications 3. Poor response with just a trickle of applications initially Officers who have had experience of coping with grant application programmes in the past may be of assistance	
Target Date/Period	**Set up officer working group – Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Prosecution policy for failure to apply for, or operate without, a licence	**REF: 7.02**
Objective	
To establish a fair and consistent approach to situations where landlords fail to co-operate	
	Staff
Methodology	
Initially there may be several licensable HMOs continuing to operate without a licence. This will partly be due to the inability to issue licences quickly enough. There is a need to establish prosecution policy in consultation with legal services followed by a report to the relevant elected Members for approval Immediate prosecution should be considered where there is gross negligence putting the health and safety of occupants at imminent risk. Also failure to respond after 3 reminder letters The working group referred to in 5.03 should be involved in this process	
Target Date/Period	**Established draft prosecution policy. Beginning July 05**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Decision rules on when and how to attach conditions to a licence	**REF: 7.03**
Objective	
To ensure that discretionary licence conditions are applied consistently and fairly	
	Staff
Methodology	
Establish a working group to devise and agree protocols. Further guidance may be issued on this matter (2.01).	
Target Date/Period	**To have workable licence conditions by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Decision rules for when a property is visited	**REF: 7.04**
Objective	
To ensure that priority is given to visiting and inspecting the highest risk properties first	
	Staff
Methodology	
Suggested circumstances for visits: • No record of visit in past 12 months • No record of what fire precautions exist • Safety certificates out of date by more than 6 months or no record of certificates • Properties given a high risk rating (if risk assessment procedure in place) • Reason to believe information on application form is inaccurate or falsified	
Target Date/Period	**Produce workable decision rules by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Decision rules for revocation of a licence	**REF: 7.05**
Objective	
To establish a justifiable set of guidelines on the circumstances in which a licence will be revoked	
	Staff
Methodology	
Revocation of a licence is potentially more difficult than a decision not to issue a licence. It may be necessary to set up a panel to include legal and possibly landlord representation	
Target Date/Period	**Produce workable revocation procedure by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Consider effects of licensing on homelessness and likely implication for the local authority	**REF: 7.06**
Objective	
To ensure that the implications of licensing have been fully considered and to establish procedures to assist tenants who may be displaced or evicted as a consequence of any licensing activity or restrictions	
	Staff
Methodology	
To meet with staff dealing with homelessness to ensure that they are made fully aware of licensing requirements, and discuss ways of establishing an information exchange procedure with frontline staff for assessing tenants who present themselves as homeless	
Target Date/Period	**To hold initial meeting by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Decision rules for when to apply a temporary exemption notice (TEN)	**REF: 7.07**
Objective	
To be able to justify the granting of a TEN	
	Staff
Methodology	
A TEN exempts an owner/agent from having to obtain a licence for an initial period of up to 3 months to alter the use of the property so that it is no longer licensable. The council needs to be satisfied that any representations made by owners/agents are legitimate and can be substantiated. In exceptional circumstances (provided progress is being made) the TEN can be extended for a maximum of a further 3 months. If the property is still licensable after 6 months, the owner must apply for a licence	
Target Date/Period	**To have a fee structure agreed by**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Justification of fee levels	**REF: 7.08**
Objective	
To be able to justify fee levels for applications	
	Staff
Methodology	
An application fee structure should be set that considers the relevant matters detailed in section 63 of the Act. The fee structure may also take into account other fees paid by landlords in HMO registration, landlord accreditation schemes, and membership of recognised landlord organisations. The fee structure will also be linked to the licence periods. Consideration will need to be given to whether fees should be charged for activities such as producing HMO plans. Any fee structure should be agreed by elected Members	
Target Date/Period	**To have a fee structure agreed by**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: LICENSING ENFORCEMENT STRATEGY/POLICY	REF: 7.00
Description of Activity	
Determining length of licence	**REF: 7.09**
Objective	
To have a clear policy for the awarding of licences for less than the maximum 5 years	
	Staff
Methodology	
Licences will generally be issued for 5 years; while provisional licences cannot be awarded, licences can be issued for less than 5 years. Examples of reasons for issuing shorter licences are: 1. Limited knowledge of owner/agent 2. Lack of fire precautions 3. Limited life span of property	
Target Date/Period	**To have a fee structure agreed by**
Outcome	
Activity completed	**Date to be set**

Summary of activities

8. Transitional Arrangements – Registrations to Licensing (Schemes with Control Provisions Only)

MAIN ACTIVITY HEADING: TRANSITIONAL ARRANGEMENTS – REGISTRATIONS TO LICENSING (Schemes with Control Provisions Only)					REF: 8.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Identify which registered HMOs fall within the new definition and whether they are subject to mandatory or additional licensing	8.01	H			
Decide whether to adopt an additional licensing scheme (transitional scheme) or only transfer those HMOs that are subject to mandatory licensing	8.02	H			
Notify ODPM of decision and inform all landlords of registered HMOs	8.03	H			
Vary existing registration scheme, e.g. reducing scope of scheme, adding new conditions	8.04	H			
Consider whether to seek approval for an additional licensing scheme at end of transitional period	8.05	M			

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: TRANSITIONAL ARRANGEMENTS – REGISTRATIONS TO LICENSING (Schemes with Control Provisions Only)	REF: 8.00
Description of Activity	
Identify which registered HMOs come within new definition and whether they are subject to mandatory or additional licensing	**REF: 8.01**
Objective	
To be in a position well in advance of the operational date of knowing which registered HMOs will transfer into licensing and whether they will be subject to mandatory or additional licensing	
	Staff
Methodology	
Examine existing database/register of registered HMOs and also look at outstanding applications for registration. Identify whether there are any HMOs that fall outside of new definition (e.g. houses converted into self-contained flats that comply with the 1991 Building Regulations). Inform the landlord that on the due date that the property will not have to be licensed and consider not processing outstanding applications Also, identify whether registered HMOs fall under mandatory or additional licensing. (HMOs of 3 or more storeys occupied by 5 or more people forming at least 2 households is the threshold for mandatory licensing. Houses converted into self-contained flats fall into additional licensing if they are defined as HMOs) Produce a definitive list to enable decisions/action to be taken with regard to transitional arrangements	
Target Date/Period	
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: TRANSITIONAL ARRANGEMENTS – REGISTRATIONS TO LICENSING (Schemes with Control Provisions Only)	REF: 8.00
Description of Activity	
Decide whether to adopt an additional licensing scheme (transitional scheme) or only transfer those HMOs that are subject to mandatory licensing	**REF: 8.02**
Objective	
To make a decision on whether to transfer any registered HMOs which are subject to additional licensing or just to transfer those that come within the scope of mandatory licensing	
	Staff
Methodology	
Assess the numbers of registered HMOs that fall outside mandatory licensing and obtain approval (elected Members/Committee) on whether to adopt an additional licensing (transitional scheme) for 3 years to licence these HMOs. This will depend on the extent of the existing registration scheme	
Target Date/Period	
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: TRANSITIONAL ARRANGEMENTS – REGISTRATIONS TO LICENSING (Schemes with Control Provisions Only)	REF: 8.00
Description of Activity	
Notify ODPM of decision and inform all landlords of registered HMOs	**REF: 8.03**
Objective	
To inform the ODPM of decision to transfer registration scheme into a transitional licensing scheme and to inform landlords of registered HMOs of what will happen to registration	
	Staff
Methodology	
If decision is made to transfer all registered HMOs into a transitional licensing scheme to write to ODPM to inform them of this decision To write to all landlords of registered HMOs to inform them about the changes being brought in by the Housing Act 2004 and how this will affect their registrations. In particular that the registration will be changed to a licence for the remainder of the registration period and that there will be no fee for this transfer	
Target Date/Period	
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: TRANSITIONAL ARRANGEMENTS – REGISTRATIONS TO LICENSING (Schemes with Control Provisions Only)	REF: 8.00
Description of Activity	
To vary existing registration scheme, e.g. reducing scope of scheme, adding new conditions	**REF: 8.04**
Objective	
Following decision regarding whether to adopt a transitional licensing scheme, to adjust the existing registration scheme	
	Staff
Methodology	
If there are certain types of HMOs that fall outside the new definition, or it was decided to only include certain types of HMOs under additional licensing, the registration scheme will need to be varied and landlords informed of the changes to the scheme This is also an opportunity to look at the conditions that are set out in the Housing Act 2004 and decide whether these should be added to the transitional scheme	
Target Date/Period	
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: TRANSITIONAL ARRANGEMENTS – REGISTRATIONS TO LICENSING (Schemes with Control Provisions Only)	REF: 8.00
Description of Activity	
Consider whether to seek approval for an additional licensing scheme at end of transitional period	**REF: 8.05**
Objective	
To decide whether to adopt an additional licensing scheme at the end of the transitional period, or sooner if existing registration scheme is limited in its scope	
	Staff
Methodology	
A transitional licensing scheme will have a finite life. It is likely that this will be 3 years. It may be that the authority will wish to adopt an additional licensing scheme at the end of the transitional period. In other cases the registration scheme may have been limited in its scope, not including all HMOs or only applying to parts of an area. In these cases an authority may wish to look at adopting an additional licensing scheme during the transitional period Need to look at the requirements of section 56 of the Housing Act 2004 and start planning well in advance as there is a need to consult and justify such a scheme and there is a 3-month lead-in period following approval	
Target Date/Period	
Outcome	
Activity completed	**Date to be set**

Summary of activities
9. Finance/Fees for Applications

MAIN ACTIVITY HEADING: FINANCE/FEES FOR APPLICATIONS					REF: 9.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Fee charging system (sample, Appendix 5)	9.01	M	Set Date		
Invoicing/debt recovery	9.02	M	Set Date		
Establish justification for fee levels	9.03				

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: FINANCE/FEES FOR APPLICATIONS	REF: 9.00
Description of Activity	
Develop a licence-fee charging system	**REF: 9.01**
Objective	
To ensure the recovery of administrative costs in operating a licensing scheme	
	Staff
Methodology	
A certain amount of guidance is available through LGA and CIPFA. Consult officers experienced in financial matters and legal services for further guidance Consideration must also be given to circumstances in which reduced fees may be applied, e.g. for early application, charities, financial hardship Landlord representatives may be keen to be part of any working group	
Target Date/Period	**To have a workable fee structure by early October 05**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: FINANCE/FEES FOR APPLICATIONS	REF: 9.00
Description of Activity	
Establish a system for invoicing and collecting licence fees	**REF: 9.02**
Objective	
To ensure the system will efficiently enable invoices to be issued and debts pursued	
	Staff
Methodology	
Establish how invoices are issued and by whom.Decide if this is to be done by the licensing team or by a finance department. Each licence should be given a unique reference number which can be linked to the licence and accurately traced Need to make it clear on the licence application form how, where and by when the fee must be paid	

Target Date/Period	**Set up meeting with income and legal services – Set Date**
Outcome	**Have a charging system in place by Set Date**
Activity completed	**Date to be set**

Summary of activities
10. Inspection Programme

MAIN ACTIVITY HEADING: INSPECTION PROGRAMME					REF: 10.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Establish a competent inspection team	10.01	M	Set Date		
Establish a case allocation system for inspections	10.02	M	Set Date		
Produce standard property inspection form	10.03	M	Set Date		

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: INSPECTION PROGRAMME	REF: 10.00
Description of Activity	
Establish a competent inspection team trained in what a licence inspection entails	**REF: 10.01**
Objective	
As description of activity	
	Staff
Methodology	
Training requirement detailed in 3.03. Properties requiring an inspection will be generated as per 7.01 and 7.04 Establish which staff will be required to carry out inspections and what their role is in relation to the licensing team Set up a system of allocating visits and monitoring progress, and ensuring that appropriate follow-up action is taken on time. Licence conditions could be applied by reference to standard phrases	
Target Date/Period	**Inspection team established by Set Date**
Outcome	**Develop multiple choice licence conditions by Set Date**
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: INSPECTION PROGRAMME	REF: 10.00
Description of Activity	
Allocation of cases to be visited	**REF: 10.02**
Objective	
To ensure that properties in need of an inspection, as a result of a licence application, are allocated on a consistent and reasonable basis and that achievable targets are set	
	Staff
Methodology	
Cases will have to be allocated to the inspection team at an appropriate rate Setting achievable targets will be a matter for managers to consider and agree	
Target Date/Period	**Consider case allocation system by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: INSPECTION PROGRAMME	REF: 10.00
Description of Activity	
Produce property inspection form and procedure	**REF: 10.03**
Objective	
To ensure that properties are inspected to a consistent standard taking into account hazards under HHSRS	
	Staff
Methodology	
A standard property inspection form with prompts as to what to look for and note down should be produced Use of the form would form part of the training identified in 3.03	
Target Date/Period	**Produce HMO inspection form by Set Date**
Outcome	
Activity completed	**Date to be set**

Summary of activities
11. Administrative Procedures

MAIN ACTIVITY HEADING: ADMINISTRATIVE PROCEDURES					REF: 11.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Establish fit and proper person procedure	11.01	H	Set Date		
Produce a licensing screen for database	11.02	H	Set Date		
Set up public register	11.03	M	Set Date		
Produce draft procedure flowchart (sample, Appendix 3)	11.04	M	Set Date		

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: ADMINISTRATIVE PROCEDURES	REF: 11.00
Description of Activity	
Procedure for checking that licence applicants are 'fit and proper'	**REF: 11.01**
Objective	
To establish an efficient procedure for checking applicants including setting deadlines for the return of information and procedures for entering information on database. Examine possibility of landlords being able to self-certify that they have no relevant convictions (sample self-declaration form, Appendix 4)	
	Staff
Methodology	
The following checks will be necessary: 1. Search existing databases for any records of prosecutions/cautions 2. Study any existing property file for any evidence of significant poor management or comments of unacceptable behaviour 3. Search police database (CRCs – if data can be obtained) 4. Search Companies Register for evidence of bankruptcy/liquidation if applicant is a limited company	
Target Date/Period	**To have produced an outline procedure by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: ADMINISTRATIVE PROCEDURES	REF: 11.00
Description of Activity	
To establish a licensing database	**REF: 11.02**
Objective	
To have in place a useable database capable of capturing all required information and that can be used as an effective aid to: • Monitor progress • Produce monitoring reports • Identify licence breaches • Produce information for public register	
	Staff
Methodology	
This activity will be undertaken in consultation with authority's IT services	
Target Date/Period	**To produce a suggested licensing database screen by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: ADMINISTRATIVE PROCEDURES	REF: 11.00
Description of Activity	
Set up a public register of HMO licences	**REF: 11.03**
Objective	
To establish a public register both in electronic and paper form which is capable of being reviewed and regularly updated	
	Staff
Methodology	
Produce a printed version of the database suitable for use as a public document to be kept in a central register Make register available through council website Ensure consultultation with data protection and staff dealing with freedom of information issues	
Target Date/Period	**To produce a draft public register procedure by Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: ADMINISTRATIVE PROCEDURES	REF: 11.00
Description of Activity	
Produce a comprehensive licensing procedure flowchart	**REF: 11.04**
Objective	
To produce a flowchart to act as a quick reference document for staff involved in the licensing procedure (sample, Appendix 3)	
	Staff
Methodology	
Adapt sample at Appendix 3 to suit local circumstances	
Target Date/Period	**Produce a draft procedure flow chart – Set Date**
Outcome	
Activity completed	**Date to be set**

Summary of activities
12. Reports and Monitoring

MAIN ACTIVITY HEADING: REPORTS AND MONITORING					REF: 12.00
SUB-ACTIVITY	REF	PRIORITY	TARGET DATE	COMPLETION DATE	ON-GOING
Report to elected Members	12.01	M	Set Date		
Production of monthly monitoring reports	12.02	M	Set Date		

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: REPORTS AND MONITORING	REF: 12.00
Description of Activity	
Report to elected Members	**REF: 12.01**
Objective	
To inform Members of implications of HMO licensing and the progress the department is making towards establishing the licensing system	
	Staff
Methodology	
Appropriate report to be prepared and approved	
Target Date/Period	**Set Date**
Outcome	
Activity completed	**Date to be set**

HMO LICENSING PROJECT PLAN

August 05 –

MAIN ACTIVITY HEADING: REPORTS AND MONITORING	REF: 12.00
Description of Activity	
Production of monthly monitoring reports	**REF: 12.02**
Objective	
To ensure that the licensing scheme, once operational, is closely monitored and that applications are being processed efficiently within a reasonable timescale, identity trends, etc.	
	Staff
Methodology	
From the IT package you may wish to be able to produce reports giving the following information: • Number of applications received within a defined period • Number of applications refused • Number of applications awaiting processing • Number of licences revoked • Number of licences issued • Number of HMOs made • Number of EMOs made • Number of prosecutions for failure to apply • Number of prosecutions for exceeding maximum occupation limit • Number of prosecutions for breach of licence conditions • Number of inspections carried out linked to licensing	
Target Date/Period	**Monthly – on-going from operational date**
Outcome	
Activity completed	**Date to be set**

Appendix 1
Landlord's Guide

HOUSES IN MULTIPLE OCCUPATION

The 2004 Housing Act, introduces the licensing of Houses in Multiple Occupation (HMOs). It will be compulsory to license larger, higher-risk HMOs. Councils will also be able to license other types of HMO to tackle problems in these smaller properties.

What is an HMO?

HMO stands for House in Multiple Occupation, which means a building, or part of a building, such as a flat, that:

- is occupied by more than one household and where more than one household shares – or lacks – an amenity, such as a bathroom, toilet or cooking facilities
- is occupied by more than one household and which is a converted building – but not entirely self-contained flats (whether or not some amenities are shared or lacking)
- is converted self-contained flats, but does not meet as a minimum standard the requirements of the 1991 Building Regulation, and at least one third of the flats are occupied under short tenancies.

The building is occupied by more than one household:

- as their only or main residence
- as a refuge for people escaping domestic violence
- by students during term time
- for other purposes prescribed by the government.

A household is:

- families (including single people, couples and same sex couples)
- other relationships, such as fostering, carers and domestic staff.

Why does the government want HMOs to be licensed?

Larger HMOs, such as bedsits and shared houses, often have poorer physical and management standards than other privately rented properties. The people who live in HMOs are amongst the most vulnerable and disadvantaged members of society. As HMOs are the only housing option for many people, the government recognises that it is vital that they are properly regulated.

Licensing is intended to make sure that:

- landlords of HMOs are fit and proper people, or employ managers who are
- each HMO is suitable for occupation by the number of people allowed under the licence
- the standard of management of the HMO is adequate
- high risk HMOs can be identified and targeted for improvement.

Where landlords refuse to meet these criteria the council can intervene and manage the property so that:
- vulnerable tenants can be protected
- HMOs are not overcrowded
- councils can identify and support landlords, especially with regeneration and tackling antisocial behaviour.

Do all HMOs have to be licensed?

No. Under the new Housing Act 2004 there are three types of licensing:

1. **Compulsory** (required by law) licensing of HMOs for properties that are:

   - three or more storeys high
   - have five or more people in more than one household, and
   - share amenities such as bathrooms, toilets and cooking facilities.

2. **Additional** licensing of HMOs

   A discretionary power that councils may decide to apply to a particular type of HMO, for example, two-storey properties occupied by three or more students or asylum seekers.

3. **Selective** licensing of other residential accommodation

   Properties that are not subject to HMO licensing could be covered under a selective licensing scheme. This is where the council may declare that certain areas, for example, where there is low demand for housing and/or antisocial behaviour, are appropriate for selective licensing. This licensing would cover all forms of private rented housing, including HMOs. It is most likely that at first councils will only introduce licences for HMOs that fall into the first group. They may introduce the other two types of licensing later.

   Please note that licensing only applies to HMOs where rents or other considerations are payable.

How will it work?

Anyone who owns or manages an HMO that must be licensed has to apply to the council for a licence. The council must give a licence if it is satisfied that:
- the HMO is reasonably suitable for occupation by the number of people allowed under the licence
- the proposed licence holder is a fit and proper person
- the proposed licence holder is the most appropriate person to hold the licence
- the proposed manager, if there is one, is a ‘fit and proper person’
- the proposed management arrangements are satisfactory,
- the person involved in the management of the HMO is competent
- the financial structures for the management are suitable.

What does a 'fit and proper person' mean?

The council will carry out checks to make sure that the person applying for the licence is a fit and proper person. In deciding whether someone is fit and proper the council must take into account:

- any previous convictions relating to violence, sexual offences, drugs and fraud
- whether the proposed licence holder has broken any laws relating to housing or landlord and tenant issues
- whether the person has been found guilty of unlawful discrimination
- whether the person has previously managed HMOs that have broken any approved code of practice.

It is advisable for the landlord or manager to be a member of a professionally recognised body, or an approved landlords association that is affiliated to the National Federation of Residential Landlords.

What is in a licence?

The licence will specify the maximum number of people who may live in the HMO. It will also include the following conditions, which apply to every licence:

- a valid current gas safety certificate, which is renewed annually, must be provided
- proof that all electrical appliances and furniture are kept in a safe condition
- proof that all smoke alarms are correctly positioned and installed
- each occupier must have a written statement of the terms on which they occupy the property, for example, a tenancy agreement.

Councils may also apply the following conditions:

- restrictions or prohibitions on the use of parts of the HMO by occupants
- a requirement that the condition of the property, its contents, such as furniture and all facilities and amenities, bathroom and toilets for example, are in good working order
- a requirement for specified works or repairs to be carried out within a particular timeframe
- a requirement that the responsible person attends an approved training course.

How long will it last?

A licence will normally last for a maximum of five years, although it can be for a shorter period.

How much will it cost?

Landlords will have to pay a fee to cover the administration costs of the licence procedure. This will vary depending on the amount of time and resources that are needed to satisfy all the licensing conditions.

Can the council refuse to license my property?

Yes, if the property does not meet the conditions set out above and the landlord or manager is not a fit and proper person.

What will happen then?

If a landlord fails to bring an HMO up to the required standard, or fails to meet the fit and proper person criteria, the council can issue an Interim Management Order (IMO), which allows it to step in and manage the property. The owner keeps their rights as an owner. This order can last for a year until suitable permanent management arrangements can be made. If the IMO expires and

there has been no improvement, then the council can issue a Final Management Order. This can last up to five years and can be renewed.

Can I appeal?

You may appeal if the council decides to:
- refuse a licence
- grant a licence with conditions
- revoke a licence
- vary a licence
- refuse to vary a licence.

You must appeal to the Residential Property Tribunal, normally within 28 days. Details of how to appeal will be available soon.

Temporary exemption from licensing

If a landlord or person in control of a property intends to stop operating it as an HMO or reduces the numbers of occupants and can give clear evidence of this, then he or she can apply for a Temporary Exemption Notice. This lasts for a maximum of three months and ensures that a property in the process of being converted from an HMO does not need to be licensed. If the situation is not resolved, then a second Temporary Exemption Notice can be issued. When this runs out the property must be licensed, become subject to an Interim Management Order, or cease to be an HMO.

Are there any other penalties?

It is an offence if the landlord or person in control of the property:
- fails to apply for a licence for a licensable property or
- allows a property to be occupied by more people than are permitted under the licence.

A fine of up to £20,000 may be imposed. In addition, breaking any of the licence conditions can result in fines of up to £5,000.

Rent repayment orders

A tenant living in a property that should have been licensed, but was not, can apply to the Residential Property Tribunal to claim back any rent they have paid during the unlicensed period (up to a limit of 12 months). councils can also reclaim any housing benefit that has been paid during the time the property was without a licence.

IS MY PROPERTY AN HMO?	Housing Act 2004 section and schedule numbers
It will be an HMO if it is one of the following:	
A shared house lived in by people who belong to more than one family* and who share one or more facilities**.	s254(2) *(The 'standard test')*
A house in bedsits lived in by people who belong to more than one family* and who share one or more facilities**.	s254(4) *(The 'converted building test')*
An individual flat lived in by people who belong to more than one family* and who share one or more facilities**.	s254(3) *(The 'self-contained flat test')*
A building of self-contained flats that do not meet 1991 Building Regulation standards.	s257
Exemptions:	
• If it is occupied by only two people.	Sch 14, 7
• If it is occupied by the owner (and their family if any) and one or two lodgers.	Sch 14, 6(c)
• If it is occupied by a religious community.	Sch. 14, 5
• If the occupiers have their main residence elsewhere***.	s259
• If no one in the property is required to pay rent.	s254(2)(e)
• If the owner or manager is a public body.	Sch. 14, 2
• If the owner or manager is an educational institution.	Sch. 14, 4
• A building of self-contained flats if two thirds or more of the flats are owner-occupied.	s257(2)(b)
• If the property is part of a guest house or hotel (unless an 'HMO Declaration' is made).	s254(2)(d) (s255(1))
SOME OF THESE HMOs MUST HAVE A LICENCE – WHICH ONES?	
An HMO must have a licence if **all** three of the following apply:	
a. It is an **HMO** (see definition of HMO above) and b. it is **three storeys or more** (includes basements) and c. it is occupied by **five people or more**.	Regulations made under s55
Exemptions: • If the whole property is in self-contained flats. • If the basement is in commercial use and there are only two residential storeys above.	
* Family – husband, wife, co-habitee, child, step-child, foster-child, grandchild, parent, step-parent, foster-parent, grandparent, brother, half-brother, sister, half-sister, aunt, uncle, niece, nephew, cousin.	s258
** Facilities – basic amenities: wc; wash hand basin, shower, bath; cooking facilities.	s254(8)
*** Accommodation used by full-time students while they are studying is taken to be their main residence.	s259(2)(a)

Appendix 2
Information for Tenants

ARE YOU LIVING IN A PRIVATELY RENTED PROPERTY?

If so, please read this, as it may apply to you!

The law has changed concerning large houses where people who are not related live together and share facilities (like kitchens and/or bathrooms, etc.); certain houses in this category may need to be LICENSED by the local authority (the council).

As of November 2005 the law requires that all properties which are 3 floors or more in height (and this can include properties which have shops, offices, etc., occupying 1 or more floors), have 5 or more people, who do not live in one household (i.e. usually not related to each other) and share some facilities, such as kitchens, common rooms, bathrooms, etc., and are not owned by a Housing Association or Trust (also known as Registered Social Landlords or RSLs), then these properties must be LICENSED by the local authority.

If you are unsure whether your property needs to be licensed then please contact:

Insert contact details

Remember properties which have:

- 3 STOREYS OR MORE
- 5 PEOPLE OR MORE, IN MORE THAN ONE HOUSEHOLD
- SHARED FACILITIES

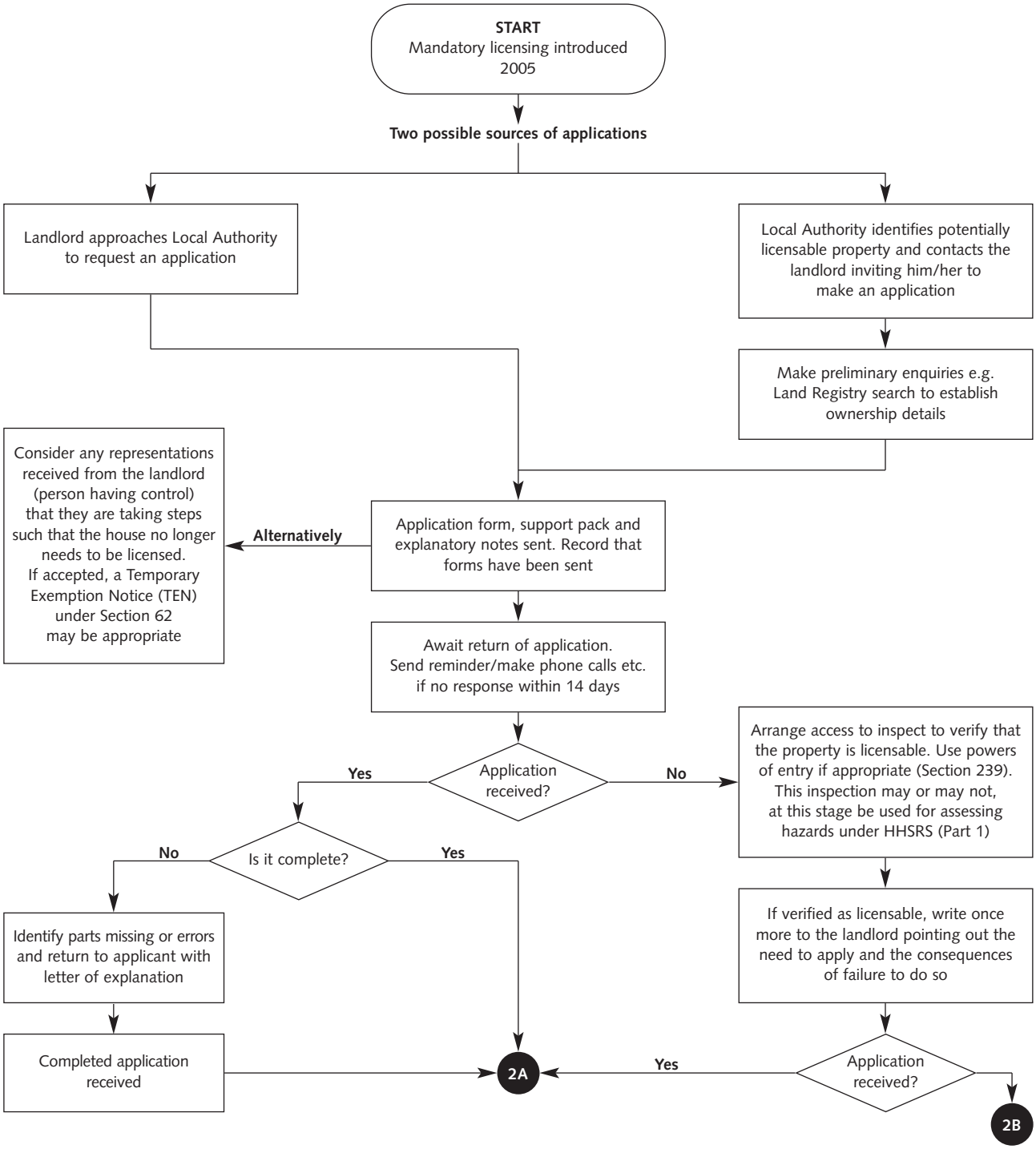
will need to be licensed!

Be licensed be safe

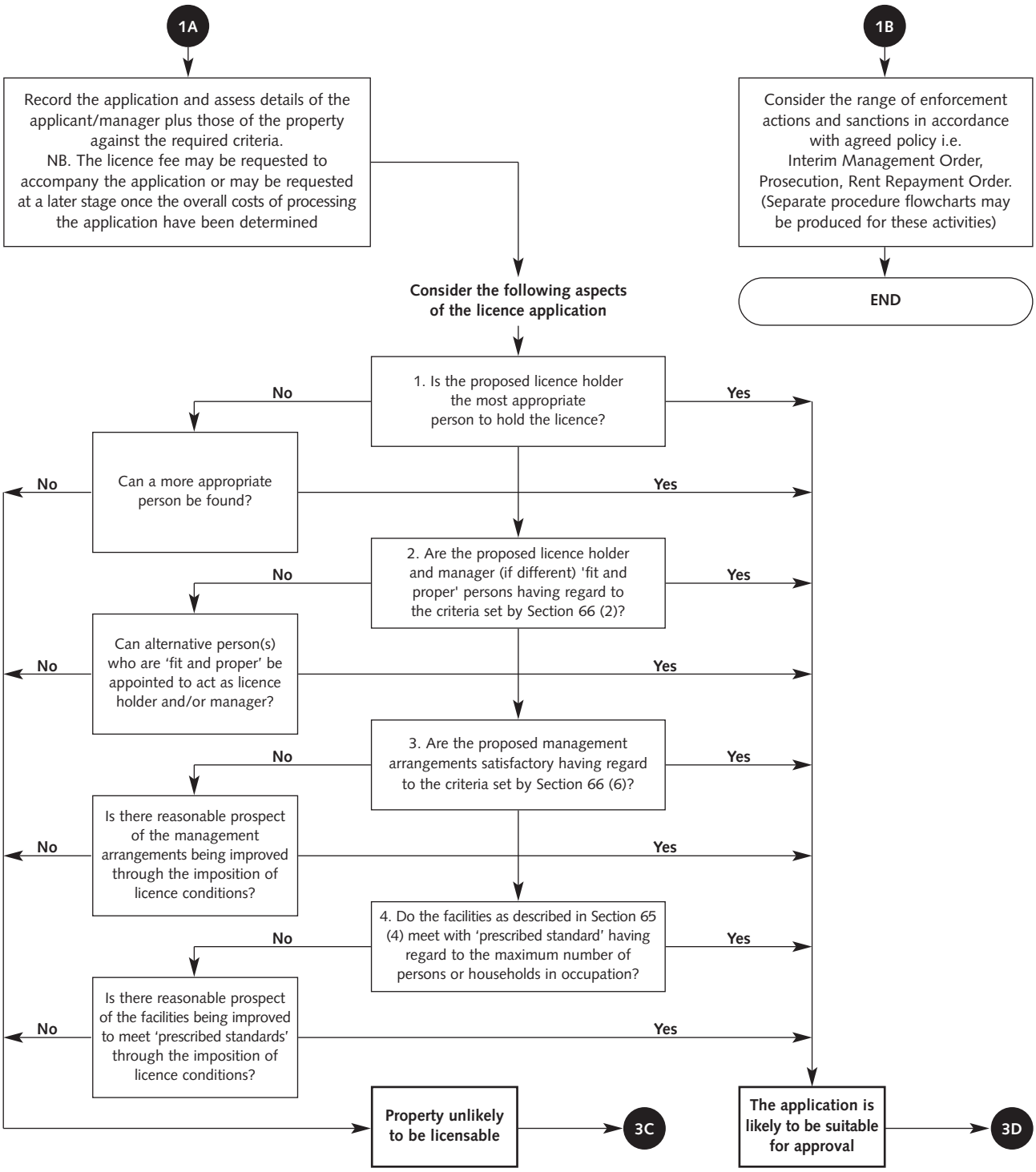
Appendix 3

Procedure Flow Chart

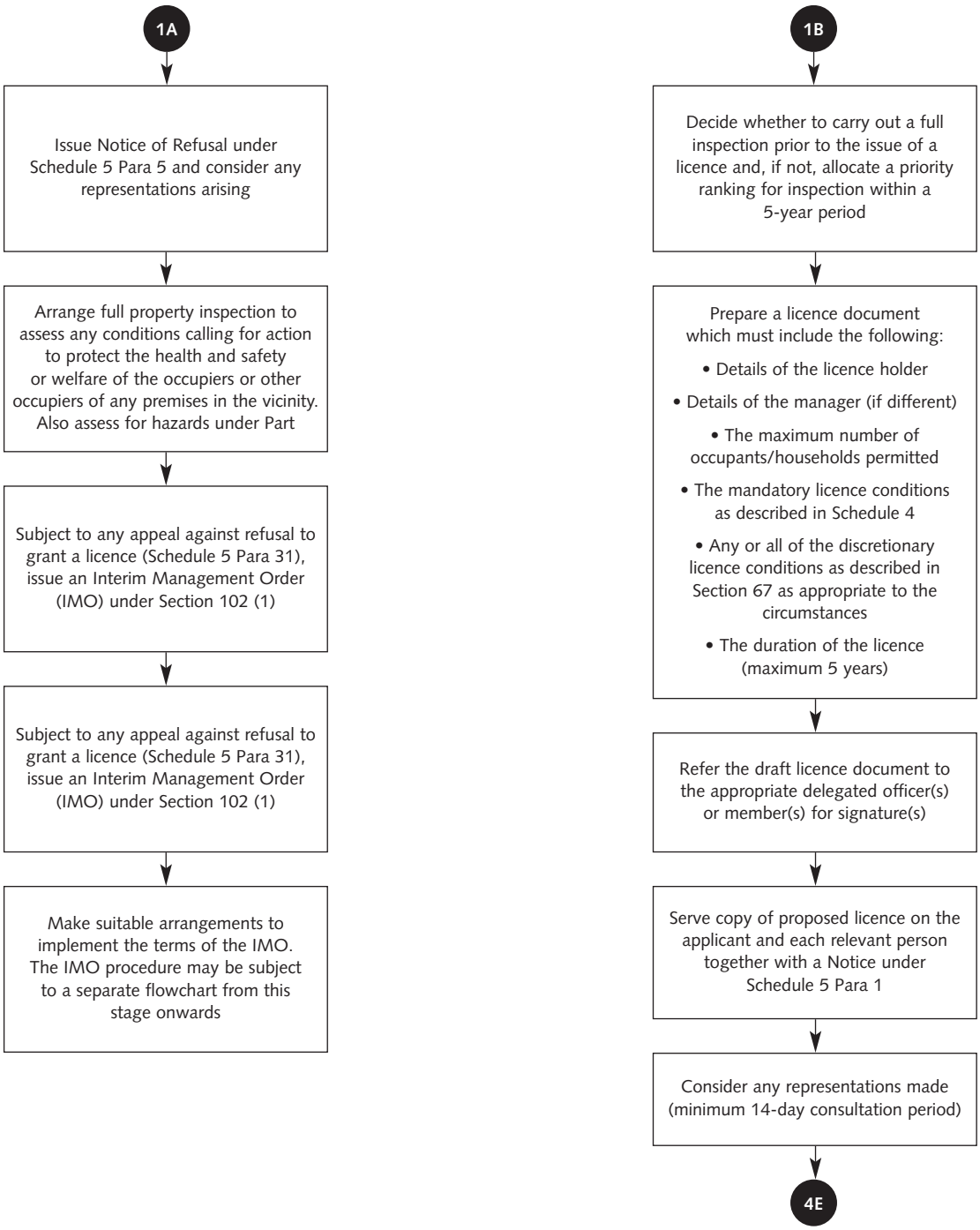
Mandatory Licensing of Houses in Multiple Occupation (Part 2 of the Housing Act 2004)



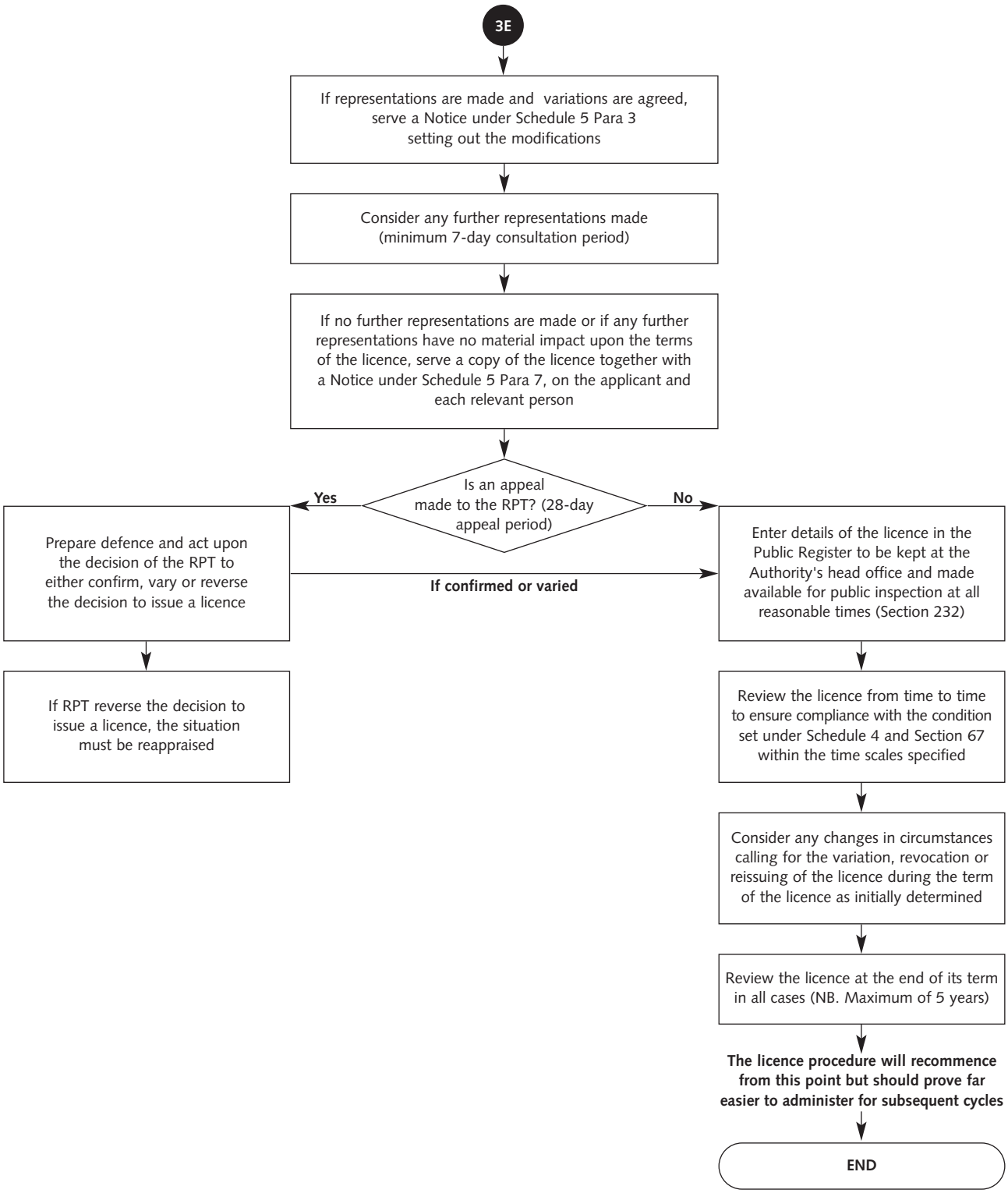
Procedure Flow Chart *(continued)*



Procedure Flow Chart *(continued)*



Procedure Flow Chart *(continued)*



Appendix 4
Sample Application Forms

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	REGISTER OF LICENSED HMOs	92

PART I: LANDLORD INFORMATION

PART I. APPLICATION FOR HMO LICENSE

1. This application refers to (property address):

.....

2. Name & Address of Applicant

.....

.....

tel: ..... email: .....

3. If the applicant is a company, partnership, or trust, please indicate which and complete the following:

3.1 Company/partnership/trust information: including Registered address or principal trading address where appropriate

.....

.....

tel: ..... email: .....

3.2 Names & Addresses of all Directors/Partners/Trustees *(please use separate sheet if necessary)*

.....

.....

tel: ..... email: .....

3.3 Name & Address of Company Secretary

.....

.....

tel: ..... email: .....

3.4 Please confirm by signature of all partners/trustees an address for service:

.....

.....

Signed: ..... Name: ..... (Director/Partner/Trustee?)

Signed: ..... Name: ..... (Director/Partner/Trustee?)

Signed: ..... Name: ..... (Director/Partner/Trustee?)

Signed: ..... Name: ..... (Director/Partner/Trustee?)

4. PART II will need to be completed if the applicant employs a manager, or rent collector

4.1 Name & Address of manager/rent collector *(please indicate)*

.....

.....

tel: ..... email: .....

4.2 Please attach PART II as the application is incomplete without this and cannot be processed.

5. Fit & proper person

The local authority "must have regard (among other things) to" evidence which shows that a person or any person associated or formerly associated whether personally or on a work basis with the property provided it is relevant to whether the person is fit and proper, has

a) Committed an offence involving
- fraud
- dishonesty
- violence
- drugs
- Sexual Offences Act Schedule 3

b) Practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in connection with a business.

c) Contravened any provision of housing or landlord & tenant law. In particular, within the last 5 years been in control of any property:
- subject to a control order
- subject to proceedings by a local authority
- where the local authority has had to carry out works in default
- subject to a management order under the Housing Act 2004.

Or been refused a licence or breached conditions of a licence.

d) Acted in contravention of any Approved Code of Practice (ACoP). We may require your cooperation in obtaining CRB information in confirmation of the above. We may also approach other authorities such as the police authority, Fire & Rescue Service, Office of Fair Trading, etc. for information and confirmation. Signing of this application will be taken as your agreement to any such action.

5.1 Do any of the above apply to you or anyone involved in the management of the property? If so, please indicate which.

.....

5.2 Are you a member of any landlords association or other professional body? Please indicate which.

.....

5.3 Are you an accredited landlord in this or another authority? Please indicate.

.....

5.4 Are you on the lists for any academic or other organisation/institution? Please state which and indicate by initialling your entry that we may contact them for a reference.

.....

..... Initials: .....

5.5 Please list any training courses you have undertaken or conferences attended in the last 3 years which you feel make you a better landlord.

.....

.....

NOTE TO APPLICANTS

Please note that it is a criminal offence to knowingly supply information which is false or misleading for the purposes of obtaining a licence. Evidence of any statements made in this application with regard to the property concerned may be required at a later date. If we subsequently discover something which is relevant and which you should have disclosed, or which has been incorrectly stated or described, your licence may be cancelled or other action taken.

DECLARATION

I/we declare that I/we have read the statement above and completed all parts of this application to the best of my/our knowledge and ability, and that it is valid as of the date below.

The fee of £ ..... is enclosed.

Signed: ..... Date: .....

Signed: ..... Date: .....

Signed: ..... Date: .....

Signed: ..... Date: .....

PART II: IF MANAGER EMPLOYED

PART II. APPLICATION FOR HMO LICENSE

Applicant:

.....

Property Address:

.....

.....

1. Name & Address of Person managing the property indicating professional qualifications such as RICS, ARMA, ARLA, etc.

.....

.....

tel: ..... email: .....

1.1 Company/partnership/trust information: including Registered address or principal trading address where appropriate

.....

.....

tel: ..... email: .....

2. Names & Addresses of all Directors/Partners/Trustees indicating professional qualifications such as RICS, ARMA, ARLA, etc. (please use separate sheet if necessary. Pre-printed information about your organisation is acceptable, validated by the signature of the appropriate officer)

.....

.....

tel: ..... email: .....

3. Name & Address of Company Secretary

.....

.....

tel: ..... email: .....

4. Please confirm by signature of all partners/trustees whether service can be made at one address, and indicate which:

.....

.....

Signed: ..... Name: ..... (Director/Partner/Trustee?)

Signed: ..... Name: ..... (Director/Partner/Trustee?)

Signed: ..... Name: ..... (Director/Partner/Trustee?)

Signed: ..... Name: ..... (Director/Partner/Trustee?)

5. Fit & proper person

The local authority "must have regard (among other things) to" evidence which shows that a person or any person associated or formerly associated whether personally or on a work basis with the property provided it is relevant to whether the person is fit and proper, has

a) Committed an offence involving
- fraud
- dishonesty
- violence
- drugs
- Sexual Offences Act Schedule 3

b) Practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in connection with a business.

c) Contravened any provision of housing or landlord & tenant law. In particular, within the last 5 years been in control of any property:
- subject to a control order
- subject to proceedings by a local authority
- where the local authority has had to carry out works in default
- subject to a management order under the Housing Act 2004.

Or been refused a licence or breached conditions of a licence.

d) Acted in contravention of any Approved Code of Practice (ACoP). We may require your cooperation in obtaining CRB information in confirmation of the above. We may also approach other authorities such as the police authority, Fire & Rescue Service, Office of Fair Trading, etc. for information and confirmation. Signing of this application will be taken as your agreement to any such action.

5.1 Please indicate which, of the above, if any, apply to you or any person associated with you who may be involved in the management of the property.

.....

.....

5.2 Please list any training courses you have undertaken or conferences attended in the last 3 years

.....

.....

5.3 Please indicate number of individual properties in management: .....

5.4 Please give your Financial Services Authority registration number: .....
(If not registered, please provide information as to why this is not considered necessary on a separate sheet)

NOTE TO APPLICANTS
Please note that it is a criminal offence to knowingly supply information which is false or misleading for the purposes of obtaining a licence. Evidence of any statements made in this application with regard to the property concerned may be required at a later date. If we subsequently discover something which is relevant and which you should have disclosed, or which has been incorrectly stated or described, your licence may be cancelled or other action taken.

DECLARATION
I/we declare that I/we have read the statement above and completed all parts of this application to the best of my/our knowledge and ability, and that it is valid as of the date below.

The fee of £ ..... is enclosed.

Signed: ..... Date: .....

Signed: ..... Date: .....

Signed: ..... Date: .....

Signed: ..... Date: .....

PART III: COMPLETE FOR EVERY PROPERTY

PART III. PROPERTY DETAILS

1. Considering the age, character and locality of the property, please state if it is/has:

a) Structurally sound and in reasonable repair Y/N/NK

b) Reasonably free from damp Y/N/NK

c) Clean & in good repair Y/N/NK

d) Secure (with adequate window and external door locks) Y/N/NK

e) Adequate facilities for rubbish storage and disposal Y/N/NK

1.2 Have you a schedule for

a) Planned maintenance Y/N/NK

b) Inspection of furniture/facilities/equipment? Y/N/NK
(please provide brief details)

.....

1.3 Please give approximate date of construction .....

If converted, approximate date of conversion .....

2. Fire precautions

2.1 Is there

a) an adequate system of smoke/heat detectors incorporating

– A fire alarm panel Y/N/NK

– Emergency lighting in the common ways Y/N/NK

– Smoke/heat detectors in kitchen/common room Y/N/NK

– Sounders/alarms on all levels Y/N/NK

b) Is the main escape route protected by fire doors, self closers? Y/N/NK

c) Is the escape route kept clear of flammable material and other obstructions? Y/N/NK

d) Do you have a contractor to maintain and inspect your system? Y/N/NK

e) Please state who .....

f) Is there a log book of inspection/testing? Y/N/NK

g) Where is it kept? .....

3. Heating & insulation

3.1 What form of heating does the property have?

Gas fired central heating	Y/N/NK
Off peak night storage heaters	Y/N/NK
Individual wall mounted gas heaters	Y/N/NK
Individual wall mounted electric heaters	Y/N/NK

3.2 Is the loft insulated? Y/N/NK ..... (date)

3.3 If there are cavity walls, do you have cavity wall insulation? Y/N/NK

3.4 Are the windows:

Double glazed	Y/N/NK
Original timber framed, in good repair	Y/N/NK

3.5 If there is a gas supply to the property, please confirm that you have a current Gas Safety Certificate (required annually for the installation and equipment you provide) and provide a copy Y/N/NK

3.6 Have you an electrical safety certificate from a competent electrical engineer within the last 10 years to confirm that the electrical installation is safe? Please attach a copy Y/N/NK

3.7 Please indicate date of any major work to the electrical installations. ..... (date)

4. Electrical appliances and furniture

Please indicate whether you provide:

Furniture	Y/N/NK
Appliances	Y/N/NK

4.1 Is all furniture compliant with current fire safety regulations? Y/N/NK

4.2 Are all the appliances compliant with current gas/electrical safety regulations? Y/N/NK

4.3 Have you had your property inspected for the presence of asbestos? Y/N/NK

5. Tenancy Management

Please confirm whether you provide the following

a) Tenancy agreements/written details of terms of tenancy, including sanctions for anti social behaviour? Y/N/NK

b) If you use a standard form of tenancy agreement, please provide a copy.

c) inventory & schedule of condition at commencement of occupancy Y/N/NK

d) Rent book/receipts Y/N/NK

e) Repairs contact/procedure Y/N/NK

f) Complaints procedure Y/N/NK

6. Any further information you feel will help u to assess your management skills:

.....

PART IVa: COMPLETE FOR BEDSIT HOUSES

1. Floor	**2.** Rooms (Bed/sit Living)	**3.** Occupants (adults + children)	**4.** Cooking Facilities	No.	**5.** Food storage	No.	**6.** Bath/ Shower	No.	**7.** WC	No.	**8.** Wash hand basin	No.	**9.** Smoke /heat detectors
			E S		E S		E S		E S		E S		

NOTES:

1. Please indicate which floor (basement (if any)/ground/1st/2nd/3rd etc)
2. Total of bedsits, bedrooms, living rooms (if any) on this floor (NOT kitchens and bathrooms)
3. All occupiers of this floor, including infants

4-8. Please indicate if facility is used exclusively by the occupier(s) of one flat or bedsit (E): or if the occupier(s) share with tenants of another part of the property (S), in which case please indicate the number (No.) of people sharing this facility?

9. Please indicate number on each floor

Please indicate the number of occupiers for which you would like a licence .....

PART IVb: COMPLETE FOR SHARED HOUSES

1. Floor	**2.** Rooms (Bed/sit Living)	**3.** Occupants (adults + children)	**4.** Cooking Facilities	**5.** Food storage	**6.** Bath/ Shower	**7.** WC	**8.** Wash hand basin	**9.** Smoke /heat detectors

NOTES:

4. Please indicate which floor (basement (if any)/ground/1st/2nd/3rd, etc)
5. Total of bedsits, bedrooms, living rooms on this floor – not kitchens and bathrooms
6. All occupiers of this floor, including infants

4-8. If none on this floor, please put 'None'

9. Please indicate number on each floor

Please indicate the number of occupiers for which you would like a licence
(this could be more or less than the number of people currently resident) .....

REGISTER OF LICENSED HMOs

Reg No	PROPERTY ADDRESS	Licensee	Date inspected*	Temporary Exemption Notice (date)	Management Orders (IMO/ FMO/EPO & date)	Date licence granted	Date licence expires

*If there is no date in this column, the licence has been granted solely on the information provided by the landlord. A date which precedes the date of granting indicates information has been obtained from existing council files.

It is considered unnecessary to give full landlord contact details. This should be available to tenants; it will be available to the council if action is required; and if others have a serious need for the information, it can be obtained for a small fee from the Land Registry. Giving full information could leave landlords open to harassment and/or nuisance calls.

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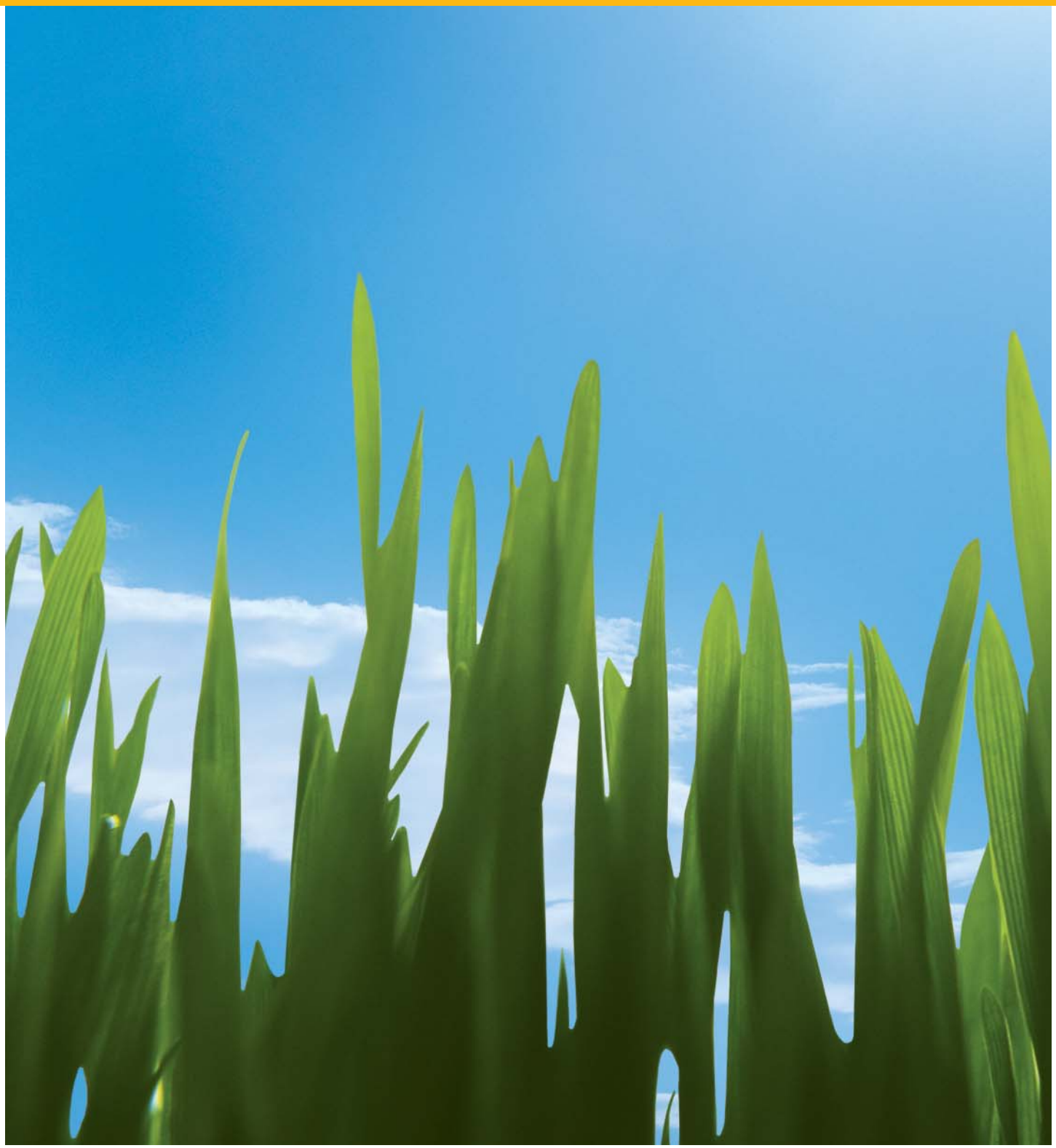
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