



AGENDA FOR THE EXECUTIVE

Members of the Executive are summoned to attend a meeting to be held in Committee Room 4, Town Hall, Upper Street, N1 2UD - Islington Town Hall on **19 March 2020 at 7.00 pm.**

Enquiries to : Philippa Green
Tel : 020 7527 3184
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Despatched : 11 March 2020

Membership

Councillor Richard Watts
Councillor Janet Burgess MBE
Councillor Rowena Champion
Councillor Kaya Comer-Schwartz

Councillor Satnam Gill OBE
Councillor Una O'Halloran
Councillor Asima Shaikh
Councillor Diarmaid Ward

Portfolio

Leader of the Council
Executive Member Health and Social Care
Executive Member for Environment and Transport
Executive Member for Children, Young People and Families
Executive Member for Finance and Performance
Executive Member for Community Development
Executive Member for Inclusive Economy and Jobs
Executive Member for Housing and Development

Quorum is 4 Councillors

Please note

It is likely that part of this meeting may need to be held in private as some agenda items may involve the disclosure of exempt or confidential information within the terms of Schedule 12A of the Local Government Act 1972. Members of the press and public may need to be excluded for that part of the meeting if necessary.

Details of any representations received about why the meeting should be open to the public - none



Declarations of interest:

If a member of the Executive has a **Disclosable Pecuniary Interest*** in an item of business and it is not yet on the council's register, the Councillor **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent. Councillors may also **choose** to declare a Disclosable Pecuniary Interest that is already in the register in the interests of openness and transparency. In both the above cases, the Councillor **must** leave the room without participating in discussion of the item.

If a member of the Executive has a **personal** interest in an item of business they **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent but may remain in the room, participate in the discussion and/or vote on the item if they have a dispensation from the Chief Executive.

- *(a) **Employment, etc** - Any employment, office, trade, profession or vocation carried on for profit or gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences**- Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

NOTE: Public questions may be asked on condition that the Chair agrees and that the questions relate to items on the agenda. No prior notice is required. Questions will be taken with the relevant item.

Requests for deputations must be made in writing at least two clear days before the meeting and are subject to the Leader's agreement. The matter on which the deputation wants to address the Executive must be on the agenda for that meeting.

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	Any non-exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.	
I.	Exclusion of the press and public	
	To consider whether to exclude the press and public during discussion of the remaining items on the agenda, in view of their confidential nature, in accordance with Schedule 12A of the Local Government Act 1972.	

J. Urgent exempt Matters

Any exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

The next meeting of the Executive will be on 30 April 2020

London Borough of Islington

Executive - 6 February 2020

Minutes of the meeting of the Executive held at Committee Room 4, Town Hall, Upper Street, N1 2UD - Islington Town Hall on 6 February 2020 at 7.00 pm.

Present: **Councillors:** Watts, Burgess, Champion, Comer-Schwartz, Hull, O'Halloran, Shaikh and Ward.

Also Present: **Councillors:** Russell.

Councillor Richard Watts in the Chair

684 **APOLOGIES FOR ABSENCE**

There were no apologies for absence.

685 **DECLARATIONS OF INTEREST**

Councillor Burgess and Councillor O'Halloran declared personal interests in relation to agenda item E10, School Admission Arrangements, as they are both governors of schools in one of the Planning Areas identified in the report. Councillor Ward also declared a personal interest in relation agenda item E10, School Admission Arrangements, as he is also a governor of an Islington School, although it is not within one of the Planning Areas identified in the report.

686 **MINUTES OF PREVIOUS MEETING**

That the Minutes of the meeting on 16 January 2020 be agreed as a correct record and the Chair be authorised to sign them.

687 **FINANCIAL POSITION AS AT 31 DECEMBER 2019**
RESOLVED:

- 2.1** That the forecast revenue outturn for the General Fund (Table 1) of an overall underspend of (-£1.973m) compared to a forecast underspend of (-£2.572m) in the previous reported position (Section 3 of the report) be noted.
- 2.2** That management action is required over the course of the financial year to bring forecast overspends back to within agreed cash limited budgets where possible (Paragraph 3.2 of the report) be noted.
- 2.3** That the breakdown of the forecast General Fund outturn by individual variance at Appendix 1 of the report and by service area at Appendix 2

of the report, be noted.

- 2.4 That the schedule of additional budget risks that are not included in the current forecasts (Paragraph 3.3 and Appendix 3 of the report) be noted.
- 2.5 That the latest position on the delivery of agreed 2019/20 savings (including the significant risks around the ongoing delivery of Red/Amber rated savings in future financial years) and the earmarked corporate transformation reserve (Paragraphs 5.2-5.3 and Table 2 of the report) be noted.
- 2.6 That the HRA forecast is a net break-even position (Table 1 and Appendix 2 of the report) be noted.
- 2.7 That the latest capital position and key capital variances with forecast capital expenditure of £131.873m in 2019/20 against the existing 2019/20 capital budget of £155.107m (Section 7, Table 3, and Appendix 4 of the report) be noted.

Reason for decision – to allow members to monitor the budget.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none.

688 **BUDGET PROPOSALS 2021-2022**

RESOLVED:

The General Fund Budget 2020/21 and MTFs (Section 3)

- 1.1 That the assumed MTFs and budget gap, subject to the comments of the Acting Section 151 Officer in Section 7 regarding the additional medium-term budget risks that are not currently factored into the budget gap (paragraph 3.6, Table 1 and Appendix A of the report) be noted.
- 1.2 That the revised 2020/21 to 2022/23 savings and income generation programme (paragraph 3.18 and Appendix B of the report) and the revenue budget growth and additional/expanded service provision funded from existing budgets and external funding (paragraphs 3.22-3.23, Table 5 and Appendices C1-C2 of the report) be agreed and recommended to Council.
- 1.3 That there are significant risks around the savings currently assumed in the MTFs and that a risk-based review of all assumed savings is currently underway and will feed into the next refresh of budget assumptions at the outset of the 2021/22 budget setting process (paragraphs 3.19-3.21 of the report) be noted.

- 1.4 That the 2020/21 net budgets by directorate (paragraph 3.24, Table 7 and Appendix A of the report) be agreed and recommended to Council.
- 1.5 That the variables that could still significantly affect the 2020/21 budget (paragraph 3.25 of the report) be noted.
- 1.6 That the Dedicated Schools Grant (DSG) settlement for 2020/21 and related funding assumptions (paragraphs 3.26-3.33 of the report) be noted.
- 1.7 That the 2020/21 fees and charges (paragraphs 3.34-3.36 and Appendices D1-D4 of the report) be noted.
- 1.8 That the budgeted movements to/from earmarked reserves assumed as part of the 2020/21 revenue budget and to note the policy on the minimum target level of General Fund balances (paragraphs 3.38-3.40 and Table 8 of the report) be agreed.
- 1.9 That if there any advantageous changes to 2020/21 budget assumptions before finalising the budget report to Council on 27 February 2020 and/or an overall underspend on the General Fund budget at the end of the current 2019/20 financial year, that this should be used to increase the corporate contingency budget and/or General Fund balances (paragraph 7.11 of the report) be agreed and recommended to Council.

The HRA Budget and MTFS (Section 4)

- 1.10 That the balanced HRA 2020/21 budget and note the latest estimates over the 3-year MTFS period (paragraph 4.3 and Appendix E1 of the report) be agreed.
- 1.11 That the 2020/21 HRA rents and other fees and charges (Tables 10-13 and Appendix E2 of the report) be agreed.

1.12 Capital Investment and Treasury and Investment Management (Section 5)

- 1.13 That the 2020/21 to 2022/23 capital programme (Paragraph 5.1, Table 14 and Appendix F of the report) be agreed and recommended to Council.
- 1.14 That further work will be required to allocate the additional capital investment pot and that a revised capital programme will be set out in a report to Council during 2020/21 (Paragraph 5.4 of the report) be noted.
- 1.15 To authority be delegated to the Section 151 Officer, where necessary, to apply capital resources to fund the capital programme in the most cost-effective way for the Council (Paragraph 5.6 of the report) be agreed.

- 1.16 That the annual Treasury Management Strategy for 2020/21, which was considered by Audit Committee on 28 January 2020 (paragraph 5.7 and Appendices G1-G3 of the report) be agreed and recommended to Council.
- 1.17 That the additional appendices relating to the Council's Capital Strategy, in compliance with the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code for Capital Finance in Local Authorities, and the Investment Strategy disclosures required by the Statutory Guidance on Local Government Investments will be included in the within the final budget report to Council on 27 February 2020 (Paragraph 5.8 of the report) be noted.

Council Tax and Retained Business Rates (Section 6)

- 1.18 That the calculations required for the determination of the 2020/21 council tax requirement and the level of council tax as detailed in Section 6 of the report and summarised below be agreed and recommended to Council.
- 1) The 2020/21 council tax requirement of £98,768,282.10 (paragraph 6.2 of the report)
 - 2) The relevant basic amount of Islington Band D council tax of £1,216.04, a 3.99% increase compared to 2019/20 (comprising 2.00% for expenditure on adult social care and 1.99% for other expenditure), and that this is not 'excessive' (paragraphs 6.3 and 6.4 of the report)
 - 3) The basic amount of Islington Band D council tax for dwellings to which no special item relates (i.e. outside of the Lloyd Square Garden Committee area) of £1,215.81 (paragraph 6.5 of the report)
 - 4) The amount of 2020/21 council tax (excluding the GLA precept) for each valuation band over each of the Council's areas (paragraph 6.7 of the report)
 - 5) The total amount of 2020/21 council tax (including the GLA precept) for each valuation band over each of the Council's areas (paragraph 6.9 of the report)
- 1.19 That the arrangements for the London Business Rates Retention Pool in 2020/21, which will continue on a non-pilot basis (paragraphs 6.10-6.13 of the report) be noted.
- 1.20 That any additional estimated retained business rates income in 2020/21 before finalising the budget report to Council on 27 February 2020 should be used to further increase General Fund balances (paragraph 6.14 of the report) be agreed and recommended to Council.

Matters to Consider in Setting the Budget (Section 7)

- 1.21 That the Acting Section 151 Officer's report on the robustness of the estimates included in the budget and the adequacy of the proposed financial reserves when making decisions about the budget and the level of council tax, as required under Section 25(2) of the Local Government Act 2003 (paragraphs 7.1-7.11 of the report) be noted.
- 1.22 That the comments of the Monitoring Officer (paragraphs 7.12-7.16 of the report) be noted.
- 1.23 That the Resident Impact Assessment (RIA) on the budget proposals (paragraphs 7.17-7.19 and Appendix H of the report) be noted.

Reason for decision – to allow members to set the budget. Other options considered – none other than as specified in the report.
Conflicts of interest/dispensations granted – none.

689 **COMMENTS BY THE POLICY AND PERFORMANCE SCRUTINY COMMITTEE ON THE BUDGET PROPOSALS 2020/21**

Councillor Watts welcomed the comments of the Policy and Performance Scrutiny Committee and thanked the committee for its work on the budget.

RESOLVED:

- 2.1 That the comments of the Policy and Performance Scrutiny Committee be noted.

Reason for decision – to allow the Executive to consider the comments of the Policy and Performance Scrutiny Committee.
Other options considered – none other than as specified in the report.
Conflicts of interest/dispensations granted – none.

690 **MONITORING THE COUNCIL'S USE OF SURVEILLANCE UNDER THE REGULATION OF INVESTIGATORY POWERS ACT 2000 AND POLICY UPDATE**

RESOLVED:

- 2.1 That the level of directed surveillance undertaken by the council and the recent legal developments be noted.
- 2.2 That the updated RIPA policy and covert surveillance procedural notes be agreed.

Reason for decision – to allow members to monitor the use of directed surveillance and to agree the new policy.
Other options considered – none other than as specified in the report.
Conflicts of interest/dispensations granted – none.

691 **EXECUTIVE MEMBER'S RESPONSE TO THE HOUSING SCRUTINY COMMITTEE'S RESPONSIVE REPAIRS SCRUTINY**

RESOLVED:

- 2.1 That the responses to the recommendations of the Scrutiny Committee as set out in section 4 of this report be agreed.
- 2.2 That officers report back on progress the Housing Scrutiny Committee in 12 months' time be agreed.

Reason for decision – to respond to the recommendations of the Housing Scrutiny Committee.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none.

692 **CONTRACT AWARD FOR FRONT ENTRANCE DOOR REPLACEMENT PROGRAMME**

RESOLVED:

- 2.1 That the procurement strategy for Works to Fire Doors (flat front entrance doors in purpose built blocks) as outlined in this report be agreed.
- 2.2 That a call-off contract be awarded to Mears Plc via the ProcurePlus framework agreement for "Fire Precaution Works (South)" be agreed.

Reason for decision – to enable implementation of the programme to replace front doors.

Other options considered – none other than as specified in the report.

Conflicts of interest/dispensations granted – none.

693 **PROCUREMENT STRATEGY FOR CCTV**

RESOLVED:

- 2.1 That the procurement strategy for CCTV Service Provision as outlined in this report be agreed.
- 2.2 That a collaborative procurement with Hounslow (lead authority), Ealing and Southwark to establish a suitable framework agreement be agreed.

- 2.3 That authority to award a call-off contract be delegated to the Corporate Director of Environment and Regeneration, in consultation with the Executive member for Finance, Performance and Community Safety be agreed.

Reason for decision – to enable new arrangements for CCTV to be put in place. Other options considered – none other than as specified in the report. Conflicts of interest/dispensations granted – none.

694 SCHOOL ADMISSION ARRANGEMENTS 2021-22

Councillor Burgess and Councillor O'Halloran declared personal interests in relation to agenda item E10, School Admission Arrangements, as they are both governors of schools in one of the Planning Areas identified in the report. Councillor Burgess and Councillor O'Halloran left the room for the consideration of this item and did not vote.

Councillor Ward also declared a personal interest in relation agenda item E10, School Admission Arrangements, as he is also a governor of an Islington School, although it is not within one of the Planning Areas identified in the report.

RESOLVED:

- 2.1 That the co-ordinated schemes and timetables for admission to Islington primary and secondary schools and academies in 2021/22, and in-year admission protocols for 2021/22, as set out in Appendices 1, 4 and 7 of the report be agreed .
- 2.2 That the policy and oversubscription criteria for admission to community primary and secondary schools and Islington Sixth Form Consortium for admission in 2021/22, as set out in Appendices 2, 5, 8 and 9 of the report be agreed.
- 2.3 That the proposed admission numbers for Islington community primary and secondary schools, and for external applicants to the Islington Sixth Form Consortium in 2021/22, as set out in Appendices 3, 6 and 10 of the report be agreed.

Reason for decision – to meet the statutory requirement to agree a school admissions policy.

Other options considered – none other than as specified in the report. Conflicts of interest/dispensations granted – none.

695 NEW LEASE AT 49-59 OLD STREET, LONDON, EC1V.

RESOLVED:

- 2.1 That the proposal to dispose of the Property by way of an initial 10 year lease to a serviced office provider on the terms set out in the Heads of Terms (attached as exempt Appendix 1 to the report) be agreed.
- 2.2 That authority be delegated to the Acting Section 151 Officer in consultation with the Executive Member for Finance, Performance and Community Safety to negotiate and agree the detailed final terms of the transaction including any amendment to the attached Heads of Terms be agreed.
- 2.3 That the Acting Director of Law & Governance be authorised to complete the necessary paperwork to conclude the proposed letting be agreed.

Reason for decision – to enable the lease arrangements to proceed.
Other options considered – none other than as detailed in the report.
Conflicts of interest/dispensations granted – none.

696 NEW LEASE 49-59 OLD STREET, LONDON, - EXEMPT APPENDIX

RESOLVED:

That the information in the exempt appendix to agenda item I12 be noted (see Minute 695 for details).

MEETING CLOSED AT 7.25 pm

CHAIR

Executive - 27 February 2020

Minutes of the meeting of the Executive held at Committee Room 5, Town Hall, Upper Street, N1 2UD - Islington Town Hall on 27 February 2020 at 7.00 pm.

Present: **Councillors:** Watts, Burgess, Champion, Comer-Schwartz, Hull, O'Halloran, Shaikh and Ward

Also Present: **Councillors:** Ngongo, Caluori, Chapman and Poyser.

Councillor Richard Watts in the Chair

697 **APOLOGIES FOR ABSENCE**
There were no apologies for absence.

698 **DECLARATIONS OF INTEREST**
None.

699 **BUDGET PROPOSALS 2020-2021**

RESOLVED:

Recommendation 2.8, to approve the fees and charges in Appendices D1 – D4 was amended as follows:

An increase of 3% to be applied to the fees for the Diesel Parking Permits listed under the heading 'All Diesel Vehicles - Surcharge in addition to Standard Resident Permit Prices - subject to some vehicle-type policy exemptions' on Page 42 of the published papers was agreed.

RESOLUTIONS AS AMENDED:

2.1 That the comments of the Policy and Performance Scrutiny Committee on the Budget Proposals 2020/21 were received by the Executive on 6 February 2020 be noted.

The General Fund Budget 2020/21 and MTFS (Section 3)

2.2 That the assumed MTFS and budget gap, subject to the comments of the Acting Section 151 Officer in Section 7 regarding the additional medium-term budget risks that are not currently factored into the

budget gap (paragraph 3.6, Table 1 and Appendix A of the report) be noted.

- 2.3 That the revised 2020/21 to 2022/23 savings and income generation programme (paragraph 3.18, Table 5 and Appendix B of the report) and the revenue budget growth and additional/expanded service provision funded from existing budgets and external funding (paragraphs 3.22-3.23, Table 5 and Appendices C1-C2 of the report) be agreed.
- 2.4 That there are significant risks around the savings currently assumed in the MTFS and that a risk-based review of all assumed savings is currently underway and will feed into the next refresh of budget assumptions at the outset of the 2021/22 budget setting process (paragraphs 3.19-3.21 of the report) be noted.
- 2.5 That the 2020/21 net budgets by directorate (paragraph 3.24, Table 7 and Appendix A of the report) be agreed.
- 2.6 That the variables that could still significantly affect the 2020/21 budget (paragraph 3.25 of the report) be noted.
- 2.7 That the Dedicated Schools Grant (DSG) settlement for 2020/21 and related funding assumptions (paragraphs 3.26-3.33 of the report) be noted.
- 2.8 That the 2020/21 fees and charges (paragraphs 3.34-3.36 and Appendices D1-D4 of the report) be agreed with the addition of an increase of 3% to be applied to the fees for the Diesel Parking Permits listed under the heading 'All Diesel Vehicles - Surcharge in addition to Standard Resident Permit Prices'. subject to some vehicle-type policy exemptions' on Page 42 of the published papers was agreed
- 2.9 That the budgeted movements to/from earmarked reserves assumed as part of the 2020/21 revenue budget and to note the policy on the minimum target level of General Fund balances (paragraphs 3.37-3.41 and Table 8 of the report) be agreed and recommended to Council.
- 2.10 That any underspend on the General Fund budget at the end of the current 2019/20 financial year will be transferred to General Fund reserves and balances in order to improve the financial resilience of the Council (paragraph 7.11 of the report) be agreed and recommended to Council.

The HRA Budget and MTFS (Section 4)

- 2.11 That the balanced HRA 2020/21 budget and note the latest estimates over the 3-year MTFS period (paragraph 4.3 and Appendix E1 of the report) be agreed and recommended to Council.

- 2.12 That the 2020/21 HRA rents and other fees and charges (tables 10-13 and Appendix E2 of the report, be agreed.
- 2.13 **Capital Investment and Treasury and Investment Management (Section 5)**
- 2.14 That the 2020/21 to 2022/23 capital programme and Capital Strategy (paragraph 5.1, Table 14 and Appendices F1-F2 of the report) agreed and recommended to Council.
- 2.15 To authority be delegated to the Section 151 Officer, where necessary, to apply capital resources to fund the capital programme in the most cost-effective way for the Council (paragraph 5.6 of the report) be agreed.
- 2.16 That the annual Treasury Management Strategy for 2020/21, which was considered by Audit Committee on 28 January 2020 and the Investment Strategy disclosures required by the Statutory Guidance on Local Government Investments (paragraph 5.7 and Appendices G1-G4 of the report) be agreed.

Council Tax and Retained Business Rates (Section 6)

- 2.17 That the calculations required for the determination of the 2020/21 council tax requirement and the level of council tax as detailed in Section 6 of the report and summarised below, be agreed.
- 1) The 2020/21 council tax requirement of £98,768,282.10 (paragraph 6.2 of the report)
 - 2) The relevant basic amount of Islington Band D council tax of £1,216.04, a 3.99% increase compared to 2019/20 (comprising 2.00% for expenditure on adult social care and 1.99% for other expenditure), and that this is not 'excessive' (paragraphs 6.3 and 6.4 of the report)
 - 3) The basic amount of Islington Band D council tax for dwellings to which no special item relates (i.e. outside of the Lloyd Square Garden Committee area) of £1,215.81 (paragraph 6.5 of the report)
 - 4) The amount of 2020/21 council tax (excluding the GLA precept) for each valuation band over each of the Council's areas (paragraph 6.7 of the report)
 - 5) The total amount of 2020/21 council tax (including the GLA precept) for each valuation band over each of the Council's areas (paragraph 6.9 of the report).
- 2.18 That the arrangements for the London Business Rates Retention Pool in 2020/21, which will continue on a non-pilot basis (paragraphs 6.10-6.13 of the report) be noted.

Matters to Consider in Setting the Budget (Section 7)

- 2.19 That the requirement to have regard to the Acting Section 151 Officer's report on the robustness of the estimates included in the budget and the adequacy of the proposed financial reserves when making decisions about the budget and the level of council tax, as required under Section 25(2) of the Local Government Act 2003 (paragraphs 7.1-7.11 of the report) be noted.
- 2.20 That the comments of the Monitoring Officer (paragraphs 7.12-7.16 of the report) be noted.
- 2.21 That the Resident Impact Assessment (RIA) on the budget proposals (paragraphs 7.17-7.19 and Appendix H of the report) be noted.
- 2.22 That the Annual Pay Policy Statement 2020/21 (paragraph 7.20 and Appendix I of the report) be agreed.

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Reason for decision – to allow members to set the budget.
Other options considered – none other than as specified in the report.
Conflicts of interest/dispensations granted – none.

MEETING CLOSED AT 7.05 pm

CHAIR

Report of: Leader of the Council

Meeting of:	Date	Wards
Executive	19 March 2020	N/A

Delete as appropriate	Exempt	Non-exempt
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SUBJECT: APPOINTMENT OF DIRECTORS TO ISLINGTON LTD (iCo)

1 Synopsis

- 1.1 Islington Ltd (trading as iCo) is the Council’s commercial trading company, which has been established to generate income for the Council to help protect essential services. iCo is governed by a Board of Directors, which has previously included Executive Members, senior council officers, and a non-executive director.
- 1.2 Following personnel changes among officers and the Executive, it is proposed to appoint new directors to the iCo Board with immediate effect.

2 Recommendation

- 2.1 To agree the appointment of Cllr Rowena Champion, Cllr Satnam Gill, Keith Townsend and Caroline Wilson as directors of Islington Ltd.
- 2.2 That the appended Shareholder Resolution be signed by the Leader of the Council.

3 Background

- 3.1 iCo is governed by a Board of Directors. Cllrs Andy Hull and Claudia Webbe have resigned from the Board of Directors following their departure from the Executive. There are also currently vacancies on the Board following the departure of the previous Corporate Director of Environment and Regeneration and Director of Public Realm in 2019.

3.2 It is proposed to fill the vacancies on the iCo Board by appointing the following as directors of the company:

- Cllr Rowena Champion, Executive Member for Environment and Transport
- Cllr Satnam Gill, Executive Member for Finance, Performance and Community Safety
- Keith Townsend, Corporate Director of Environment and Regeneration
- Caroline Wilson, Head of Inclusive Economic Development

3.3 The Council is the sole shareholder of the company. The Company's Articles of Association state that Islington Council may appoint any person to be a director, which shall be effected by notice in writing to the Company and shall take effect immediately.

4 Implications

4.1 Financial Implications

iCo directors are not remunerated for their involvement with the Board. iCo may occasionally pay expenses if necessary. There are no financial implications arising for Islington Council.

4.2 Legal Implications

The appointment of Directors to the board of Islington Ltd is a matter reserved to the Council as the sole shareholder (Article 16 of the Articles of Association). There is no limit on the number of directors that may be appointed (Article 15).

4.3 Resident Impact Assessment

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

There are no resident impacts associated with the proposed decision.

4.4 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

There are no environmental implications associated with the recommendation.

5. Conclusion and reasons for recommendations

5.1 This report recommends the appointment of directors to Islington Ltd. This will help to ensure good governance of the Company.

Appendices: Appendix A - Shareholder Resolution to be signed

Background Papers: None

Final report clearance:

Signed by:

Handwritten signature of Richard Watts in black ink.

11 March 2020

Leader of the Council

Date

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APPENDIX A

COMPANIES ACT 2006

WRITTEN RESOLUTION

~ OF ~

ISLINGTON LTD

COMPANY NUMBER: 05303559

**WRITTEN RESOLUTION BY THE SHAREHOLDER ON THE
APPOINTMENT OF COMPANY DIRECTORS**

I, Richard Watts, as Leader of Islington Council, agree to the following resolution on behalf of Islington Council, the sole shareholder of Islington Ltd:

That the following be appointed as directors of the company:

- **Councillor Rowena Champion**
- **Councillor Satnam Gill**
- **Keith Townsend**
- **Caroline Wilson**

Signed:

.....

.....

Date



Report of: Acting Director of Law and Governance

Meeting of:	Date	Ward(s)
Executive	19 March 2020	n/a

SUBJECT: APPOINTMENTS TO BE MADE BY THE EXECUTIVE

1. Synopsis

- 1.1 This report seeks approval of the appointment of members to the Associated Joint Committee - London Councils' Grants Committee

2. Recommendations

- 2.1 To appoint Councillor Satnam Gill as a deputy to the Associated Joint Committee – London Councils' Grants Committee, for the remainder of the municipal year 2019/2020, or until successors are appointed.

3. Background

3.1 ASSOCIATED JOINT COMMITTEE - LONDON COUNCILS' GRANTS COMMITTEE

The Grants Committee of London Councils deals with the London Boroughs Grants Scheme for voluntary organisations under Section 48 of the Local Government Act 1985. Under the scheme, £8m a year is invested in voluntary organisations on behalf of all London councils. All of the grants seek to improve the lives of people who live, work in and visit London.

Membership

The Committee comprises 33 representative members, one from each of London's local councils. Under an agreement entered into by the London boroughs in respect of the Joint Committee, Islington Council is entitled to appoint an elected member representative and one or more deputies to the Joint Committee, who must all be members of the Executive.

4. Implications

4.1 Financial implications

There are no financial implications for the council arising from this report.

4.2 **Legal Implications**

These are contained in the body of the report.

4.3 **Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:**

There are no environmental implications or impacts arising directly from this report.

4.4 **Resident Impact Assessment**

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

The initial screening for a Resident Impact Assessment was completed and did not identify any negative equality impacts for any protected characteristic or any human rights or safeguarding risks.

A significant proportion of the grants made by the Grants Committee are to organisations meeting the needs and priorities of a wide range of Islington's residents and are aimed at improving fairness and equality in the Borough.

5. **Conclusion and reasons for recommendations**

- 5.1 The Executive is responsible for making these appointments to enable the Council's representatives to participate in meetings.

Background papers: None.

Final report clearance:

Signed by:



Acting Director of Law and Governance

26 February 2020

Date

Report author: Philippa Green
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Report of: Executive Member for Finance and Performance

Meeting of	Date	Ward(s)
Executive	19 March 2020	All

Delete as appropriate	Exempt	Non-exempt
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BUDGET MONITORING 2019/20 MONTH 10

1. SYNOPSIS

- 1.1 This report presents the forecast outturn position for 2019/20 as at 31 January 2020. Overall, there is a forecast General Fund underspend of (-£3.318m) compared to a forecast underspend of (-£1.973m) in the previous reported position. As agreed in the 2020/21 budget report, any underspend on the 2019/20 General Fund budget at the end of the financial year will be transferred to General Fund reserves and balances in order to improve the financial resilience of the Council.
- 1.2 The ring-fenced Housing Revenue Account (HRA) is forecast to break-even overall.
- 1.3 It is forecast that £132.394m of capital expenditure will be delivered in 2019/20 against the revised 2019/20 capital budget of £155.628m.
- 1.4 Based on the latest savings tracker, £6.576m of savings have now been secured and can now be 'Closed'. This leaves 'Open' savings of £30.660m to be tracked going into future months.
- 1.5 The latest risk ('RAG') status of the 2019/20 savings programme of £13.475m shows that £10.444m (78%) are 'Green' rated, £0.621m are 'Amber' rated and £2.410m are 'Red' rated. Whilst the Amber and Red rated savings are being covered from one-off resources and underspends in the current financial year, there are significant risks around the ongoing delivery of some of these savings in future years.

2. RECOMMENDATIONS

- 2.1. To note the forecast revenue outturn for the General Fund (**Table 1**) of an overall underspend of (-£3.318m) compared to a forecast underspend of (-£1.973m) in the previous reported position. (**Section 3**)
- 2.2. To note that management action is required over the course of the financial year to bring forecast overspends back to within agreed cash limited budgets where possible. (**Paragraph 3.2**)
- 2.3. To note, as agreed in the 2020/21 budget report, that any underspend on the 2019/20 General Fund budget at the end of the financial year will be transferred to General Fund reserves and balances in order to improve the financial resilience of the Council. (**Paragraph 3.4**)
- 2.4. To note the breakdown of the forecast General Fund outturn by individual variance at **Appendix 1** and by service area at **Appendix 2**.
- 2.5. To note the schedule of additional budget risks that are not included in the current forecasts. (**Paragraph 3.3** and **Appendix 3**)
- 2.6. To agree the back pay of out of hour premiums to colleagues in the Cleaning Service that have not been applied since the service moved back to Islington in October 2010 and note that this is included in the forecast outturn position. (**Paragraph 4.12**)
- 2.7. To note the latest position on the delivery of the agreed 2019/20 to 2022/23 savings programme and on the earmarked corporate transformation reserve. (**Section 5, Table 2** and **Appendix 4**)
- 2.8. To agree that the now secured savings classified as 'Closed' can be removed from the savings tracker. (**Paragraph 5.2** and **Appendix 4**)
- 2.9. To note that the HRA forecast is a net break-even position. (**Table 1** and **Appendix 2**)
- 2.10. To agree that charges for HRA reception centres owned by the council for the purpose of providing temporary accommodation to homeless households be amended for the financial year 2020/21 to include a 5% uplift on the target rent and the introduction of a service charge which better reflects the cost of the services provided to residents. (**Paragraphs 6.2-6.5**)
- 2.11. To note the latest capital position and key capital variances with forecast capital expenditure of £132.394m in 2019/20 against the existing 2019/20 capital budget of £155.628m. (**Section 7, Table 3, and Appendix 5**)

3. REVENUE POSITION: SUMMARY

- 3.1. A summary position of the General Fund and HRA is shown in **Table 1**, a breakdown by individual General Fund variance in **Appendix 1** and a breakdown by General Fund and HRA service area in **Appendix 2**.

Table 1: 2019/20 General Fund and HRA Forecast Over/(Under)Spend

	Month 10	Month 9	Change
	£m	£m	£m
<u>GENERAL FUND</u>			
Chief Executive's Directorate	(0.026)	0.004	(0.030)
Environment and Regeneration	(0.035)	(0.022)	(0.013)
Housing	0.000	0.000	0.000
People	(2.027)	(1.177)	(0.850)
Public Health	0.000	0.000	0.000
Resources Directorate	0.000	0.500	(0.500)
DIRECTORATE TOTAL	(2.088)	(0.695)	(1.393)
Corporate Items	(1.230)	(1.278)	0.048
GROSS OVER/(UNDER) SPEND	(3.318)	(1.973)	(1.345)
<u>HOUSING REVENUE ACCOUNT</u>			
NET (SURPLUS)/DEFICIT	0	0	0

- 3.2. All services have agreed cash limited budget allocations and therefore take responsibility for delivering a balanced budget unless a detailed business case is developed and approved for an allocation from the corporate contingency budget. Management action is therefore required over the course of the financial year to bring forecast overspends back to within agreed cash limited budgets where possible.
- 3.3. A schedule of additional budget risks that are not included in the current forecasts is included at **Appendix 3**.
- 3.4. It was agreed in the 2020/21 budget report that any underspend on the 2019/20 General Fund budget at the end of the current financial year will be transferred to reserves in order to provide additional resilience for significant budget risks over the medium term (e.g. uncertain government funding levels).

4. GENERAL FUND

Chief Executive's Directorate (-£0.026m)

- 4.1. The Chief Executive's directorate is forecasting a (-£0.026m) underspend, compared to a previous reported (-0.004m) overspend. This is detailed in **Appendix 1**.

Environment and Regeneration (-£0.035m)

- 4.2. After the application of previously agreed contingency funding, the Environment and Regeneration directorate is forecasting a (-£0.035m) underspend compared to a previous reported (-0.022m) underspend. The key variances and changes behind this position are set out in **Appendix 1**.

Housing (Break-Even, unchanged since previous reported position)

- 4.3. The Housing General Fund is forecast to break-even, after the use of (-£0.289m) one-off grant funding carried forward from prior years in earmarked reserves. This position is summarised in **Appendix 1**.

People (-£2.027m)

- 4.4. The People directorate (comprising Children's, Employment and Skills and Adult Social Services) is forecasting a (-£2.027m) underspend, an increase of (-£0.850m) since the previous reported position. The key variances and changes are set out in **Appendix 1**.

Children's, Employment and Skills - General Fund (-£0.627m), Schools (-£2.839m)

- 4.5. Children's, Employment and Skills is forecasting a (-£0.627m) underspend, an increase of (-£0.200m) since the previous reported position.
- 4.6. The Dedicated Schools Grant (DSG) is forecasting an underspend of (-£2.839m or -1.6%), a decrease of (+£0.346m) since the previous reported position. The majority of this relates to prior year balances being managed on behalf of Schools Forum to either manage cost pressures in relation to high needs and provision for 2 year olds, or because of volatility in the implementation of a national funding formula for 3 and 4 year olds. In addition, there is the (-£0.321m) balance of a one-off cash payment from the DfE that will not be spent by schools until 2020/21. This is offset by forecast DSG cost pressures relating to early years Special Educational Needs and Disabilities (SEND) following an increase in applications in the autumn and summer terms. Underspends and overspends against the DSG are managed through Schools Forum.

Adult Social Services (-£1.400m)

- 4.7. Adult Social Services is forecasting a (-£1.400m) underspend, an increase of (-£0.650m) since the previous reported position.
- 4.8. This position includes the use of one-off resources totalling (-£3.966m), including Social Care Grant, Improved Better Care Fund (Stabilising the Social Care System), Winter Pressures Funding, Direct Payments Surplus and (-£0.777m) funding carried forward from 2018/19 in earmarked reserves.

Public Health (Break-Even, unchanged since previous reported position)

- 4.9. Public Health is funded via a ring-fenced grant and any underspend at the end of the financial year will be carried forward in reserves to spend on public health in future years. The main forecast variances on the public health grant in 2019/20 are summarised in **Appendix 1**.

Resources Directorate (Break-Even)

- 4.10. The Resources directorate is forecast to break-even compared to an overspend of (+£0.500m) in the previous reported position, with key variances and changes set out in **Appendix 1**.
- 4.11. This position includes the use of one-off funding carried from 2018/19 in earmarked reserves (-£0.599m).
- 4.12. The Resources forecast also includes provision for the back pay of out of hour premiums to colleagues in the Cleaning Service that have not been applied since the service moved back to Islington in October 2010. Pay arrangements were reviewed following discussions with union colleagues. The payment of this back pay is subject to approval by the Executive in this report.

Corporate Items (-£1.230m)

- 4.13. The forecast for corporate items is a (-£1.230m) underspend, a decrease of (+£0.048m) since the previous reported position, with key variances and changes set out in **Appendix 1**.
- 4.14. This position is before taking into account the corporate contingency budget. The previously agreed allocation of £2.707m to resolve structural budget issues in the Environment and Regeneration directorate has reduced the 2019/20 corporate contingency budget from £5.080m to £2.373m. Any remaining balance of the 2019/20 contingency budget at the end of the financial year will be carried forward to future years, providing much needed financial resilience over the medium term.

5. **SAVINGS DELIVERY**

- 5.1. All savings projects are owned by nominated service leads and monitored monthly by Departmental Management Teams. All projects are also reviewed monthly by the Corporate Programme Management Office to ensure they are on track, that any savings associated are deliverable and that emerging risks and issues are identified. Services are then supported corporately with any remedial action necessary to get projects back on track, or establish where savings may no longer be deliverable and replacements are needed.
- 5.2. **Appendix 4** summarises the latest position on the delivery of the total agreed 2019/20 to 2022/23 savings programme of £37.067m. This shows that £6.576m are now classified as 'Closed', which means that the underlying savings have been secured and therefore can be removed from the savings tracker. This leaves £30.491m 'Open' savings to be tracked going into future months.
- 5.3. In terms of the latest risk ('RAG') status of the 2019/20 savings programme of £13.475m, £10.444m (78%) are 'Green' rated, £0.621m are 'Amber' rated and £2.410m are 'Red' rated. It should be noted that some of the 'Green' savings are part of a larger programme of change in future years that is not yet secure enough to close them on the savings tracker.
- 5.4. Whilst the Amber and Red rated savings are being covered from one-off resources and underspends in the current financial year, there are significant risks around the ongoing delivery of some of these savings in future years.
- 5.5. To enable the delivery of agreed savings, there is a corporate transformation reserve to provide required investment funding over the medium term. **Table 2** below summarises the latest position on this reserve.

Table 2: Corporate Transformation Reserve

	£m
Balance as at 31 March 2019	10.448
Budgeted 2019/20 transfer to reserve	5.000
2019/20 allocations	(3.119)
Balance as at Month 10	12.329

6. HOUSING REVENUE ACCOUNT

- 6.1. The forecast variance on the Housing Revenue Account, before transfers to HRA balances, is a net underspend of (-£0.585m) as summarised in **Appendix 2**. This relates to additional rents and other income that is partially offset by making additional provision for depreciation (via the Major Repairs Reserve) and bad debts. As this is a ring-fenced account, any underspends go into HRA balances to be used in future years, resulting in a net break-even position.
- 6.2. The new rent standard, for council and other social housing landlords, limits rent increases and sets out a framework for rent setting including target rent formulas for properties. Reception Centres, owned by the council to house homeless households, are covered by this standard and therefore charges need to be brought into line with other forms of social housing. Previously charges for reception centres covered the full cost of service delivery and therefore separate service charges in addition to rent charges did not need to be set. When rooms are relet from April 2020, their rent must be calculated in line with the target rent set out in the Rent Standard. Should only the target rent be applied, the cost of providing services would need to be supplemented from other HRA income.
- 6.3. The Rent Standard allows that, where there is a clear reason for doing so, rents can be increase above the target rent level by 5%. Reception Centre rooms are used as temporary accommodation and are let furnished, have some access to communal facilities and are more regularly serviced for new lettings. It is therefore recommended that rents are set at target rent plus 5% at an average level of £93.93 per week (down from £187.99 per week).
- 6.4. The cost of providing services to these rooms, such as cleaning, communal maintenance, communal electricity etc., have been calculated and equate to £38.30 per week per room and therefore it is recommended that a service charge for this sum be levied. These service charges can be covered by Housing Benefit for those in receipt of benefits. In addition, residents are not currently charged for the electricity they consume within their rooms. This cost is paid by other households directly to their energy supplier. Therefore, it is recommended that a charge of £3.74 per week be applied for these rooms.
- 6.5. Application of these proposals will reduce the net loss (full year effect) from reception centre rents from £0.461m per annum to £0.228m per annum.

7. CAPITAL PROGRAMME

- 7.1. It is forecast that £132.394m of capital expenditure will be delivered in 2019/20 against the revised 2019/20 capital budget of £155.628m. This is set out by directorate in **Table 3** below and detailed in **Appendix 5**, which also includes the revised 2020/21 to 2022/23 capital programme agreed by full Council.

Table 3: 2019/20 Capital Programme Month 10 Forecast

Directorate	2019/20 Budget £m	2019/20 Spend To Date £m	2019/20 Forecast Outturn £m	Forecast Variance £m
Environment and Regeneration	23.807	12.640	23.807	0.000
Housing	113.262	70.309	90.028	(23.234)
People	13.875	9.096	13.875	0.000
Resources	4.684	1.647	4.684	0.000
Total	155.628	93.692	132.394	(23.234)

- 7.2. As at the end of month 10, an estimated £93.692m of capital expenditure had been spent against the existing 2019/20 capital budget of £155.628m.
- 7.3. The forecast Housing capital variance (-23.234m), unchanged since the previous reported position and already reflected in the revised 2020/21 to 2022/23 capital programme agreed by Council, comprises:
- (-£25.439m) net re-profiling on the new build programme to future financial years, unchanged since the previous month's forecast. Many of the delayed schemes have now been re-designed & independently reassessed as value for money, which means that they are now progressing through key decisions/contract award towards start on site;
 - (-£6.065m) underspend on the original General Fund temporary accommodation acquisitions budget, reflecting that these properties are now being purchased under the Housing Revenue Account capital budget; and
 - (+£8.270m) increased expenditure on the major works and improvements programme compared due to a combination of planned cyclical expenditure in 2020/21 now forecast to be incurred sooner and the cost of additional fire safety works not anticipated at 2019/20 budget setting.

8. IMPLICATIONS

Financial Implications

- 8.1. These are included in the main body of the report.

Legal Implications

- 8.2. The law requires that the Council must plan to balance its spending plans against resources to avoid a deficit occurring in any year. Members need to be reasonably satisfied that expenditure is being contained within budget and that the savings for the financial year will be achieved, to ensure that income and expenditure balance (Section 28 Local Government Act 2003; the Council's Financial Regulations 3.7 to 3.10 (Revenue Monitoring and Control)).

Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

- 8.3. This report does not have any direct environmental implications.

Resident Impact Assessment

- 8.4. The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.
- 8.5. A resident impact assessment (RIA) was carried out for the 2019/20 Budget Report agreed by Full Council. This report notes the financial performance to date but does not have direct policy implications, so a separate RIA is not required for this report.

Appendices:

- Appendix 1 – General Fund Revenue Monitoring by Individual Variance
- Appendix 2 – Revenue Monitoring by Service Area
- Appendix 3 – Additional General Fund Budget Risks
- Appendix 4 – Savings Tracker 2019/20 to 2022/23
- Appendix 5 – Capital Programme 2019/20 to 2022/23

Background papers: None

Final report clearance:

Signed by:		11 March 2020
	Councillor Satnam Gill Executive Member for Finance and Performance	Date

Responsible Officer:

Steve Key, Assistant Director (Service Finance) (Acting Section 151 Officer)

Report Authors:

Martin Houston, Strategic Financial Advisor
Steve Abbott, Head of Finance (Chief Executive's and Environment and Regeneration)
Tim Partington, Head of Finance (Children's, Employment and Skills)
Shakeel Yasin, Head of Finance (Housing, Adult Social Services and Public Health)

Legal Implications Author:

Peter Fehler, Acting Director of Law and Governance

Appendix 1: 2019/20 General Fund Revenue Monitoring by Individual Variance - Month 10

Directorate / Service Area	Sub-Heading	Description of Over/(Under) Spend	Forecast Over/(Under) Spend Month 10	Forecast Over/(Under) Spend Month 9	Month to Month Change	% of Directorate Net Budget Over/(Under) Spent %
			£m	£m	£m	
CHIEF EXECUTIVE'S DIRECTORATE						
Chief Executive's Office	Chief Executive's Office	Overspend on consultancy costs	0.156	0.156	0.000	13.6%
Communications and Change	Print Services	Overspend forecast on staffing	0.015	0.000	0.015	1.3%
Chief Executive's Office	Chief Executive's Office	Underspend on salaries	(0.087)	(0.088)	0.001	(7.6%)
Chief Executive's Office	Chief Executive's Office	Underspend on running costs	(0.010)	(0.004)	(0.006)	(0.9%)
Communications & Change	Communications	Net underspend on employee costs	(0.045)	0.000	(0.045)	(3.9%)
Communications & Change	Communications	Underspend on running costs	(0.018)	(0.060)	0.042	(1.6%)
Communications & Change	Print Services	Underspend on printing and other running costs	(0.037)	0.000	(0.037)	(3.2%)
Total Chief Executive's Directorate			(0.026)	0.004	(0.030)	(2.3%)
ENVIRONMENT AND REGENERATION						
Planning and Development	Building Control	Overspend on software costs and other minor revisions throughout	0.020	0.014	0.006	0.1%
Planning and Development	Development Control	Overspend forecast on consultant costs	0.065	0.065	0.000	0.4%
Planning and Development	Development Control	Overspend forecast on advertising and printing costs	0.042	0.042	0.000	0.2%
Public Protection	Local Land Charges	Decline in Local Land Charges income	0.062	0.062	0.000	0.3%
Public Protection	Various	Redundancy and pension strain costs	0.225	0.225	0.000	1.2%
Public Protection	Various	Overspend on legal costs throughout the division	0.100	0.098	0.002	0.5%
Public Protection	Various	Net overspend on running costs throughout the division	0.018	0.000	0.018	0.1%
Public Realm	Highways and Energy Services	Lower level of income from the advertising concession contract	0.225	0.225	0.000	1.2%
Public Realm	Highways and Energy Services	Cost of digitalisation of maps	0.039	0.039	0.000	0.2%
Public Realm	Street Environmental Services	Shortfall in Commercial Waste income	0.400	0.400	0.000	2.2%
Public Realm	Street Environmental Services	Delays in fleet replacement due to ULEZ considerations	0.400	0.400	0.000	2.2%
Public Realm	Street Environmental Services	Additional staff costs due to higher levels of sickness and the levels of cover required for this operating model	0.345	0.345	0.000	1.9%
Public Realm	Street Environmental Services	ULEZ on non compliant council vehicles	0.150	0.150	0.000	0.8%
Public Realm	Street Environmental Services	One-off abortive costs associated with service re-design	0.022	0.022	0.000	0.1%
Public Realm	Street Environmental Services	Consumable spend on containers, bags and sacks	0.150	0.150	0.000	0.8%
Planning and Development	Development Control	Net underspend on employee costs	(0.023)	0.000	(0.023)	(0.1%)
Planning and Development	Development Control	Slight revision of income forecast	(0.005)	0.000	(0.005)	(0.0%)
Public Protection	Various	Higher levels of income achieved across enforcement, pest and animal services	(0.224)	(0.183)	(0.041)	(1.2%)
Public Protection	Various	Net employee costs across the division	(0.281)	(0.339)	0.058	(1.5%)
Public Protection	Various	Net underspend on running costs throughout the division	0.000	(0.021)	0.021	0.0%
Public Realm	Fleet and Depots	Net underspend throughout the division	(0.090)	(0.085)	(0.005)	(0.5%)
Public Realm	Greenspace and Leisure	Salary underspends due to vacancies	(0.199)	(0.162)	(0.037)	(1.1%)
Public Realm	Greenspace and Leisure	Additional income on sports related activities	(0.199)	(0.144)	(0.055)	(1.1%)
Public Realm	Greenspace and Leisure	Additional income within parks events	(0.108)	(0.095)	(0.013)	(0.6%)
Public Realm	Greenspace and Leisure	Improved forecast on external income within the Tree Service	0.000	(0.048)	0.048	0.0%
Public Realm	Greenspace and Leisure	Net underspend throughout the division	0.000	(0.057)	0.057	0.0%
Public Realm	Highways and Energy Services	Higher levels of highways related income	(0.469)	(0.485)	0.016	(2.6%)
Public Realm	Highways and Energy Services	Festive lighting now covered corporately by structural adjustment	(0.150)	(0.150)	0.000	(0.8%)
Public Realm	Highways and Energy Services	Underspend in salaries due to vacancies and delays in recruitment	(0.129)	(0.148)	0.019	(0.7%)
Public Realm	Highways and Energy Services	Over-achievement of income within Energy Services	(0.026)	0.000	(0.026)	(0.1%)
Public Realm	Highways and Energy Services	Minor underspends throughout	(0.014)	0.000	(0.014)	(0.1%)
Public Realm	Highways and Energy Services	Additional capital fee income	0.000	(0.065)	0.065	0.0%
Public Realm	Parking and Traffic Services	Underspend on running cost budgets and salary budget	(0.175)	(0.175)	0.000	(1.0%)
Public Realm	Parking and Traffic Services	Additional suspension income	(0.206)	(0.102)	(0.104)	(1.1%)
Total Environment and Regeneration			(0.035)	(0.022)	(0.013)	(0.2%)
HOUSING						
Temporary Accommodation		Temporary Accommodation (Nightly Booked/PSL)	(0.049)	0.091	(0.140)	(0.6%)
Temporary Accommodation		Islington Lettings	0.307	0.148	0.159	3.5%
Temporary Accommodation		Bad Debt	0.106	0.058	0.048	1.2%
Temporary Accommodation		Staffing/Other	(0.028)	0.010	(0.038)	(0.3%)
Housing Needs		Legal Costs	0.198	0.267	(0.069)	2.3%
Housing Needs		SHPS	0.126	0.126	0.000	1.5%
Housing Needs		Staffing/Other	(0.301)	(0.230)	(0.071)	(3.5%)
Housing Strategy and Development		Reassessment of Planning Enabling Role	(0.066)	(0.065)	(0.001)	(0.8%)
Housing Administration		Staffing/Other	(0.004)	(0.012)	0.008	(0.0%)
All	One-off Income	Use of carried forward prior year grants in earmarked reserves.	(0.289)	(0.393)	0.104	(3.3%)
Total Housing			0.000	0.000	0.000	0.0%
PEOPLE						
Youth and Communities	Crime and Youth Offending	Reduced numbers on remand has continued from last year, indicating that a significant underspend could occur again this year. However, this is a demand led budget, and a small increase in activity can have a large impact on the budget, therefore only a very cautious estimate of the potential underspend is being reported at this stage.	(0.300)	(0.150)	(0.150)	(0.3%)
Youth and Communities	Crime and Youth Offending	In addition to the above variance, the one-off contingency budget for remand is unlikely to be required in 2019/20	(0.300)	(0.300)	0.000	(0.3%)
Youth and Communities	All	Staff vacancies in Youth and Communities	(0.094)	(0.037)	(0.057)	(0.1%)
Youth and Communities	Play and Youth	Essential building maintenance costs across the youth and play estate	0.038	0.020	0.018	0.0%
Safeguarding and Family Support	Children in Need	Staff vacancies in the Children in Need provider service	(0.067)	(0.067)	0.000	(0.1%)
Safeguarding and Family Support	Children in Need	Direct payments - increased recovery of unused funds	(0.050)	(0.050)	0.000	(0.1%)
Safeguarding and Family Support	Children in Need	Increase in demand for short breaks	0.085	0.085	0.000	0.1%
Safeguarding and Family Support	Children in Need	Increase in demand for crisis intervention packages	0.047	0.047	0.000	0.1%
Safeguarding and Family Support	Children Looked After	Contact Service - increased levels of court directed Children Looked After contact services	0.006	0.006	0.000	0.0%
Safeguarding and Family Support	Children Looked After	Interagency pressure form purchasing more placements than we have sold	0.048	0.048	0.000	0.1%
Safeguarding and Family Support	Placements	Supported Accommodation - impact of delay to new pathway coupled with an upward movement in 16+ activity. There was an increase in the 16+ cohort during 2018/19 that if sustained will lead to an overspend against this budget	0.416	0.416	0.000	0.5%
Safeguarding and Family Support	Placements	Increase in particularly complex children being placed in joint funded specialist provision	0.371	0.521	(0.150)	0.4%
Safeguarding and Family Support	Placements	Residential (regulated) - recent increase in demand for high cost residential placements	0.477	0.277	0.200	0.5%
Safeguarding and Family Support	Placements	Reduced activity in the fostering service in relation to both in-house foster carers and Independent Fostering Agencies	(0.273)	(0.273)	0.000	(0.3%)
Safeguarding and Family Support	Placements	Underspend against in-house permanency budgets	(0.162)	(0.112)	(0.050)	(0.2%)
Safeguarding and Family Support	Placements	Drawdown of placements contingency budget	(0.500)	(0.500)	0.000	(0.6%)
Safeguarding and Family Support	Social Work Teams	In-year underspend against the Children's Social Care transformation	(0.317)	(0.317)	0.000	(0.4%)
Safeguarding and Family Support	Social Work Teams	Re-profiling of spend on the Children's Social Care transformation programme in line with the updated investment plan in social work teams	0.317	0.317	0.000	0.4%
Learning and Schools	Pupil Services	Legal costs in relation to SEND appeals	0.095	0.095	0.000	0.1%
Learning and Schools	School Support Services	Staff vacancies and one-off income in School Support Services	(0.140)	(0.115)	(0.025)	(0.2%)
Learning and Schools	Early Years	Staff vacancies	(0.100)	(0.100)	0.000	(0.1%)
Learning and Schools	Early Years	Forecast underspend against the holiday hunger budget now the programme is complete for 2019/20 as the Easter holidays fall in the next financial year	(0.106)	(0.109)	0.003	(0.1%)
Learning and Schools	SEN Transport	Forecast balance against the one-off SEN transport contingency budget	(0.100)	(0.100)	0.000	(0.1%)
Learning and Schools	School Uniform Grant	Increase in demand from eligible pupils for the Council's school uniform grant.	0.018	0.018	0.000	0.0%
Learning and Schools	Universal Free School Meals	The reduction in the number of children not eligible for statutory free school meals is expected to be maintained in 2019/20	(0.100)	(0.100)	0.000	(0.1%)
Partnerships and Service Support	Laycock Professional Development Centre	Loss of income following the overrun of works to address subsidence	0.040	0.029	0.011	0.0%
Partnerships and Service Support	Cardfields	Reduction in schools funding, repayment of corporately funded capital works, forecast shortfall in income and urgent maintenance costs	0.050	0.050	0.000	0.1%
Employment, Skills and Culture	Arts Service	Staffing pressure offset by rental income from Dingley Place	(0.008)	(0.008)	0.000	(0.0%)
Health Commissioning	Health Commissioning	Underspend against running costs	(0.018)	(0.018)	0.000	(0.0%)
Total Children's, Employment and Skills			(0.627)	(0.427)	(0.200)	(0.7%)
Adult Social Care		Care UK contract negotiations	(1.400)	(0.750)	(0.650)	(2.0%)
Adult Social Care		Legal costs	0.080	0.080	0.000	0.1%
Integrated Community Services	Re-profiled savings	Assistive technology	0.280	0.280	0.000	0.4%

Appendix 1: 2019/20 General Fund Revenue Monitoring by Individual Variance - Month 10

Integrated Community Services		Safe guarding	(0.101)	(0.101)	0.000	(0.1%)
Integrated Community Services		In-house Physical Disabilities	0.022	0.022	0.000	0.0%
Integrated Community Services		Memory and Cognition and Physical Disabilities Support Placements	1.689	1.689	0.000	2.4%
Integrated Community Services		Mental Health Placements	0.578	0.578	0.000	0.8%
Integrated Community Services		Improved assessment of client contributions	(0.700)	(0.700)	0.000	(1.0%)
Integrated Community Services		Staffing Vacancies	(0.340)	(0.340)	0.000	(0.5%)
Integrated Community Services		Reablement overspend	0.280	0.280	0.000	0.4%
Integrated Community Services		S117 reimbursement costs	0.105	0.105	0.000	0.2%
Integrated Community Services		Application of demographic funding	(1.000)	(1.000)	0.000	(1.4%)
Integrated Community Services	Undelivered savings	Adult Social Care case reviews	0.710	0.710	0.000	1.0%
Learning Disabilities		Placements overspend (net of management action)	1.529	1.036	0.493	2.2%
Learning Disabilities		Improved assessment of client contributions	(0.123)	0.000	(0.123)	(0.2%)
Learning Disabilities		Management actions	(0.370)	0.000	(0.370)	(0.5%)
Strategy and Commissioning	Re-profiled savings	Adult Social Care transformation	1.500	1.500	0.000	2.2%
Strategy and Commissioning	Re-profiled savings	Previous MTFS savings	0.233	0.233	0.000	0.3%
Strategy and Commissioning	Re-profiled savings	Advocacy	0.035	0.035	0.000	0.1%
Strategy and Commissioning	Re-profiled savings	Age UK	0.035	0.035	0.000	0.1%
Strategy and Commissioning		Staffing Pressures	0.091	0.091	0.000	0.1%
Strategy and Commissioning		Carers Pool	(0.185)	(0.185)	0.000	(0.3%)
Strategy and Commissioning		Mental Health Commissioning Pool	(0.075)	(0.075)	0.000	(0.1%)
Strategy and Commissioning		Intermediate care	(0.087)	(0.087)	0.000	(0.1%)
Strategy and Commissioning		Housing Related Support	(0.272)	(0.272)	0.000	(0.4%)
Strategy and Commissioning		Integrated Community Equipment Services (ICES)	0.052	0.052	0.000	0.1%
Adult Social Care	One-off Income	Social Care Grant, Improved Better Care Fund (Stabilising the Social Care System), Winter Pressures Funding, Direct Payments Surplus and 2018/19 Carry Forward in earmarked reserves	(3.966)	(3.966)	0.000	(5.7%)
Total Adult Social Services			(1.400)	(0.750)	(0.650)	(2.0%)
Total People			(2.027)	(1.177)	(0.850)	(1.3%)
PUBLIC HEALTH						
NHS Health Checks		Early delivery of savings	(0.078)	(0.078)	0.000	0.0%
Other Public Health		Additional NHS England Income (ring-fenced to Social Care Digital Pathfinder project) and MOPAC income (which will be used for the violence reduction programme in 2020/21)	(0.231)	(0.131)	(0.100)	0.0%
Sexual Health		Slight delay to additional charging for PrEP	(0.069)	0.000	(0.069)	0.0%
Other Public Health		Other small underspends on the public health account	(0.017)	(0.018)	0.001	0.0%
Other Public Health		Carry forward of ring-fenced public health grant underspend to reserves	0.395	0.227	0.168	0.0%
Total Public Health			0.000	0.000	0.000	0.0%
RESOURCES DIRECTORATE						
Digital Services	Various	Shared Digital contractual costs	0.460	0.500	(0.040)	1.1%
Accommodation and Facilities	Business Rates	Reduction in costs relating to rationalisation of buildings	(0.393)	(0.378)	(0.015)	(1.0%)
Accommodation and Facilities	Commercial Property	Commercial income has been budgeted to rise significantly. However, practical issues have meant that the development project at Old Street has taken longer than anticipated and a delay in achieving full income growth	1.113	1.113	0.000	2.7%
Financial Management	Corporate Audit Fee	Re-negotiation of contract with a new supplier	(0.064)	(0.064)	0.000	(0.2%)
Financial Management	Internal Audit	Underspend on London Counter Fraud Initiative budget	(0.180)	0.000	(0.180)	(0.4%)
All	Vacancy Management	Vacancy management and reduced running costs across the directorate, met of other committed expenditure	(0.337)	(0.199)	(0.138)	(0.8%)
All	One-off Income	Use of 2018/19 carry forward in earmarked reserves for various service specific and transformation projects	(0.599)	(0.472)	(0.127)	(1.5%)
Total Resources Directorate			0.000	0.500	(0.500)	0.0%
DIRECTORATE TOTAL			(2.088)	(0.695)	(1.393)	
CORPORATE ITEMS						
Housing Needs	NRPF	Uncontrollable pressure due to the Council's statutory, yet unfunded, duty to provide a safety net to vulnerable migrants with No Recourse to Public Funds (NRPF) and European Economic Area nationals	0.646	0.643	0.003	(0.3%)
Corporate Projects	Cross-cutting savings	Unallocated cross-cutting savings that are now considered undeliverable in the current financial year	1.000	0.910	0.090	(0.4%)
Corporate Projects	Corporate Projects	Unbudgeted support costs for various corporate projects	1.270	1.270	0.000	(0.6%)
Corporate Financing Account	Corporate Financing Account	The Council continues to follow a successful Treasury Management Strategy of shorter-term borrowing at low interest rates, whilst the corporate financing budget for interest costs and debt repayment is currently based on the average long term cost of borrowing. This means that corporate financing costs in 2019/20 are significantly less than than budgeted. Combined with unbudgeted investment income, this is currently forecast to lead to an underspend in the	(3.946)	(3.946)	0.000	1.7%
Levies	Levies	Underspend on corporate levies budget compared to the estimate before the start of the financial year	(0.200)	(0.155)	(0.045)	0.1%
Total Corporate Items			(1.230)	(1.278)	0.048	0.5%
GROSS TOTAL			(3.318)	(1.973)	(1.345)	

Appendix 2: 2019/20 Revenue Monitoring by Service Area - Month 10

GENERAL FUND						
Directorate / Division	Original Budget	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 10	Forecast Over/(Under) Spend Month 9	Month to Month Change
	£m	£m	£m	£m	£m	£m
CHIEF EXECUTIVE'S DIRECTORATE						
Chief Executive's Office	0.052	0.052	0.111	0.059	0.064	(0.005)
Communications and Change Strategy and Change*	1.069	1.099	1.014	(0.085)	(0.060)	(0.025)
Total Chief Executive's Department	1.953	1.151	1.125	(0.026)	0.004	(0.030)
ENVIRONMENT AND REGENERATION						
Directorate	0.154	(0.093)	(0.093)	0.000	0.000	0.000
Planning and Development	1.297	1.702	1.801	0.099	0.121	(0.022)
Public Protection	4.531	4.756	4.656	(0.100)	(0.158)	0.058
Public Realm	9.414	12.019	11.985	(0.034)	0.015	(0.049)
Total Environment and Regeneration	15.396	18.384	18.349	(0.035)	(0.022)	(0.013)
HOUSING						
Temporary Accommodation (Homelessness Direct)	2.292	1.683	1.730	0.047	(0.086)	0.133
Housing Needs (Homelessness Indirect)	1.456	1.457	1.479	0.022	0.163	(0.141)
Housing Benefit	0.880	0.880	0.880	0.000	0.000	0.000
Housing Strategy and Development	0.133	0.133	0.068	(0.065)	(0.065)	0.000
Housing Administration	1.008	1.008	1.004	(0.004)	(0.012)	0.008
Voluntary and Community Services (VCS)	2.616	2.950	2.950	0.000	0.000	0.000
Total Housing	8.385	8.111	8.111	0.000	0.000	0.000
PEOPLE						
Youth and Communities	6.040	5.578	4.922	(0.656)	(0.467)	(0.189)
Safeguarding and Family Support	41.332	43.292	43.690	0.398	0.398	0.000
Learning and Schools	25.385	27.238	23.966	(3.272)	(3.596)	0.324
Partnership and Service Support	3.600	5.986	6.076	0.090	0.079	0.011
Strategy and Planning	0.079	0.108	0.108	0.000	0.000	0.000
Employment, Skills and Culture	5.322	5.436	5.428	(0.008)	(0.008)	0.000
Health Commissioning	0.930	0.930	0.912	(0.018)	(0.018)	0.000
Less Projected Ring-Fenced Schools Related Underspend	0.000	0.000	2.839	2.839	3.185	(0.346)
Total Children's, Employment and Skills	82.688	88.568	87.941	(0.627)	(0.427)	(0.200)
Adult Social Care	(6.288)	(6.535)	(12.818)	(6.283)	(5.633)	(0.650)
Integrated Community Services	27.399	28.356	30.870	2.514	2.514	0.000
Learning Disabilities	27.316	28.328	29.364	1.036	1.036	0.000
Strategy and Commissioning	21.168	19.213	20.546	1.333	1.333	0.000
Total Adult Social Services	69.595	69.362	67.962	(1.400)	(0.750)	(0.650)
Total People	152.283	157.930	155.903	(2.027)	(1.177)	(0.850)
PUBLIC HEALTH						
Children 0-5 Public Health	3.689	3.619	3.619	0.000	0.000	0.000
Children and Young People	1.434	1.529	1.512	(0.017)	(0.017)	0.000
NHS Health Checks	0.383	0.330	0.252	(0.078)	(0.078)	0.000
Obesity and Physical Activity	0.735	0.735	0.737	0.002	0.002	0.000
Other Public Health	(19.635)	(19.015)	(19.246)	(0.231)	(0.131)	(0.100)
Sexual Health	5.965	5.388	5.319	(0.069)	(0.001)	(0.068)
Smoking and Tobacco	0.468	0.338	0.336	(0.002)	(0.002)	0.000
Substance Misuse	6.961	7.076	7.076	0.000	0.000	0.000
Less Projected Ring-Fenced Public Health Grant Underspend	0.000	0.000	0.395	0.395	0.227	0.168
Total Public Health	(0.000)	0.000	0.000	0.000	(0.000)	0.000
RESOURCES						
Directorate	0.849	0.562	(0.062)	(0.624)	(0.409)	(0.215)
Digital Services and Transformation	12.705	12.956	13.416	0.460	0.500	(0.040)
Financial Management and Property	(0.821)	(0.647)	(0.344)	0.303	0.341	(0.038)
Financial Operations	19.718	20.725	20.723	(0.002)	0.042	(0.044)
Internal Audit	0.697	0.698	0.374	(0.324)	(0.128)	(0.196)
Law and Governance	3.941	4.182	4.180	(0.002)	(0.001)	(0.001)
Human Resources	1.883	1.492	1.701	0.209	0.128	0.081
Strategy and Change*	0.000	0.802	0.782	(0.020)	0.027	(0.047)
Total Resources	38.972	40.770	40.770	(0.000)	0.500	(0.500)
DIRECTORATE TOTAL	216.989	226.346	224.258	(2.088)	(0.695)	(1.393)

Appendix 2: 2019/20 Revenue Monitoring by Service Area - Month 10

Directorate / Division	Original Budget	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 10	Forecast Over/(Under) Spend Month 9	Month to Month Change
	£m	£m	£m	£m	£m	£m
CORPORATE ITEMS						
Other Corporate Items	(1.114)	(1.357)	0.913	2.270	2.180	0.090
Corporate Financing Account	(25.043)	(24.434)	(28.380)	(3.946)	(3.946)	0.000
Pensions	9.348	9.348	9.348	0.000	0.000	0.000
Levies	19.962	19.962	19.762	(0.200)	(0.155)	(0.045)
Transfer to/(from) Reserves	(4.207)	(11.337)	(11.337)	0.000	0.000	0.000
Specific Grants	(5.616)	(5.616)	(5.616)	0.000	0.000	0.000
Core Government Funding / Council Tax	(215.822)	(215.822)	(215.822)	0.000	0.000	0.000
No Recourse to Public Funds	0.423	0.537	1.183	0.646	0.643	0.003
Contingency	5.080	2.373	2.373	0.000	0.000	0.000
Total Corporate Items	(216.989)	(226.346)	(227.576)	(1.230)	(1.278)	0.048
GROSS TOTAL	0.000	0.000	(3.318)	(3.318)	(1.973)	(1.345)

*The Strategy and Change team has moved from the Chief Executive's Directorate to the Resources Directorate since the start of the financial year.

Appendix 2: 2019/20 Revenue Monitoring by Service Area - Month 10

HOUSING REVENUE ACCOUNT(HRA)					
Service Area	Current Budget	Forecast Outturn	Forecast Over/(Under) Spend Month 10	Forecast Over/(Under) Spend Month 9	Month to Month Change
	£m	£m	£m	£m	£m
Dwelling Rents	(165.684)	(167.684)	(2.000)	(2.000)	0.000
Non Dwelling Rents	(1.600)	(1.600)	0.000	0.000	0.000
Heating Charges	(2.684)	(2.684)	0.000	0.000	0.000
Leaseholders Charges	(12.730)	(14.980)	(2.250)	(2.250)	0.000
Other Charges for Services and Facilities	(5.380)	(5.380)	0.000	0.000	0.000
PFI Credits	(22.855)	(22.855)	0.000	0.000	0.000
Interest Receivable	(0.500)	(0.500)	0.000	0.000	0.000
Contribution from General Fund	(0.816)	(0.816)	0.000	0.000	0.000
Gross Income	(212.249)	(216.499)	(4.250)	(4.250)	0.000
Repairs and Maintenance	32.928	32.928	0.000	0.000	0.000
General Management	53.102	53.102	(0.000)	(0.000)	0.000
PFI Payments	43.964	43.464	(0.500)	(0.500)	0.000
Special Services	22.356	22.356	0.000	0.000	0.000
Rents, Rates, Taxes & Other Changes	0.590	1.004	0.415	0.415	0.000
Capital Financing Costs	16.426	16.426	0.000	0.000	0.000
Depreciation (mandatory transfer to Major Repairs Reserve)	35.003	35.003	0.000	0.000	0.000
Transfer to Major Repairs Reserve (optional)	0.000	2.250	2.250	2.250	0.000
Bad Debt Provisions	0.750	2.250	1.500	1.500	0.000
Contingency	1.100	1.100	0.000	0.000	0.000
Transfer to HRA Reserves	6.030	6.615	0.585	0.585	0.000
Gross Expenditure	212.249	216.499	4.250	4.250	0.000
Net (Surplus)/Deficit	0.000	(0.000)	(0.000)	(0.000)	0.000

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Appendix 3: Additional General Fund Budget Risks - Month 10

Environment and Regeneration
The directorate relies on around £50m of income across a range of services such as parking, leisure, commercial waste, planning & building control, licensing & enforcement and highways. These income streams are subject to external factors such as economic activity, customer behaviour and competition and a small change in these factors could potentially have a significant financial impact on the directorate's financial position.
Highbury Leisure Centre - Remedial works are ongoing following the fire in September 2018. It is assumed that these costs and lost income will be covered by either claims against the contractor or the Council's insurance provision.
Housing
Early indications in 2019/20 suggest increasing client numbers and rising costs in the provision of temporary accommodation. If client numbers rise significantly this could add substantial costs in terms of procuring temporary accommodation. This trend has been exacerbated, as the General Fund's largest temporary accommodation housing provider (Notting Hill Genesis Housing) has ended many tenancies and increased charges, resulting in many clients needing to move into more expensive temporary accommodation and those remaining facing rent rises.
Legal costs arising from new legal challenges can result in increased use of resources on court fees and barristers. This has grown month on month in 2019/20, primarily due to new HRA Act 2017 related legal challenges.
The benefit cap is reducing the disposable income available for those in larger properties, resulting in an increase in bad debt payments and write-offs as rents are not prioritised for payment.
People - Adult Social Services
Increase in social care funded clients due the Transforming Care programme – which aims to reduce the commissioning of hospital beds for people with learning disabilities and/or autism with behaviour that challenges.
Renegotiation with the NHS regarding Better Care Fund, Pooled Budgets and other health funding may result in a reduction in funding for social care.
People - Children's Employment and Skills (General Fund)
SEN transport - potential further increase in costs if numbers increase
Secure welfare placements - increased demand for secure welfare placements due to children being at high risk of harm can cost up to £6k per young person per week.
Remand - increases in number of young people placed on secure remand can cost up to £4k per young person per week. Alternatives will always be offered to the court, but remand is likely if offences involve violence connected to knife crime.
Remand - potential reduction in Youth Justice Board remand grant funding in 2020/21 as allocations are lagged based on the previous year's activity
Supported Accommodation (non-regulated placements) - increase in demand in the 18 plus cohort. Due to complexities of needs and risk concern, young people are not ready for their tenancy and continue to need higher level support.
Residential (regulated) placements - recent increase in number of high cost residential placements
Joint Agency Panel (JAP) - increase in children with complex needs being placed in joint funded specialist provision
People - Children's Employment and Skills (DSG)
High Needs – continued increase in numbers of pupils with Education, Health and Care Plans
High Needs - additional funding for 2020/21 announced in Spending Round 2019 does not continue beyond 2020/21
Maintained Nursery Schools - £0.377m supplementary funding for maintained nursery schools is only guaranteed until the end of 2020/21. Maintained nursery schools were disproportionately affected by the implementation of a national funding formula for early years.
School Support Services - continued annual reduction in DSG funding of £0.16m per annum as the DfE reduces funding in the Central School Services Block for local authority services. This is a budget risk from 2021/22.
Resources
Digital Services is in its first year as a new entity. There is a significant degree of budget risk from the Shared Digital transition, particularly in the area of contractual commitments. The contract list inherited at the establishment of Digital Services is currently under scrutiny to determine the need for each contract and the associated payments schedules and timing.

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Appendix 4: General Fund Savings Tracker 2019/20 to 2022/23

Ref	Budget Setting Year Approved	Directorate	Description	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m	Open/Closed Status
20201	2019/20	Cross-cutting	Redesigning our customer service offer across the council, bringing together transactional services to provide a better service for residents	0.100	0.200	0.400	0.000	0.700	Open
RES05	2019/20	Resources	Contact Islington - Removal of budget for call centre additional resource	0.079	0.079	0.000	0.000	0.158	Closed
RES06	2019/20	Resources	Contact Islington - efficiencies	0.051	0.051	0.000	0.000	0.102	Closed
RES30	2019/20	Resources	Gartner IT consultancy	0.050	0.000	0.000	0.000	0.050	Closed
CI33	2019/20	People - Children, Employment and Skills	Partnerships and Service support - review office service supplies	0.050	0.000	0.000	0.000	0.050	Closed
20202	2019/20	Resources	Centralise stationery and control	0.050	0.000	0.000	0.000	0.050	Open
RES13	2019/20	Resources	Reduction in postage budget	0.050	0.000	0.000	0.000	0.050	Closed
RES14	2019/20	Resources	Cleaning on-going costs reduction	0.050	0.000	0.000	0.000	0.050	Closed
20203	2019/20	Cross-cutting	Savings resulting from a review of management spans and tiers and improved administrative processes across the council	0.500	0.250	0.000	0.000	0.750	Open
CES12	2019/20	People - Children, Employment and Skills	CES Infrastructure services (align with corporate admin review)	0.050	0.000	0.200	0.000	0.250	Open
RES02	2019/20	Resources	Savings resulting from a new property strategy, increasing income, more co-locating with partners and reducing the council's office footprint	0.130	0.570	0.500	1.825	3.025	Open
RES15	2019/20	Resources	Site facility savings at 47 and 173 Old Street, 5 Elthorne Street, 38 Devonia Road, Northway Road	0.222	0.000	0.000	0.000	0.222	Closed
RES16	2019/20	Resources	Islington Assembly Hall - increased income	0.025	0.025	0.000	0.000	0.050	Closed
ASC01	2019/20	People - Adult Social Services	Conduct annual reviews of Adult Social Care packages in line with relevant legislation, applying a strengths-based approach to create better outcomes for residents in the care system	0.800	0.660	0.680	0.000	2.140	Open
ASC02A	2019/20	Cross-cutting	Implementation of the new "Localities" model in partnership with the voluntary and community sector, health organisations and our other local partners to align preventative services and reduce long-term demand	0.000	0.000	1.500	0.000	1.500	Open
ASC02	2019/20	People - Adult Social Services	Targeted work in Adult Social Care around single point of contact and improved information to reduce demand	0.000	1.000	1.000	0.000	2.000	Open
CES03	2019/20	People - Children, Employment and Skills	Review of the Early Help 0 to 19 service	0.000	0.100	0.328	0.000	0.428	Open
CI27	2019/20	People - Children, Employment and Skills	Management efficiencies re vacant posts	0.020	0.000	0.000	0.000	0.020	Closed
PH1	2019/20	Public Health	Change the way we deliver public health behaviour-change programmes, including health checks and exercise on referral, through our universal services and other more cost-effective methods	0.194	0.208	0.180	0.000	0.582	Open
CES01	2019/20	People - Children, Employment and Skills	Recruit additional children's social workers to reduce longer-term demand	0.981	1.682	1.682	0.000	4.345	Open
CES08	2019/20	People - Children, Employment and Skills	Healthy schools and wellbeing - efficiency saving	0.010	0.000	0.000	0.000	0.010	Closed
CES09	2019/20	People - Children, Employment and Skills	Capital Team - Release core budget by charging proportion of team costs to the capital programme	0.100	0.000	0.000	0.000	0.100	Closed
CI14	2019/20	People - Children, Employment and Skills	Learning and schools restructure	0.030	0.000	0.000	0.000	0.030	Closed
CI24	2019/20	People - Children, Employment and Skills	Partnerships and Service support - temporary safeguarding project	0.000	0.020	0.000	0.000	0.020	Open
CES10	2019/20	People - Children, Employment and Skills	Maintain the availability and scope of play and youth provision by reducing its costs through new commissioning arrangements and more efficient back office support	0.175	0.090	0.035	0.000	0.300	Open
CES10a	2019/20	People - Children, Employment and Skills	Reduce operational costs in the Youth Offending Service to reflect a reduction in the cohort of young people requiring the service	0.000	0.090	0.000	0.000	0.090	Open
DAHGF01	2019/20	Housing	Improve the quality and reduce the cost of temporary accommodation through purchasing homes to be owned by the council and used by it for temporary accommodation	0.300	0.200	0.000	0.000	0.500	Open
S&C01	2019/20	Environment and Regeneration	Focus Trading Standards and Environmental Health teams on high-risk areas, secure additional external income for Pest Control and reduce back-office support	0.130	0.175	0.000	0.000	0.305	Closed
S&C04	2019/20	Environment and Regeneration	Increased income as a result of a new Homes in Multiple Occupation licensing scheme in Finsbury Park	0.085	0.000	0.000	0.000	0.085	Open
W&A02	2019/20	Environment and Regeneration	Financial impact of separate policy decisions to be taken by the Executive to improve the borough's air quality	1.930	1.175	0.875	0.000	3.980	Open
W&A03	2019/20	Environment and Regeneration	Highways inspections	0.000	0.094	0.000	0.000	0.094	Closed
W&A11b	2019/20	Environment and Regeneration	SES - Annual charge for waste containers	0.000	0.000	0.237	0.000	0.237	Open
W&A18	2019/20	Environment and Regeneration	Leisure contract savings	0.300	0.000	0.000	0.000	0.300	Closed
W&A20	2019/20	Environment and Regeneration	Tree Service income growth	0.025	0.000	0.000	0.000	0.025	Closed
W&A08	2019/20	Environment and Regeneration	Highways DSO - review staffing levels	0.100	0.000	0.000	0.000	0.100	Closed
W&A13	2019/20	Environment and Regeneration	SES - Integration of Services with Housing	0.110	0.115	0.225	0.000	0.450	Open
W&A25	2019/20	Environment and Regeneration	Integration of Parks and SES Cleansing Operations	0.050	0.000	0.000	0.000	0.050	Closed
W&A16	2019/20	Environment and Regeneration	Management savings in Environment and Regeneration as a result of implementing new technology	0.100	0.300	0.317	0.000	0.717	Open
W&A09	2019/20	Environment and Regeneration	A more efficient operation at the Waste and Recycling Centre, using technology to automate access to the facility	0.100	0.055	0.145	0.000	0.300	Open
RES01	2019/20	Resources	Redesign of Financial Management	0.300	0.000	0.000	0.000	0.300	Closed
RES04	2019/20	Resources	Procurement - restructure of procurement team	0.150	0.000	0.000	0.000	0.150	Closed
RES32	2019/20	Resources	Vacant HR posts	0.150	0.000	0.000	0.000	0.150	Closed
RES33	2019/20	Resources	Stop applying interest to Section 106	0.225	0.000	0.000	0.000	0.225	Closed
CE01	2019/20	Chief Executive's	Staffing reductions in the Chief Executive's department and securing additional commercial income for print services	0.050	0.075	0.075	0.000	0.200	Open
RES03	2019/20	Cross-cutting	Savings resulting from a corporate review of contracting and procurement arrangements, helping to get a better deal for the council and apply a category-management approach	0.410	0.352	0.500	0.000	1.262	Open
CI29	2019/20	People - Children, Employment and Skills	Review potential contract inflation allocation	0.050	0.000	0.000	0.000	0.050	Closed
RES03B	2019/20	Resources	Telephony contract savings	0.090	0.148	0.000	0.000	0.238	Closed
RES07	2019/20	Corporate	Revenues - Aged Debt Team achieving above original expectations	0.150	0.000	0.000	0.000	0.150	Closed
RES29	2019/20	Corporate	Housing Benefit reserve drawdown	0.275	0.000	0.000	0.000	0.275	Closed
RES08	2019/20	Resources	Processing - Council Tax Welfare Support fund	0.100	0.000	0.000	0.000	0.100	Closed
Res09	2019/20	Resources	Processing - Work undertaken for Tower Hamlets providing assistance for social care payments and income	0.050	0.000	0.000	0.000	0.050	Closed
Res10	2019/20	Resources	Processing - Staff moving to part-time working and associated running	0.092	0.000	0.000	0.000	0.092	Closed
Res11	2019/20	Resources	Integrate RSS team into staffing budget without budget increase	0.320	0.000	0.000	0.000	0.320	Closed
RES31	2019/20	Resources	Vacant processing jobs	0.140	0.000	0.000	0.000	0.140	Closed
RES36	2019/20	Resources	Increased council tax collection	0.225	0.000	0.000	0.000	0.225	Closed
RES24	2019/20	Resources	Legal - Efficiencies from case management system	0.000	0.000	0.175	0.000	0.175	Open
RES25	2019/20	Resources	Legal - Income generation in legal services	0.000	0.000	0.005	0.000	0.005	Open
RES26	2019/20	Resources	Legal - Savings from stopping doing things	0.000	0.000	0.005	0.000	0.005	Open
RES26C	2019/20	Resources	Increasing legal charge on RTBs	0.070	0.000	0.000	0.000	0.070	Closed
RES34	2019/20	Resources	Electoral services efficiencies	0.008	0.000	0.000	0.000	0.008	Closed
RES35	2019/20	Resources	Registrars income	0.020	0.000	0.000	0.000	0.020	Closed
CES20	2019/20	People - Children, Employment and Skills	Childrens services continuous improvement	0.022	0.000	0.068	0.000	0.090	Open
CI10	2019/20	People - Children, Employment and Skills	Revised ICOS budget in line with spend	0.025	0.000	0.000	0.000	0.025	Closed
ASC03	2019/20	People - Adult Social Services	Savings from a comprehensive transformation of our in-house provided Adult Social Care services, ensuring they provide a modern, strengths-based service that meets residents' needs	1.500	0.000	0.000	0.000	1.500	Open
ASC04	2019/20	People - Adult Social Services	Reduce costs from moving our existing telecare offer to a more modern assistive technology offer and reducing the need for traditional care packages	0.281	0.000	0.000	0.000	0.281	Open
ASC07	2019/20	People - Adult Social Services	The council, working with partners, will review the provision of daytime activities and daytime services in Islington with a view to broadening participation and extending the use of local community facilities	0.080	0.050	0.000	0.000	0.130	Closed
ASC05	2019/20	People - Adult Social Services	A new approach to non-statutory advocacy services, using existing mainstream service provision rather than a separate, specific offer	0.025	0.000	0.000	0.000	0.025	Closed

Appendix 4: General Fund Savings Tracker 2019/20 to 2022/23

Ref	Budget Setting Year Approved	Directorate	Description	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	Total £m	Open/Closed Status
CI6	2019/20	People - Children, Employment and Skills	Reorganise the council's approach to youth employment, with savings from contract management and more efficient administration	0.093	0.000	0.000	0.000	0.093	Closed
CI30	2019/20	People - Children, Employment and Skills	Purchase additional high-quality accommodation via Housing where previously more expensive placements have been purchased	0.100	0.000	0.000	0.000	0.100	Closed
CI11	2019/20	People - Children, Employment and Skills	Savings from the termination of a contract with an external provider to display information on electronic screens in a number of children's centres (now no longer used) and staff efficiencies	0.040	0.000	0.000	0.000	0.040	Closed
CI26	2019/20	People - Children, Employment and Skills	Apply a vacancy factor to low-risk posts in the Children's, Employment and Skills directorate based on anticipated service demand	0.500	0.000	0.000	0.000	0.500	Closed
CI5	2019/20	People - Children, Employment and Skills	ACL Reduction of 1 Tutor post	0.035	0.000	0.000	0.000	0.035	Closed
CES16	2019/20	People - Children, Employment and Skills	Libraries and Heritage savings	0.110	0.000	0.000	0.000	0.110	Closed
CES16B	2019/20	People - Children, Employment and Skills	Libraries further reduction in stock fund	0.005	0.000	0.000	0.000	0.005	Closed
CES19	2019/20	People - Children, Employment and Skills	Arts Service	0.022	0.000	0.000	0.000	0.022	Closed
CI4	2019/20	People - Children, Employment and Skills	ACL Reduction in non-teaching roles	0.070	0.000	0.000	0.000	0.070	Closed
RES37	2019/20	Cross-cutting	Introduce an Enterprise Resource Planner	0.000	0.000	0.500	0.000	0.500	Open
ASC05B	2019/20	People - Adult Social Services	Better commissioning of adult social services	0.035	0.060	0.000	0.000	0.095	Closed
W&A24	2019/20	Environment and Regeneration	A new, floodlit, 3G multi-use sports pitch in Highbury Fields for hire and community use to achieve additional income	0.000	0.060	0.000	0.000	0.060	Closed
W&A06	2019/20	Environment and Regeneration	Reduce the brightness of LED street lighting in suitable areas to reduce energy costs and carbon emissions and to remove illuminated street furniture (bollards etc.) and replace with non-illuminated reflective furniture following a change in the highways regulations	0.000	0.176	0.000	0.000	0.176	Closed
ASC01A	2019/20	People - Adult Social Services	Improve processes around Direct Payments and financial contributions to reduce surpluses and maximise income	0.710	0.000	0.000	0.000	0.710	Open
16	2020/21	Environment and Regeneration	Roll out of School Streets phase 2	0.000	0.250	0.375	0.375	1.000	Open
3	2020/21	Housing	Further improve the quality and reduce the cost of temporary accommodation through purchasing more homes to be owned by the council and used by it for temporary accommodation	0.000	0.100	0.075	0.000	0.175	Open
4	2020/21	Housing	Offer more permanent housing to families in temporary accommodation	0.000	0.085	0.090	0.000	0.175	Open
8	2020/21	People - Adult Social Services	Negotiate CCG Contribution to LLW in Care UK homes	0.000	0.000	0.250	0.000	0.250	Open
11	2020/21	People - Children, Employment and Skills	Rental income from letting surplus space at Central Library	0.000	0.040	0.015	0.000	0.055	Closed
12b	2020/21	Environment and Regeneration	Integrate Greenspace and Street Environmental Services cleansing	0.000	0.090	0.000	0.000	0.090	Closed
12c	2020/21	Environment and Regeneration	Depot rationalisation	0.000	0.120	0.000	0.000	0.120	Open
12d	2020/21	Environment and Regeneration	Improved use of technology and resource to focus more capacity on income generation	0.000	0.000	0.050	0.000	0.050	Open
6	2020/21	People - Adult Social Services	Improve the strength based offer in Learning Disability services	0.000	0.000	0.255	0.495	0.750	Open
7	2020/21	People - Adult Social Services	Reduce senior management	0.000	0.350	0.000	0.000	0.350	Closed
9a	2020/21	People - Children, Employment and Skills	Delete vacant priority early learning post	0.000	0.052	0.000	0.000	0.052	Closed
9d	2020/21	People - Children, Employment and Skills	Bring budget in line with current spend	0.000	0.025	0.000	0.000	0.025	Closed
9f	2020/21	People - Children, Employment and Skills	Staff savings through flexible retirements	0.000	0.016	0.020	0.000	0.036	Open
9i	2020/21	People - Children, Employment and Skills	Senior Management savings through creation of People directorate	0.000	0.068	0.000	0.000	0.068	Closed
9j	2020/21	People - Children, Employment and Skills	Increase use of pre-payment cards for Direct Payments	0.000	0.050	0.050	0.000	0.100	Open
9k	2020/21	People - Children, Employment and Skills	Reduction of one director post	0.000	0.150	0.000	0.000	0.150	Open
9l	2020/21	People - Children, Employment and Skills	Delete vacant teacher advisory post	0.000	0.018	0.000	0.000	0.018	Closed
18	2020/21	Public Health	Public Health workforce - efficiencies	0.000	0.016	0.179	0.000	0.195	Open
22a	2020/21	Resources	Reduce number of national graduate trainees	0.000	0.070	0.070	0.000	0.140	Open
22b	2020/21	Resources	Review of HR structure due to increased automation	0.000	0.000	0.157	0.000	0.157	Open
22c	2020/21	Resources	Restructure in the Facilities Management division (building services)	0.000	0.030	0.000	0.000	0.030	Closed
22d	2020/21	Resources	Restructure in the Facilities Management division (building facilities)	0.000	0.050	0.000	0.000	0.050	Closed
22e	2020/21	Resources	Unused legal budgets	0.000	0.023	0.000	0.000	0.023	Closed
22f	2020/21	Resources	Reduction in facilities costs as Vorley Road is vacated	0.000	0.000	0.016	0.000	0.016	Open
Total				13.475	9.663	11.234	2.695	37.067	

RAG Rating Summary	2019/20 £m	2020/21 £m	2021/22 £m	2021/22 £m	Total £m
Red	2.410	1.802	4.418	1.825	10.455
Amber	0.621	3.287	4.037	0.495	8.440
Green	10.444	4.574	2.779	0.375	18.172
N/A	0.000	0.000	0.000	0.000	0.000
Total	13.475	9.663	11.234	2.695	37.067

Open/Closed Status	2019/20 £m	2020/21 £m	2021/22 £m	2021/22 £m	Total £m
Open	8.578	7.999	11.219	2.695	30.491
Closed	4.897	1.664	0.015	0.000	6.576
Total	13.475	9.663	11.234	2.695	37.067

Appendix 5: Capital Programme 2019/20 to 2022/23 - Month 10

Directorate/Scheme	2019/20							2020/21	2021/22	2022/23	Total 2020/21 to 2022/23
	Original Budget	Budget Changes During the Year	Current Budget	Forecast Outturn	Forecast Variance	Expenditure to Date	2019/20 Budget Spent to Date	Budget	Budget	Budget	Budget
	£m	£m	£m	£m	£m	£m	%	£m	£m	£m	£m
ENVIRONMENT AND REGENERATION											
Cemeteries	0.000	0.040	0.040	0.040	0.000	0.013	31.7%	0.000	0.000	0.000	0.000
Bunhill Energy Centre Phase 2	0.000	5.212	5.212	5.212	0.000	2.252	43.2%	1.026	0.000	0.000	1.026
Energy Saving Council Buildings	0.390	0.015	0.405	0.405	0.000	0.000	0.1%	0.000	0.000	0.000	0.000
Traffic Enforcement	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	2.000	0.000	0.000	2.000
Greenspace	0.395	1.406	1.801	1.801	0.000	0.650	36.1%	0.000	0.000	0.000	0.000
Highways	1.400	0.831	2.231	2.231	0.000	0.833	37.3%	1.400	1.400	1.400	4.200
Leisure	0.475	0.210	0.685	0.685	0.000	0.588	85.8%	0.288	0.375	0.375	1.038
Other Environment and Regeneration	0.000	0.020	0.020	0.020	0.000	0.000	0.0%	0.000	0.000	0.000	0.000
Planning and Development	0.000	1.563	1.563	1.563	0.000	0.681	43.6%	0.000	0.000	0.000	0.000
Recycling Improvements	0.000	0.158	0.158	0.158	0.000	0.193	122.3%	0.000	0.000	0.000	0.000
Section 106/Community Infrastructure Levy (CIL) Funded Schemes	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	5.000	5.000	5.000	15.000
Special Projects	0.000	0.141	0.141	0.141	0.000	0.039	27.6%	0.000	0.000	0.000	0.000
Traffic and Engineering	5.354	1.420	6.774	6.774	0.000	3.928	58.0%	2.500	2.500	2.500	7.500
Vehicle Replacement	1.999	2.778	4.777	4.777	0.000	3.463	72.5%	2.000	1.000	2.000	5.000
Sobell Leisure Centre	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.445	0.000	0.000	0.445
Cally Pool	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.250	0.000	0.000	0.250
New River Walk	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.450	0.000	0.000	0.450
Playground water features	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.450	0.000	0.000	0.450
Highbury Bandstand/Highbury Fields	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.250	0.000	0.000	0.250
Bingfield Park (including Crumbles Castle legacy)	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.250	0.000	0.000	0.250
Wray Crescent Cricket Pavilion	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.130	0.000	0.000	0.130
Tufnell Park all-weather pitch	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.300	0.000	0.000	0.300
Vehicle fleet electrification	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	1.500	0.000	0.000	1.500
Liveable Neighbourhoods	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	1.000	0.000	0.000	1.000
Total Environment and Regeneration	10.013	13.794	23.807	23.807	0.000	12.640	53.1%	19.239	10.275	11.275	40.789
HOUSING											
Housing Revenue Account											
Major Works and Improvements	25.000	0.000	25.000	33.270	8.270	25.071	100.3%	38.438	54.698	56.908	150.044
New Build Programme	63.168	(13.500)	49.668	29.210	(20.458)	29.909	60.2%				
- Current Schemes								51.231	72.267	39.201	162.699
- Pipeline Schemes								8.408	0.000	26.572	34.980
Temporary Accommodation	0.000	13.500	13.500	13.500	0.000	2.450	18.1%	23.850	0.000	0.000	23.850
Housing General Fund											
New Build Open Market Sales	12.878	(0.909)	11.969	6.988	(4.981)	5.819	48.6%				
- Current Schemes								12.145	21.135	12.728	46.008
- Pipeline Schemes								8.024	0.000	0.000	8.024
Temporary Accommodation	13.125	0.000	13.125	7.060	(6.065)	7.060	53.8%	0.000	0.000	0.000	0.000
Jean Stokes community hub	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.250	0.000	0.000	0.250
Total Housing	114.171	(0.909)	113.262	90.028	(23.234)	70.309	62.1%	142.346	148.100	135.409	425.855
PEOPLE											
Central Foundation School Expansion	1.600	0.152	1.752	1.752	0.000	0.869	49.6%	0.120	0.000	0.000	0.120
Central Library Renovation	0.000	1.067	1.067	1.067	0.000	0.532	49.9%	0.000	0.000	0.000	0.000
Dowery Street/Primary PRU	0.000	0.035	0.035	0.035	0.000	0.008	21.7%	0.000	0.000	0.000	0.000
Early Years Capital	0.000	0.327	0.327	0.327	0.000	0.087	26.7%	0.550	0.000	0.000	0.550
Primary Schools Condition Schemes	0.000	2.233	2.233	2.233	0.000	1.400	62.7%	0.227	0.000	0.000	0.227
Highbury Grove School Expansion	1.470	0.955	2.425	2.425	0.000	2.162	89.2%	0.000	0.000	0.000	0.000
Libraries	0.000	0.048	0.048	0.048	0.000	0.018	38.1%	0.000	0.000	0.000	0.000
New River College Refurbishment	0.000	(0.000)	(0.000)	(0.000)	0.000	0.000	0.0%	0.000	0.000	0.000	0.000
Other Schools/Contingency	0.000	0.950	0.950	0.950	0.000	0.215	22.6%	0.000	2.988	0.000	2.988
Schools Devolved Capital Programme	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.200	0.000	0.000	0.200
Special Provision Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.000	2.251	0.000	2.251
School Condition Works	0.000	0.182	0.182	0.182	0.000	0.045	24.8%	0.000	0.000	0.000	0.000
Tufnell Park School Expansion	3.100	1.753	4.853	4.853	0.000	3.758	77.4%	0.750	0.250	0.000	1.000
Youth	0.000	0.003	0.003	0.003	0.000	0.003	99.0%	0.000	0.000	0.000	0.000
Adult social care commissioned services (18 Highbury Grove, 76-80 Isledon Road, 35 Ashley Road, 48 Despard Road)	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.265	0.000	0.000	0.265
St Anne's residential care home, 60 Durham Road	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.200	0.000	0.000	0.200
Wray Court and Orchard Close residential care homes for people with learning difficulties	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.200	0.000	0.000	0.200
Schools modernisation	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	1.000	0.000	0.000	1.000
Early Years and Children's Centres	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.833	0.000	0.000	0.833
Libraries	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.500	0.000	0.000	0.500
Martin Luther King Adventure Playground	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.350	0.000	0.000	0.350
Cornwallis Adventure Playground	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.350	0.000	0.000	0.350
Hayward Adventure Playground	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.050	0.000	0.000	0.050
South Library	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.300	0.000	0.000	0.300
Total People	6.170	7.705	13.875	13.875	0.000	9.096	65.6%	5.895	5.489	0.000	11.384
Corporate											
49-59 Old Street Renovation	0.000	1.709	1.709	1.709	0.000	1.569	91.8%	0.000	0.000	0.000	0.000
Cladding Replacement	0.000	2.975	2.975	2.975	0.000	0.078	2.6%	0.000	0.000	0.000	0.000
CCTV upgrade	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.490	0.000	0.000	0.490
Finsbury Leisure Centre	0.000	0.000	0.000	0.000	0.000	0.000	0.0%	0.400	0.000	0.000	0.400
Total Corporate	0.000	4.684	4.684	4.684	0.000	1.647	35.2%	0.890	0.000	0.000	0.890
TOTAL CAPITAL PROGRAMME	130.354	25.274	155.628	132.394	(23.234)	93.693	60.2%	168.370	163.864	146.684	478.918

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Executive Member for Housing and Development

Meeting of:	Date:	Ward(s):
Executive	19 March 2020	List wards: All

Delete as appropriate:		Non-exempt
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SUBJECT: Designation of Areas for Additional Licensing of Houses in Multiple Occupation and Selective Property Licensing

1. Synopsis

- 1.1 The council is committed to improving housing conditions for private tenants through the introduction of landlord licensing schemes. In August 2019 the council consulted landlords and residents on it proposals to introduce:
 - a borough wide Additional Licensing scheme for houses in multiple occupation (HMOs)
 - a Selective Licensing scheme for all privately rented accommodation in Finsbury Park ward
- 1.2 This report, and its appendices, contain the relevant information and evidence to support the designation of the licensing schemes proposed above, including consideration of the feedback from stakeholder consultation.
- 1.3 If the Executive agrees that the legal considerations described in this report are satisfied, then the recommendation is to designate a borough wide additional licensing scheme for HMOs and a selective licensing scheme for privately rented accommodation in Finsbury Park.

2. Recommendations

- 2.1 To note the evidence relating to problems being caused by poorly managed HMOs and privately rented accommodation in Finsbury Park as described in the consultation document in Appendix A
- 2.2 To note the outcome of the consultation process as detailed in Appendix B and the consideration of the responses to representations given in Appendix C

- 2.3 To agree to designate the borough of Islington as an area subject to additional licensing of the following types of HMOs:
- houses and flats occupied by three or four persons who are not members of the same family and who share kitchen and/or bathroom facilities
 - buildings converted into two or more flats where the conversion does not comply with the appropriate building standards (those applied in 1991 or later) where all the flats are privately rented and in single ownership.
- 2.4 To agree to designate the ward of Finsbury Park as an area subject to selective licensing
- 2.5 To approve the standard licence conditions set out in Appendices E1 and E2 and to authorise the Corporate Director of Environment and Regeneration to make variations to the standard conditions
- 2.6 To approve the revised HMO standards in appendix F and to authorise the Corporate Director of Environment and Regeneration to make variations to HMO standards
- 2.7 To approve the proposed fee structure in appendix G and to delegate any changes in the fee structure to the Corporate Director of Environment and Regeneration

3. Background

- 3.1 Islington has an important and growing private rented sector that provides affordable housing options for local people. With an estimated 66,300 households in the private rented sector, it falls upon the council to ensure that the housing conditions in this sector are satisfactory. Whilst evidence suggests that many landlords treat renters fairly and tenants behave responsibly, there is a significant amount of privately rented property that is not up to standard.

Proactive approaches, such as licensing schemes, supplemented by using data to identify high risk premises, can have the greatest impact on improving living conditions for private renters.

All property licensing schemes are intended to address inadequate housing standards, rogue landlords and anti-social tenants. In an area subject to licensing, all private landlords must demonstrate that they are a 'fit and proper' person to rent out property, obtain a licence and provide and manage accommodation to a reasonable standard. If they fail to do so, the council can take enforcement action.

Licensing schemes run for a maximum period of five years and a fee is payable for each licence.

- 3.2 The existing Additional Licensing Scheme, which commenced in 2015 covering HMOs in Holloway Road and Caledonian Road, has been very effective in helping the council to identify privately rented properties and improving standards of management and conditions. This scheme is due to end in 2020 and the proposal to adopt a borough wide Additional HMO scheme will enable us to use the lessons learnt from the pilot projects and extend the benefits to all areas of Islington.
- 3.3 Under the Housing Act 2004, there are three forms of licensing relating to private sector housing available to local authorities:
- (a) Mandatory Licensing of HMOs

- (b) Additional Licensing for HMOs
- (c) Selective Licensing

3.4 Mandatory Licensing of certain Houses in Multiple Occupation

- Under existing legislation, all local authorities operate a licensing scheme covering HMOs that are occupied by five or more unrelated people who share kitchen and/or bathroom facilities.

3.5 Additional Licensing of HMOs

Local authorities can introduce a discretionary additional licensing scheme for

- houses or flats occupied by 3 or more unrelated people who share kitchen and/or bathroom facilities
- properties that have been converted into self-contained flats, but where the work does not comply with the 1991 Building Regulations, meaning for example that fire protection is inadequate.

3.6 Selective Licensing

As described in Appendix A Finsbury Park ward meets the following criteria for a selective licensing designation:

1. the area contains a high proportion (in excess of 20%) of privately rented accommodation and
2. there is evidence of poor property conditions in the private rented accommodation

A discretionary selective licensing scheme covers all private sector accommodation occupied by one or two households and can be introduced in part, or across the whole of the borough.

Where a proposed Selective Licensing designation covers either an area greater than 20% of the geographical area of the borough, or greater than 20% of the private rented properties within the borough, then following public consultation, the scheme must be submitted to the Secretary of State for approval.

The proposed Selective Licensing Scheme in the Finsbury Park Ward is below the 20% threshold and therefore will not require Secretary of State approval.

4. Consultation

4.1 The proposals were initially presented at a conference for local Letting Agents and Landlords in the Islington Assembly Hall on 12 June 2019. The formal consultation commenced on 5 August 2019 and ran for 13 weeks, ending on 3 November 2019.

4.2 The consultation document, published on the council's website, explained the reasons for proposing the licensing schemes, the alternative options considered and relevant supporting evidence. The consultation was promoted via press release, social media, Islington Life and the Residents E- Bulletin. Approximately 6200 flyers were printed and distributed to all residential addresses in Finsbury Park, to libraries and various community groups operating in the borough. Eighty posters were displayed in various public buildings and supermarkets. Letters and emails were sent to all landlords, managing and letting agents known to be operating in the borough to encourage them to submit their views. All organisations representing landlords, managing and lettings agents were provided details of the proposals. Three drop-in sessions were held for

landlords, agents and tenants to seek more information and to express their views in person. To simplify the feedback process for tenants, residents and landlords, an online feedback questionnaire was also made available as an alternative to providing bespoke written feedback on the proposals.

5. Consultation Feedback

5.1 There were 280 responses to the online feedback questionnaire and 30 written and verbal responses to the consultation. These responses are given at Appendix B.

Overall, 67% respondents agreed with the proposal to introduce additional licensing for all HMOs. However, there was a stark difference in opinion between landlords and tenants with 23% private landlords and managing agents in favour of licensing whereas for tenants it was 77%. The table below summarises the responses to this specific question on the online feedback questionnaire:

To what extent do you agree or disagree with the proposed borough-wide HMO Licensing Scheme				
Responses	Number of respondents for question 11	Agree/strongly agree %	Neither agree/nor disagree %	Disagree/strongly disagree %
Private landlord or managing agent with properties in Islington	71	23%	15%	62%
Private Tenant	71	77%	17%	6%
Owner occupier or other resident in Islington	94	89%	2%	9%
Other interested party	44	73%	11%	16%

5.3 Feedback on the proposal to introduce Selective Licensing in Finsbury Park ward followed a similar pattern.

In response to the question seeking views on selective licensing, overall 64% of respondents supported the proposal. However, only 16% private landlords and managing agents were in favour whereas for tenants living in Finsbury Park it was 82%. The table below summarises the response to this question on the online questionnaire:

5.4

To what extent do you agree or disagree with the proposed Selective Property Licensing Scheme in Finsbury Park				
Responses	Number of respondents to question 12	Agree/strongly agree %	Neither agree/nor disagree %	Disagree/strongly disagree %
Private landlord or managing agent	70	16%	30%	54%

with properties in Islington				
Private tenant living in Finsbury Park	22	82%	4%	14%
Other private tenant	48	67%	33%	0
Owner occupier or other resident in Islington	93	90%	1%	9%
Other interested party	41	76%	12%	12%

5.7 A full analysis of the responses and the amendments made in response to the feedback can be found in Appendices B and C respectively. The feedback raw data in Appendix B2 is a very large file and therefore not appended for publication but is available from the report author on request. This feedback data is summarised in appended B3.

6. Implementing the Proposed Licensing Schemes

6.1 Following the formal designation of a licensing scheme there is a statutory notification process that needs to be followed which in effect means that there is a minimum of three months before the schemes can go live. Once the designations are agreed the implementation date will be no earlier than 1 July 2020.

6.2 The existing additional licensing scheme covering HMOs in Holloway Road and Caledonian Road designated in 2015 is due to end on 1 September 2020. The consultation document proposed revoking the existing licensing scheme prior to the implementation of the borough wide scheme but it is now considered to be more appropriate to allow the Holloway and Caledonian Scheme to end 1st September 2020. This will enable the Additional Licence holders to renew their additional HMOs licences on expiry of the licence rather than on the date the scheme is revoked.

6.3 Landlords will be required to demonstrate through their licence application(s) that they, and anyone involved in the management of their property, meet fit and proper person criteria, and that the management arrangements are satisfactory. Their application must be supported by plans of the property and certificates covering fire, gas and electrical safety. The cost of providing a licence is lower in relation to landlords who have already made the effort to join a recognised accreditation scheme. This justifies the reduced fees proposed for accredited landlords.

6.4 A licence can be granted for up to five years. The period of time covered by each licence will in practice be determined taking into account whether there is a history of non-compliance, poor property management and incomplete licence applications. Such concerns will result in the licence period being reduced so that the Council can monitor compliance more intensively. The landlord will then be required to renew the licence before it expires so that the property remains licensed throughout the operation of the licensing scheme. This policy of reduced term licences for non-compliant landlords will allow the Council to focus the licensing scheme on those that require more regulation.

6.5 The Housing Act 2004 allows the council to set conditions that are appropriate for the management, use and occupation of properties subject to licensing requirements, and for

HMOs it can specify requirements relating to the condition and contents. In addition, there are mandatory licence conditions that must be included on every licence.

Comments and suggestions on the proposed conditions received during the consultation have been considered and where accepted, the conditions have been amended or deleted accordingly. The proposed revised Licence conditions are attached at Appendix E

- 6.6 HMOs standards specify the minimum requirements for room sizes and the provision of suitable and sufficient bathroom and kitchen facilities. These standards, which are consistent with the legal standards for deciding the suitability of occupation of an HMO, have been reviewed and updated to reflect changes in the private rented sector in Islington. Comments and suggestions on the revised standards received during the consultation have been considered, and where accepted the standards have been amended or deleted accordingly. The proposed revised HMO Standards are attached at Appendix F.
- 6.7 The council is entitled to cover the costs associated with the scheme through a licence fee but is not allowed to make a surplus or to use the fee income for purposes unrelated to licensing. The licence fee is payable in two parts, part 1 to cover the cost of processing and administration, and part 2 to cover the cost of the enforcement of the scheme. The proposed fee structure, which includes a discount for accredited landlords, is set out in Appendix G.
- 6.8 The intention is to ensure that all properties subject to licensing are identified and licenced. A light touch approach towards landlords who comply with licensing requirements will enable enforcement resources to be targeted at those that seek to evade licensing and provide inadequate accommodation. All licenced properties will receive at least one compliance inspection during the five-year licensing period, with those being assessed as high risk inspected during the early part of the scheme.
- 6.9 The council is fully committed to allocating resources to identifying unlicensed premises, as this is essential to the success of any licensing scheme, and we will use data and intelligence to identify unlicensed premises and take appropriate action to secure compliance.

7. Implications

7.1 Financial implications:

- 7.2 The administration of Additional and Selective Licensing should be self-funding over the five-year licensing period. Most income will be received in years 1 and 2 and the annual surplus will need to be carried forward to subsequent years to fund monitoring and enforcement activities.
- 7.3 It is estimated that 3500 Additional HMO licences will be issued in the 5-year period generating an income in the region of £3,024,000
- 7.4 For Selective Licensing the estimated income from 2000 applications will generate an income in the region of £1,000,000 over 5 years.
- 7.5 Income will be monitored and a team proportionate to the demand for the service will be employed.

7.6 The predicted numbers of applications mean that additional processing and enforcement officers will need to be employed. Detailed staffing and resourcing plans will be developed if the proposed designations are confirmed.

8.0 Legal Implications:

8.1 Additional Licensing

Under section 56 of the Housing Act 2004 ("the Act"), the council has the power to designate areas as subject to additional licensing in respect of some or all of the HMOs that are not already subject to mandatory licensing. In order to exercise this power the council must consider that a significant proportion of these HMOs are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

8.2 Selective Licensing

Under section 80 of the Act, the council has the power to designate the whole or part of the borough as subject to selective licensing if the scheme satisfies one or more general conditions:

1. That the area is, or is likely to become, an area of low housing demand and that the proposed designation will contribute to the improvement of the social or economic conditions in the area when combined with other measures taken by, or in cooperation with, the council;
2. That the area is experiencing a significant and persistent problem caused by anti-social behavior; that some or all of the private landlords who have let premises in an area are failing to take action to combat the problems that it would be appropriate for them to take; and that the proposed designation will when combined with other measures lead to a reduction or elimination of the problem;

In March 2015 the government extended the conditions for designation of selective licensing in England. The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 permits licensing where the area contains a high proportion of properties in the private sector, being properties which are occupied under assured tenancies or licence to occupy and one or more of the following conditions are satisfied:

- (I) it would be appropriate for a significant number of properties to be inspected with the view to determining if any category 1 and 2 hazards exist and appropriate enforcement action taken;
- (ii) the area has experienced or is experiencing an influx of migration into it;
- (iii) the area suffers from a high level of deprivation;
- (iv) the area suffers from high levels of crime.

8.3 Consultation and designation

Before making a decision to introduce an area of additional or selective licensing the council must consult people who are likely to be affected by the designation and consider any representations made.

The Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015 ("the General Approval") provides the council with the Secretary of State's general approval to designate an area as subject to additional licensing or selective licensing where the Council has carried out a consultation for a minimum of 10 weeks.

The council must be satisfied that the proposed designation for additional or selective licensing is consistent with the council's overall housing strategy. The council must also seek to adopt a coordinated approach to homelessness, empty properties and anti-social behavior affecting the private rented sector. The council should not make a particular designation unless, having considered whether there are any other alternative courses of action available, it considers that making the designation will significantly assist in dealing with the problems.

The General Approval provides that Secretary of State consent is required for implementation of any selective licensing scheme which covers more than 20% of the council's geographical area, or would affect more than 20% of privately rented homes in the borough.

8.4 Licence fees

In the case of R (Gaskin) v Richmond-upon-Thames [2018], the Divisional Court has held that the licensing of HMOs is an authorisation scheme for the purposes of the Service Directive and the Provision of Services Regulations 2009. Fees must therefore be reasonable and not exceed the cost of the authorisation procedure.

Additionally, the fees must be levied in two separate parts, in accordance with the type A scheme endorsed by the Supreme Court in R (Hemming t/a Simply Pleasure Ltd) v Westminster CC [2015]. Part 1 – a fee levied at the point of application, to cover the costs of processing the application and Part 2 – if the application is successful, a further fee to cover the costs of running and enforcing the scheme.

The calculation and determination of fees and charges is a function of the Executive. However, under the council's constitution this can be delegated to the Corporate Director for Environment & Regeneration. Section 59 Housing Act 2005 4 specifies the requirements for publishing a notice stating that the designation has been made

9.0 Environmental Implications and Net Zero Carbon

9.1 The designation of Additional HMO and Selective Licensing Property Schemes will not undermine the net zero carbon emissions objective and there are no negative environmental implications arising from the proposal.

Landlords will be able to apply for licence applications on-line and upload supporting documentation electronically. This will minimise the use of paper and the need to recycle paper applications and documentation at the end of data retention period. Providing tenants with a copy of the Energy Performance Certificate will be required as a licence condition and landlords will be asked to submit a copy of the appropriate EPC as part of the application process.

Enforcement Officers will continue to walk, cycle or use public transport when traveling to compliance and enforcement inspections.

10.0 Resident Impact Assessment

10.1 The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The Council has a duty to have due regard to the need to remove or minimise disadvantages, take

steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The Council must have due regard to the need to tackle prejudice and promote understanding.

The Resident Impact Assessment (RIA) completed on 19 December 2019 concluded that proposal will have positive impacts on all residents living in privately rented accommodation covered by the proposed licensing schemes. The RIA is attached at Appendix H

11.0 Reason for recommendations

- 11.1 Designating areas of the borough for property licensing is consistent with the council's Housing Strategy and 'Building a Fairer Islington' commitment. Evidence supports the proposal to designate a borough wide licensing scheme for HMOs and a Selective Licensing Scheme for all privately rented properties in Finsbury Park. Stakeholder consultation indicated that landlords tend not support licensing schemes whereas tenants and residents are in favour of licensing to regulate and improve housing conditions in the private rented sector.

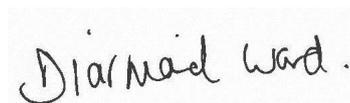
Appendices

- A Consultation Document Proposing Property Licensing
- B Consultation Feedback
 - B1 Consultation Feedback Questionnaire
 - B2 Feedback – raw data (not published as it is a very large file but available from the author on request)
 - B3 Feedback – graphs and charts
 - B4 Bespoke responses
- C Council response to consultation feedback
- D Map showing boundary of Finsbury Park Selective Licensing Scheme
- E Proposed Licence Conditions
 - E1 – HMO Licence Conditions
 - E2 - Selective Licence Conditions
- F Proposed revised HMO standards
- G Proposed fees
- H Residents Impact Assessment

Background papers: none

Final report clearance:

Signed by:



11 March 2020

Executive Member for Housing and
Development

Date

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PROPERTY LICENSING

Proposal for Consultation

February 2019

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1 Foreword

- 1.1 Islington is an inner, north London borough and the third smallest London council, covering an area of just over six square miles, or 14.86 square kilometres. The southern part of the borough borders the City of London and the London boroughs of Camden to the west, Hackney to the east and Haringey to the north. Some major landmarks located in the borough include the Emirates Stadium, Charterhouse Square and Pentonville Prison. City University of London and London Metropolitan University are located within the borough. Stations at Finsbury Park, Caledonian Road, Highbury & Islington, Old Street, Angel and Farringdon are part of the extensive public transport infrastructure crossing the borough, making the borough easily accessible for commuters and residents working elsewhere in London. Highbury Fields is the largest green space, part of only 13% green space within the borough, which is the second lowest proportion of any local authority in the country. Islington has a wide range of businesses and is a thriving borough, although with significant areas of deprivation, being the fourth most deprived borough in London.
- 1.2 At a time when the demand for low cost accommodation is high, not just in Islington, but across London and nationally, it falls upon local authorities to ensure that the standard of accommodation is of a satisfactory standard, regardless of the cost. It must be safe, not overcrowded and so not impact upon the health and wellbeing of those who live in it. The accommodation should also not have an adverse impact upon the neighbourhood it is located in, through poor visual impact caused by mis-management, or the anti-social behaviour of those living or visiting the accommodation.
- 1.3 As this consultation goes on to describe, the private rented sector in Islington is significant, with over 27% of the housing stock being privately rented and a large number of houses in multiple occupation (HMOs). The evidence gathered demonstrates that, although many privately rented properties are perfectly satisfactory and landlords and tenants behave responsibly, there is a significant amount of privately rented housing that is not up to standard and is also having an impact on the character of our neighbourhoods. This evidence has led us to believe that the most effective way to improve this situation is by implementing two new licensing schemes for private rented properties and HMOs. Alongside existing initiatives and our partners, these will enable our officers to apply conditions where necessary to secure improvements and more readily target those who do not maintain and manage their properties properly.
- 1.4 We invite interested parties to let us know what they think of our proposals and I am certain that you will agree that this is the correct course of action to make Islington a safer, healthier and altogether even better place to live than it already is.

Councillor Diarmaid Ward
Executive Member for Housing and Development

2 [Introduction – Licensing of private sector properties](#)

- 2.1 Under the Housing Act 2004, there are three forms of licensing relating to private sector housing available to local authorities:

[Mandatory Licensing of certain Houses in Multiple Occupation \(HMOs\).](#)

- 2.2 Under existing legislation, all local authorities operate a licensing scheme covering Houses in Multiple Occupation (HMOs) that are occupied by five or more people who are not living together as a single household.

[Additional Licensing of HMOs](#)

- 2.3 Local authorities can introduce a discretionary additional scheme for other types of HMOs not subject to mandatory licensing in part or whole of the area within its district. This can include what are known as Section 257 HMOs, which are properties that have been converted into self-contained flats, but where the work does not comply with the Building Regulations, meaning for example that fire protection is inadequate. Islington already has one Additional Licensing scheme, declared in September 2015, which covers just properties in Caledonian Road and Holloway Road. This applies to houses and flats that are let to three or more people who are not all members of the same family, for example where three or more friends are sharing and to Section 257 HMOs.

[Selective Licensing](#)

- 2.4 A discretionary selective licensing scheme covers all other private sector dwellings and can be introduced in part, or across the whole of the borough. Where a proposed Selective Licensing designation covers either greater than 20% of the geographical area of the borough, or greater than 20% of the private rented properties within the borough, then following consultation the scheme must be submitted to the Secretary of State for approval.
- 2.5 All licensing schemes are intended to address the impact of poor quality housing, rogue landlords and anti-social tenants. In an area subject to licensing, all private landlords of properties that meet the scheme criteria, must obtain a licence and if they fail to do so, or fail to achieve acceptable management standards, the authority can take enforcement action. Schemes run for a maximum period of five years and a fee is payable for each licence.

3 Islington's proposal – Selective and Additional Licensing

3.1 We are consulting on the proposal to designate the following two schemes:

Selective Licensing proposal:

3.2 It is proposed that all private rented properties in the Ward of Finsbury Park, that are not within the scope of mandatory licensing for houses in multiple occupation, or within the scope of the Additional Licensing proposal included within this consultation are included in a Selective Licensing scheme. Please see Appendix 1 for a list of the streets included within this Ward.

Additional Licensing proposal:

3.3 It is proposed to revoke the existing Additional Licensing scheme for Caledonian Road and Holloway Road with effect from the implementation date of the following proposed new borough-wide Additional Licensing scheme.

3.4 It is proposed to designate a new borough-wide Additional Licensing scheme that will include all properties currently falling within the existing Caledonian Road and Holloway Road scheme. This scheme will require the following types of property to be licensed:

- all HMOs as defined in Section 254 of the Housing Act 2004 that are not required to hold a licence under the mandatory licensing requirements and that are occupied by three or more persons who do not form a single household and where two or more households share one or more basic amenities (a toilet, personal washing facilities, or cooking facilities), or the living accommodation is lacking in one or more basic amenities
- all HMOs as defined in Section 257 of the Housing Act 2004, which are a converted block of 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 all of the flats within the block are rented.

3.5 Appropriate building standards means:

- a conversion into flats where the building work was completed before 1st 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 1st 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.

3.6 Owner-occupied means:

- if it is occupied by a person who has a lease of the flat which has been granted for a term of more than 21 years,

- if it is occupied by a person who has the freehold estate in the converted block of flats, or
- if it is occupied by a member of the household of a person covered within either of the first two points

3.7 The existing Additional Licensing Scheme covering Caledonian Road and Holloway Road was due to end on 1st September 2020. However to ensure a consistent borough-wide scheme we propose to revoke the scheme with effect from midnight on the day before the proposed new borough-wide scheme comes into effect. The licensed property will then come under the new borough-wide Additional Licensing Scheme. To ensure that licence holders are not penalised through the scheme ending sooner than anticipated current licences will continue to apply under the new scheme until the expiry date of the licence issued under the old scheme. At the time of expiry, landlords will need to apply for a new licence.

Applications:

3.8 For both of the proposed schemes, it is proposed that the introduction of the Licensing Scheme should re-iterate that the responsibility for private rented property management lies with the landlord and not the council, in the same way that an MOT proves a certain level of responsibility and maintenance by a driver for their car.

3.9 As such, it is proposed that the licensing process should require the landlord to complete and submit to the council an application form together with the required fee, details of which are included in Section 6 and Appendix 2 of this consultation document. The application pack will be provided on-line or in hard copy in exceptional circumstances. The form requires provision of some basic information about the property, such as the number of letting rooms or flats, shared bathrooms, toilets and kitchens as well as details of safety measures that have been put in place, such as the type and installation of a fire detection system. Evidence of the following will be required:

- Gas safety - Gas safety record (12 months)
- Electrical Safety –Current electrical installation condition report (5 years from date of issue) and portable appliance (PAT) test
- Safety of property in the event of fire- Alarm system and emergency lighting
- Evidence of arrangements which demonstrate competent property management - Management records and including copies of tenancy agreements
- Floor plan with room sizes and uses clearly shown
- Any proposed licence holder or manager of the property will be required to make a declaration that they are a “fit and proper person”
- Current occupancy details

3.10 This evidence is consistent with the current mandatory HMO licensing scheme, although additional evidence is required to enable the landlord to clearly demonstrate competent property management. The requirements are consistent with actions that a responsible landlord should be taking.

- 3.11 Following the receipt of a complete application for a HMO, the aim will be to licence properties following a full inspection of the property. This will enable the tenants, landlords and public to have confidence that all licensed HMOs in the borough meet specific minimum standards. This is likely to prolong the timescales for granting a licence in the early stages of the scheme as the number of initial applications likely to be received is not known at this stage. However, the council does not intend to inspect every property subject to the Selective Licensing scheme. Selective Licensing does not require the mandatory inspection of every property. Tenants who consider there are possible disrepair issues in their rented property will be able to contact the Environmental Health Residential Team and discuss their concerns. If there are grounds for an inspection, then we will liaise with both the landlord and tenant to arrange the inspection.
- 3.12 An inspection will consider suitability of the property for licensing, compliance with the relevant legislation and compliance with the reviewed and updated Islington Adopted Standards for Houses in Multiple Occupation (Appendix 3) and Islington Adopted Standards for Single Family Occupied Private Rented Properties (Appendix 4).
- 3.13 It is proposed that the licence is issued in accordance with the Conditions detailed in [Appendix 5](#) - Proposed Property Licence Conditions.
- 3.14 In order to demonstrate that the Council distinguishes landlords that comply with the relevant legislation from those that don't, it is proposed that, those that submit their complete application within three months of the council's declaration and if the property is not being poorly managed, will be licensed for five years, and those that fail to do so without good reason, or are poorly managed will be licensed initially for one year.
- 3.15 Following expiry of a licence and should an Additional or Selective Licensing scheme still continue to be in operation, a decision will be made on the standard of management of the property and the property relicensed accordingly for another year or five years. All licences continue for the term granted even when this extends beyond the life of the scheme.

4 Why the Council is considering a Selective Licensing scheme for Finsbury Park Ward and a borough-wide Additional Licensing scheme

- 4.1 Islington has an important and growing private rented sector (PRS) that provides affordable housing options for local people. We realise that the majority of landlords operate professionally, however the Council is concerned about increasing levels of anti-social behaviour associated with those rented properties that fail to meet satisfactory levels of tenancy and property management.
- 4.2 The council consider that replacing the existing Caledonian Road and Holloway Road Additional Licensing scheme with a borough-wide Additional Licensing scheme and introducing a Selective Licensing scheme are the best tools available to tackle problems of poor housing management practices and conditions. Licensing will become part of a wider strategic approach to drive up living standards for all, improve the environment and make Islington the place of choice to live in London.
- 4.3 Reducing crime and anti-social behaviour helps to improve surroundings and the local environment. Issues such as fly-tipping, rubbish left on the highway and untidy front gardens contribute to a sense of a place that is not cared for, or valued. This can reflect the conditions of properties in the area if they are not well maintained, safe and clean. Such conditions can become a barrier to creating homes and communities where people choose to live. This type of anti-social behaviour contributes to a perception of an area being unsafe which can subsequently encourage further disorder and crime.
- 4.4 Islington wants to ensure that all private rented properties in the borough offer residents a choice of safe, quality and well managed accommodation. Our corporate vision is set out in the Corporate Plan 2018-2022:

“We're determined to make Islington fairer. To create a place where everyone, whatever their background has the opportunity to reach their potential and enjoy a good quality of life.”

- 4.5 Our priorities within the plan that are applicable to private sector housing include the following:

Delivering decent and genuinely affordable homes for all

- *Increase the supply and choice of genuinely affordable homes*
- *Prevent homelessness and support rough sleepers*

Creating a safe and cohesive borough for all

- *Make sure fewer young people are victims or perpetrators of crime*
- *Reduce levels of crime and anti-social behaviour*

Celebrate and protect our diverse and integrated communities

- *Making Islington the best place for all young people to grow up*
- *Always keep children and young people safe and secure and reduce the number of children growing up in poverty*

- *Make sure young children get the best start*

Making Islington a welcoming and attractive borough and creating a healthy environment for all

- *Keep the streets clean and promote recycling*

Ensuring our residents can lead healthy and independent lives

- *Safeguard and protect older and vulnerable residents*

4.6 The Islington Housing Strategy 2014-2019 sets out the following vision:

“We will make sure everyone in Islington has a place to live that is affordable, decent and secure.”

4.7 The ambitions in the strategy include:

- *“We will seek to ensure high standards of management and good quality housing services are provided for housing associations and private sector residents.”*
- *“Secure and affordable housing is an enabler. Housing has an important role in shaping healthy places, preventing ill health, supporting residents into work, and tackling child poverty. We will continue to improve the condition and energy efficiency of homes because of the significant impact housing has on the quality of life of residents.”*
- *“Improve management standards, housing quality and choice in the private rented sector.”*

4.8 We recognise to achieve these priorities and ambitions there is a need for a robust and coherent regulatory framework in which this market operates.

4.9 Islington has identified that problems in the private rented sector of poor property and tenancy management and associated anti-social behaviour are distributed across the borough and are not exclusive to a particular type of rented property. To tackle these issues, we are proposing to revoke the existing Additional Licensing scheme for Caledonian Road and Holloway Road, which was due to run to September 2020 and introduce designations for borough-wide Additional Licensing and Selective Licensing for Finsbury Park Ward.

4.10 Demand for housing across London is at an all-time high. A wide range of homes, of all types of tenure and size is required in Islington to meet current and future needs. It is vitally important to ensure that all who live in Islington have access to decent, secure housing and that housing standards and conditions are not compromised, whether it be new or existing housing. The private sector makes up a third of Islington’s housing, and must thrive to be able to contribute to the availability of high quality, safe, warm and well-maintained homes, and availability should not be dependent upon a person’s level of income or background.

Selective Licensing

- 4.11 The first requirement for declaration of a Selective Licensing scheme is that the area proposed to be covered by a scheme has a high proportion of private rented properties. Government guidance suggests more than the national average would indicate a high proportion and the latest English House Condition Survey (EHCS) is the measure for the national average. The EHCS for 2017 indicated the national average is now 20%. Based upon the 2011 Census, every Ward within Islington has a percentage greater than 20%, ranging from 20.50% to 34.56%, meaning that every Ward, subject to meeting the other relevant criteria, would be eligible for inclusion in a Selective Licensing scheme.
- 4.12 The area covered by the proposals must be seen to be suffering from problems and that these problems are attributable to the following criteria:
- low housing demand (or is likely to become such an area);
 - a significant and persistent problem caused by anti-social behaviour;
 - poor property conditions;
 - high levels of migration;
 - high level of deprivation;
 - high levels of crime
- 4.13 Note: in considering the relevant criteria, data has been analysed at borough, Ward and the smaller areas known as Lower Super Output Areas (LSOAs) level, depending upon the detail of data available for each criteria.
- 4.14 Taking each of these criteria in turn:

Low housing demand:

- 4.15 Islington and London as a whole is not an area of low housing demand and so this criteria is not relevant to the proposal for a Selective Licensing scheme.

Anti-social behaviour (ASB):

- 4.16 A total of 6,137 cases of ASB were reported to the council in the six-month period – April 2018 to September 2018. In the twelve-month period to 31st August 2018, there were 4,110 ASB cases reported to the police.
- 4.17 Anti-social behaviour can be caused by a wide range of activities that impact upon tenants, neighbours and the local neighbourhood or population as a whole. ASB due to the following activities has been considered:
- intimidation and harassment of tenants or neighbours;
 - noise, rowdy and nuisance behaviour affecting persons living in or visiting the vicinity;
 - animal related problems;
 - vehicle related nuisance;
 - anti-social drinking or prostitution;
 - illegal drug taking or dealing;
 - graffiti and fly posting;
 - and litter and waste within the curtilage of the property

- 4.18 Whilst not all ASB is, or can be directly linked to private rented properties, it can be shown that many of the areas with above average levels of ASB in Islington are also areas with high levels of private rented properties and where those properties are poorly maintained or managed. Poorly managed rented properties often lead to behaviour by either tenants, or visitors to their property, that causes distress, or worse, for neighbours and can lead to an overall impression of an area as being somewhere that is not desirable to live.
- 4.19 The area of Finsbury Park Ward proposed to be covered by Selective Licensing includes neighbourhoods that have above average levels of ASB, as well as ranking highly against other factors. It is not always possible to be able to directly attribute some behaviour to a specific property and for this reason ASB is not a deciding, but a contributory factor in selecting the area for inclusion in the scheme and the data has been weighted accordingly.

Outcomes:

- 4.20 Implementing a Selective Licensing scheme in the Finsbury Park Ward will enable the council to apply conditions to licences that, in relation to ASB and tenant suitability and conduct, will ensure that:
- References are obtained from prospective tenants
 - Checks and proof are obtained that occupants belong to a single household
 - There are tenancy management arrangements to prevent or reduce anti-social behaviour by persons occupying or visiting the property
 - Inspections of the property are carried out at least every six months to identify any problems relating to the condition and management of the property
 - Prompt action to address problems of ASB resulting from the conduct of occupants of, or visitors to, the property is taken, including:
 - a) Informing the occupants in writing of the allegations of the ASB and of the consequences of its continuation.
 - b) Monitoring any allegations of antisocial behaviour from receipt of the complaint.
 - c) Where ASB continues after 28 days from receipt of the complaint, visiting the premises and issue a warning letter advising their behaviour is not acceptable, that they are responsible for the conduct of their visitors, the impact on the victims and local community, and of the consequences of its continuation.
 - d) Commencing legal eviction proceedings to address the anti-social behaviour where the ASB remains unresolved after 14 days of issuing the warning letter.
 - e) Notification to the appropriate authorities of ASB suspected to involve criminal activity

f) Licence holders must attend or be represented at any case conferences or multiagency meetings and provide information to the police or the council when requested

- Licence holders giving new occupants of the property, information on Waste and Recycling, in writing, within 7 days of the start of their occupation;
- Licence holders must not leave old furniture, bedding, rubbish or refuse from the property on the immediately outside the property or private land;
- Licence holders must provide sufficient waste and recycling containers for the number of occupant and carry out measures to ensure these are stored and used correctly.
- Licence holders must warn occupants of the property if they, or their visitors are not using the waste disposal facilities provided and/or leaving waste outside the property or in its vicinity (for example old furniture, mattresses)

Poor Property Conditions:

4.21 The issue of poor property conditions found in the PRS provides the council with the greatest evidence that the area of Finsbury Park Ward proposed to be covered by the scheme are appropriate and that a Selective Licensing scheme can have the greatest impact on improving living conditions for tenants. Properties are frequently found to be suffering from management issues including, but not limited to:

- disrepair
- damp and mould
- poor, inadequate or missing facilities
- poor layout
- risk of falls
- prevention of entry by intruders
- overcrowding
- gas safety

4.22 The council received almost 2,400 complaints about properties in the PRS in the 4 years between September 2014 and August 2018. Finsbury Park Ward has the highest number of such complaints and is significantly higher than the average for the whole of Islington.

4.23 Although a strong indicator of problems and poor conditions, just because a tenant complains to the council does not necessarily mean that the property has significant issues or matters that the council can take action over. The main indicator of poor property conditions is the presence of what are known as Category 1 and Category 2 Hazards, over which the council can take action, requiring a landlord to undertake works to remove the hazard. It has been established that the number of properties with Category 1 and 2 hazards and the number of such hazards identified in properties inspected by officers in Finsbury Park Ward is greater than in any other Ward.

4.24 As poor property conditions is the criteria that can be most effectively impacted through the setting of licence conditions in a Selective Licensing scheme and so have the greatest impact, the data available has been weighted the heaviest in determining the area to be covered by the scheme.

Outcomes:

- 4.25 Implementing a Selective Licensing scheme in the Finsbury Park Ward will enable the council to apply conditions to licences that, in relation to property conditions, will ensure that:
- Licence holders ensure that they take action to remedy the disrepair and/or infestation if they are informed
 - All gas installations and appliances are in a safe condition. A current valid gas safety certificate obtained within the last 12 months by a Gas Safe registered engineer or, if the boiler was installed less than 12 months ago, a Gas Safe Installation Certificate is provided to all occupants at the start of their occupation
 - All reasonably practicable steps are taken to ensure that all electrical appliances provided at the property are in a safe condition. The licence holder must obtain an electrical appliance test report in respect of all electrical appliances that are provided by the landlord.
 - Regular checks are carried out to ensure that the common parts, gardens and yards are free from waste, which could provide harbourage for pests and/or is a nuisance and/or is detrimental to the local amenities.
 - Adequate facilities for the disposal of refuse and recycling are provided, so that bags or loose refuse and recycling are not stored outside the property.
 - Any hazardous waste is disposed of in a safe and lawful manner.
 - The licence holder takes immediate action upon becoming aware of a pest problem or infestation to eradicate the infestation.
 - A smoke alarm is installed on each storey of the property on which there is a room used wholly or partly as living accommodation.
 - Each smoke alarm installed in the property is kept in proper working order.
 - A carbon monoxide alarm is installed in any room in the property which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance.
 - Any carbon monoxide alarm installed in any room in the house is kept in proper working order.

- Furniture made available in the property is in a safe condition. All upholstered furniture and covers and fillings of cushions and pillows comply with current fire safety legislation.

Migration:

- 4.26 Putting aside the natural movement of the London population across boroughs and districts, new people moving into an area are very often overseas migrants. These new residents are most likely to move into the PRS, due to the lack of access to other tenure types and may very often move into the cheapest and poorest quality accommodation.
- 4.27 A recently published study; The Evolving Private Rented Sector: Its Contribution and Potential by Julie Rugg and David Rhodes (The 2018 Rugg Report) states that: “Eighty per cent of recent migrants to the UK from overseas live in the PRS, and this proportion is higher in London; lower-incoming migrants are often disadvantaged in the PRS as a consequence of housing rights and responsibilities and language difficulties; there are concerns that ‘right to rent’ regulation is further disadvantaging migrant renters who may be more likely to fall into the more informal and shadowy PRS”
- 4.28 New National Insurance Registrations (NINOs) for overseas migrants in 2016 for Islington were just below the average for London and 17th highest in London. However, according to GLA estimates for 2015, Islington had the seventh highest net overseas migration of 6,295 people. Ward data available for 2011/12 shows that there was no significant increase in NINO numbers year on year.
- 4.29 Office for National Statistics mid-year population estimates show between 2015 and 2016 that only one lower super output area (LSOA) in Islington experienced an increase of greater than 15% and three LSOAs an increase of between 10 and 15%. One of these three areas is in Finsbury Park Ward.
- 4.30 Although Finsbury Park Ward ranks highly against other Islington Wards for NINOs and population change, migration data is not seen to be a relevant factor and so has a low weighting in determining the areas proposed to be covered by the scheme.

Deprivation:

- 4.31 Although the 2015 Index of Multiple Deprivation shows that Islington has improved from being the 11th most deprived borough in the country to the 26th most deprived, Islington is a deprived borough. 52% of Islington residents live within the 20% most deprived areas of England. Sixteen of Islington’s 123 LSOAs fall within the 10% most deprived areas nationally and a further 36 LSOAs within the 20% most deprived. Finsbury Park Ward has three LSOAs in the 10% most deprived and nine out of ten LSOAs in the 30% most deprived areas nationally. The remaining LSOA is in the top 50% most deprived.
- 4.32 Deprivation indices consider the following factors when comparing against other neighbourhoods:
- the employment status of adults;

- the average income of households;
 - the health of households;
 - the availability and ease of access to education, training and other services for households;
 - housing conditions;
 - the physical environment;
 - levels of crime
- 4.33 The most deprived households tend to live in the poorest accommodation. In the 2018 Rugg Report, it is stated that; “As the proportion of households living in the PRS increased, so the level of deprivation also tended to increase: within each region, the most deprived areas had the largest PRS.”
- 4.34 There is a correlation that shows that the Wards in Islington with the lowest deprivation rank (where 1 = the most deprived) are the same Wards that have the poorest property conditions and incidences of Category 1 and 2 hazards found. Deprivation is therefore a relevant factor in determining selection for inclusion in the proposed scheme and has been weighted accordingly.

Crime:

- 4.35 Crime can affect both the occupants of properties and have an overall impact upon the area. In particular, the following crimes, amongst others, can have a significant impact on some people living in privately rented accommodation as well as others living in the areas and businesses therein:
- theft
 - residential burglary
 - arson
 - criminal damage
 - graffiti
 - drugs
 - violence and sexual offences
- 4.36 Data is not available to specifically identify the criminal activity is the responsibility of some people living in privately rented accommodation, however by correlation, areas with high levels of rented properties and high levels of crime would suggest that at least some of the occupants of private rented properties are responsible for these crimes.
- 4.37 High levels of residential burglary in an area suggests that one of the poor property conditions, i.e. prevention of entry by intruders (home security – e.g. of doors and windows) may well be a contributing factor. Residential burglary, as well as many of the other crimes considered have a direct impact upon the community in the area.
- 4.38 Finsbury Park Ward is an area where crime in general and burglary in particular is high. In this context, high means that the number of cases of crime is greater than the average crime level for the whole borough, or that the percentage increase in crime over the last 12

months was higher than for the whole of the Metropolitan Police area. For this reason, crime is considered to be a factor for designating the proposed areas for the scheme and is weighted accordingly.

Outcomes:

- 4.39 Implementing a Selective Licensing scheme in the Finsbury Park Ward will enable the council to apply conditions to licences that, in relation to crime, will ensure that:
- Access to the property, such as locks, latches and entry systems are maintained and in good working order at all times
 - The front door of the property is fitted with a mortice lock (thumb turn) or equivalent, to a five lever security level
 - Where window locks are fitted, the keys are provided to the relevant occupants
 - Where a burglar alarm is fitted to the property, the occupants are informed in writing about the circumstances under which the code for the alarm can be changed, and are given details on how this can be arranged
 - Where previous occupants have not returned keys, the relevant locks will be changed prior to new occupants moving in

Additional Licensing:

Houses in Multiple Occupation:

- 4.40 Some HMOs are already subject to licensing schemes. Approximately 350 HMOs are currently licensed under the mandatory licensing scheme and it is estimated a further 100 fall under the scope of the extended mandatory licensing requirement in effect from 1st October 2018. Under the council's existing Caledonian Road and Holloway Road Additional licensing scheme, approximately 255 properties are licensed.
- 4.41 The mandatory licensing scheme requires properties with five or more persons who do not form a single household to be licensed. In the existing Additional Licensing scheme, Islington requires properties with three or more persons who do not form a single household and Section 257 HMOs (where all the flats are privately rented) to be licensed. Council officers' experience is that these types of HMOs covered by the Additional Licensing scheme present the same problems of poor management as the larger HMOs covered by the mandatory scheme. Therefore, Additional Licensing is an effective tool for the council to be able to ensure the same standards are applied across the HMO sector and is not dependent upon numbers of occupants. Landlords can often avoid the need to licence by reducing occupancy to below 5 persons, whilst the fundamental issues of poor management

remain the same. Bringing in a scheme that will require all HMOs, regardless of size and numbers of occupants will ensure that we protect all residents of what is the highest risk and often poorest quality housing.

- 4.42 Section 257 HMOs present a risk due to inadequate separation of flats when conversion works have not been carried out in accordance with the Building Regulations. This includes inadequate fire separation and provision of fire detection equipment that is essential to protect occupants and enable safe means of escape in the case of fire. House fires Islington in 2014 were the seventh highest in London, at 2.55 fires per 1,000 head of population.
- 4.43 The 2018 Rugg Report states that: “It remains the case that a higher proportion of PRS properties fail to meet the Decent Homes Standard. Although this proportion has dropped since 2006, the number of non-decent homes has remained relatively stable since that time. According to Review analysis of EHS data, some properties were much more likely to be non-Decent compared with the sector average of 27 per cent. These include converted flats (52 per cent non-decent), and dwellings constructed before 1919 (47 per cent non-decent). For all properties constructed post-1980, 12 per cent were non-decent in the PRS.”
- 4.44 A review of the operation of the Caledonian Road and Holloway Road Additional Licensing scheme in 2017 showed there was a need for the scheme and that it has resulted in the improvement of properties and the standard of management by landlords. However, there are two main learning points, which will be addressed by the introduction of the new scheme:
- The number of applications received was fewer than the number of HMOs estimated to be in scope. It is believed the estimates of the number of properties that would require licensing prior to designation was higher than the true number of properties in scope. A more detailed and robust method of identifying potential HMOs has been used to support the proposed new scheme. However, a greater effort is required to publicise the scheme and to proactively prompt landlords to apply for their licence. It is proposed that the new scheme will be resourced sufficiently to enable this to take place.
 - The paper based licensing system in place at the time was time consuming and difficult to manage. An on-line licensing system will be implemented before the new designations are implemented, making the licensing system more efficient both for the applicant and the council.
- 4.45 This review highlights that we have made progress but our objectives have not been fully achieved and that additional licensing should continue in the Holloway Road & Caledonian Road area. However, this will be more effectively achieved by inclusion in a borough-wide scheme.
- 4.46 For an Additional Licensing scheme to be designated, the Housing Act 2004 requires that a significant proportion of the HMOs of the description to be included 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 HMO or for members of the public. The council has established that, of all the known 865 HMOs in the borough, 25.9% of them

were found to have issues that required enforcement action. This is a significant indication of ineffective management in this sector. Evidence shows, that whilst numbers of HMOs are greater in some Wards than others, they are distributed widely across the borough (between 4% and 10% per Ward) and so a borough-wide scheme is an appropriate measure.

- 4.47 A survey of properties in the Finsbury Park Ward was carried out in 2018. Of 338 properties surveyed, 63 properties were found to be HMOs. 66.66% of Section 254 HMOs were found to have at least one issue relating to the property condition or management and 48.48% of Section 257 HMOs surveyed had issues identified. A total of 57.14% of HMOs therefore had issues that require intervention. 20.3% of properties surveyed were converted flats that had been converted without complying with the relevant Building Regulations.
- 4.48 The council has had regard to the following Codes of Practice under Section 233 in relation to the management of student housing and for the purposes of schedule 14, which lists buildings which are not HMOs for the purpose of the Housing Act 2004;
- *The Accreditation Network UK/Unipol Code of Standards for Larger Developments for Student Accommodation Not Managed and Controlled by Educational Establishments, dated 20th February 2006*
 - *The ANUK/Unipol Code of Standards for Larger Developments for Student Accommodation Managed and Controlled by Educational Establishments, dated 28th August 2008)*
 - *The Universities UK/Guild HE Code of Practice for the Management of Student Housing, dated 17th August 2010.*
- 4.49 Following consideration of the above criteria, as per the government guidance, the council are of a firm belief that the introduction of a Selective Licensing in Finsbury Park Ward and a borough-wide Additional Licensing scheme will be the most effective way to deal with the problems. These schemes will enable us to regulate the letting and occupation of privately rented accommodation in the borough, to cooperate effectively with landlords and tenants alike and to continue property compliance visits, all with a view to improving further the management and condition of privately rented accommodation in the borough.

5 Alternative options considered

- 5.1 Consideration has been given to other options that the council could pursue if the proposals in this consultation are not supported.

Alternatives to Additional Licensing

- 5.2 Alternative courses of action for dealing with HMOs being managed sufficiently ineffectively as to give rise, or likely to give rise, to one or more particular problems include doing the following:

Do nothing:

- 5.3 Apart from the existing Caledonian Road and Holloway Road scheme, the council could continue with the current approach of enforcement in response to complaints and identifying properties through street surveys. This could be linked with a more robust promotion of accreditation for landlords. The review of evidence obtained by other authorities in London would indicate that this approach is not generally supported by the public (excluding landlords) in their consultation exercises. Of HMO residents, other PRS tenants, local residents and other stakeholders, a significant majority supported the introduction of a scheme. Reasons for supporting schemes include that it would improve the standards and living conditions of housing, helping to ensure a more consistent standard of accommodation throughout the boroughs, improving the quality of landlords and enable the targeting of rogue landlords.
- 5.4 It is neither effective for the occupants of HMOs, nor efficient for the council to rely simply on being reactive to complaints and to undertake low levels of proactive visits to properties. Many HMOs go under the radar because tenants are afraid or reluctant to complain and proactive visits are not necessarily targeting the worst properties first, whereas a licensing regime requires landlords to come forward and enables the council to target the highest risk properties first. The licensing of all HMO properties also creates a level playing field where all occupants of HMOs can be assured that landlords will maintain properties to certain standards, or that the council will know about them and apply conditions or take the relevant enforcement action to ensure they do.

Increase enforcement activity:

- 5.5 The Council could increase the level of resources and amount of enforcement activity devoted to HMOs. A more proactive approach could be taken to target the worst landlords. This would involve the need to increase the resourcing for enforcement, funded from council finances. For the reasons given above, this does not ensure the protection of all HMO residents that an Additional Licensing scheme would enable.

Introduce Additional Licensing in specific areas of the borough:

- 5.6 An area based scheme could be designated. As stated above, it is recognised that HMOs are spread across the borough. An area based scheme, as has been the case with the Caledonian Road and Holloway Road scheme, would continue to cause inconsistency in

regulation and confusion amongst landlords and tenants. With the expansion of mandatory licensing, it is seen that the most clear approach for all and the way to protect all occupants of HMOs is to have complete coverage of HMOs under the mandatory and Additional Licensing schemes.

- 5.7 Specifically, alternative courses of action for dealing with poor housing conditions and poor management in HMOs that might be used in the options above include the following and are discussed below:

The Housing Health and Safety Rating System (HHSRS):

- 5.8 This is the main tool for enforcing housing conditions in the PRS. However, it is resource intensive and can only be applied to dwellings on an individual case-by-case basis. It is generally a reactive process and does not place a legal duty on landlords to “register” with the council in the way licensing does. It does not impose standards in relation to management or housing conditions. In practical terms the legal requirement on landlords to improve dwellings only comes into force when the council takes action against them. That action does not impose a penalty for hitherto failing to comply with housing standards but merely requires matters to be rectified. It does not provide an incentive to comply, or a deterrent to non-compliance.
- 5.9 Conversely, Additional Licensing requires the landlord to come forward and obtain a licence and applies conditions that must be met in the HMO, including housing conditions and property management. The penalty for failure to obtain a licence or for breach of licence conditions can be the imposition of a fixed penalty, a criminal prosecution leading to an unlimited fine, and/or a Rent Repayment Order requiring the landlord to repay up to twelve months’ previous rent.

Interim Management Orders (IMOs):

- 5.10 These have been considered in a number of individual cases but there are significant disadvantages to their use as they are very resource intensive, deal only with individual properties on a case-by-case basis, and do not address the general lack of professional management expertise in the local housing market.

The Management of Houses in Multiple Occupation (England) Regulations 2006:

- 5.11 These regulations can be enforced to require HMO landlords to remedy certain housing defects and failures of management. However, these can only be used to remedy certain specified failings and cannot be used to bring about improvements such as the provision of additional amenities. The penalty for contraventions can be the imposition of a fixed penalty or a criminal prosecution leading to an unlimited fine. These provisions can be used alongside Additional Licensing conditions in enforcing good management standards in HMOs across the borough.

Housing and Planning Act 2016:

- 5.12 Relatively new powers under the Act include Banning Orders, which prevent rogue landlords and agents trading when they have committed certain serious offences, and a Rogue Landlords Register. They also provide for Civil Penalties and Rent Repayment Orders as a sanction.

Landlord Accreditation:

- 5.13 Islington promotes the Accreditation and Training for Landlords and Agents Scheme (ATLAS) formerly London Landlord Accreditation Scheme (LLAS).
- 5.14 This is a voluntary scheme where landlords undergo training and sign up to a Code of Conduct which requires certain standards of management and maintenance. ATLAS is a valuable scheme for engaging with well-meaning landlords. It provides support and imparts the knowledge necessary for them to run their businesses effectively, comply with the law, and provide safe, decent quality homes. There are currently 976 accredited landlords in Islington under ATLAS. However, experience has shown that whilst good landlords are willing to participate in accreditation, a significant proportion of landlords are not and this includes rogue landlords at the bottom end of the market with whom there is most concern. For this part of the sector, effective enforcement is the appropriate course of action. The council will continue to promote landlord accreditation alongside the introduction of any discretionary licensing schemes.
- 5.15 The alternative powers outlined above do not offer an effective alternative to Additional Licensing for the reasons stated. However, using these powers in conjunction with an Additional Licensing scheme will provide an effective and comprehensive regulatory framework for the PRS and bring about improvements in property conditions and property management. Licensing requires the landlord and managing agent to meet “fit and proper person” criteria in order to obtain a licence. The council makes checks to ensure this is the case and can exclude criminal landlords from the market. The anticipated outcome of the Additional Licensing scheme will be a general improvement in property conditions and management within the five-year lifetime of the designation.

[Alternatives to Selective Licensing](#)

- 5.16 Alternative options for dealing with areas with a high proportion of properties in the PRS that are suffering problems that are caused by, or attributable to any of the criteria for making a designation include:

Do nothing:

- 5.17 As with Additional Licensing, the council could continue with the current approach of enforcement in response to complaints and identifying properties through street surveys, linked with a more robust promotion of accreditation for landlords. The reasons stated above for this not being a preferred approach for Additional Licensing apply to Selective Licensing also.

Increase enforcement activity:

- 5.18 The Council could increase the level of resources and amount of enforcement activity devoted to the PRS. A more proactive approach could be taken to target the worst landlords. This would involve the need to increase the resourcing for enforcement, funded from council finances. For the reasons discussed above for Additional Licensing, this does not ensure the improvement of all privately rented properties in the area that a Selective Licensing scheme would enable.

Introduce a borough-wide Selective Licensing scheme, or one covering more Wards:

- 5.19 Although the PRS is spread across the borough and every Ward has over 20% of properties in the PRS, our research and evidence base indicate that the highest proportion of properties with poor conditions are in Finsbury Park Ward. This area is also highest in considering the other criteria of ASB, crime and deprivation, and so supports the need for a designation. Although other areas of the borough also suffer problems, they are not as marked as the data shows for the proposed area and so a Selective Licensing scheme is not seen as being an appropriate mechanism for the whole borough or other Wards at this time. It may be that in time, following a review of the success of the proposed scheme, other Wards that are above average for the relevant criteria will be considered for a future Selective Licensing scheme.

A programme of renewal:

- 5.20 The extent of the problem of poor conditions in Finsbury Park Ward and the corresponding ASB, crime and deprivation is spread across the area and not restricted to specific and distinct streets or terraces of housing and so renewal of properties is not seen as being a practical solution to resolving it.
- 5.21 As with Additional Licensing, specifically, there are alternative courses of action for dealing with poor housing conditions and poor management in the PRS that might be used in the options above, include the HHSRS, Interim Management Orders, Powers under the Housing and Planning Act 2016 and Landlord Accreditation Schemes. These alternative courses of action have been considered and are discussed above for Additional Licensing.
- 5.22 In view of the numbers of PRS dwellings experiencing poor conditions in the proposed Ward, it is not practical to deal with them on an individual, reactive basis. However, using these powers in conjunction with a Selective Licensing scheme will provide an effective and comprehensive regulatory framework for the PRS and bring about improvements in property conditions and property management. Licensing requires the landlord and managing agent to meet “fit and proper person” criteria in order to obtain a licence. The Council makes checks to ensure this is the case and can exclude criminal landlords from the market. For these reasons there is no practical alternative to a Selective Licensing scheme in proposed areas selected to achieve the desired outcomes. The anticipated outcome of such a scheme will be a general improvement in property conditions and a reduction in ASB and crime associated with the PRS in the designated area, within the five-year lifetime of the designation.
- 5.23 All licensed properties will be inspected either prior to the issuing of a licence or within the duration of the scheme. Outcomes from this scheme would be monitored during its operation

in order to determine whether the scheme should be rolled out to other wards with significant levels of poor housing conditions in the future; although this would be conditional on the approval of the Secretary of State. For wards with lower levels of poor housing conditions, a programme of targeted enforcement will continue to be undertaken.

6 Proposed Licence fee structure

- 6.1 The council proposes to charge a licence application fee (Part I) to cover the cost of the administration of the Property Licensing schemes, with an additional fee (Part II) to be charged to cover costs of enforcement of the schemes. The Council has a fiscal duty to charge these fees and must split them into two parts in order to comply with legislation. The income raised from the schemes is ring-fenced and can only be used for Property Licensing. It cannot be used to raise income for other council functions.
- 6.2 The council believes that any scheme should minimise the financial burden on landlords. It therefore proposes that licence fees are kept as low as is reasonably possible, without jeopardising the council's ability to undertake its statutory functions under either scheme, or any of its other statutory duties.
- 6.3 For the purposes of both schemes, an accredited landlord is a landlord who is accredited by the National Landlords Association (NLA), or under the London Landlords Association Accreditation Scheme (ATLAS), or any other approved letting scheme, and has maintained their CPD requirements. There are reduced fees for such accredited landlords.
- 6.4 All licence fees will be reviewed each financial year.
- 6.5 A licence will be granted for a period of either one or five years. Licences are non-transferrable in accordance with section 91(6) of the Housing Act 2004.
- 6.6 Fees are based on the running cost and management of the overall scheme. There are a range of fees, which differ for single and multiple unit properties. There are also additional fees relating to assisted licence applications, and a discounted fee for accredited landlords.

Selective Licensing scheme fees:

- 6.7 For a house, a self-contained flat or non-self-contained flat the total licence fee will be £500 (accredited landlords £425). An assisted licence application will be £167 in addition to the applicable fee.

Additional Licensing scheme fees:

- 6.8 HMOs consisting of bedsits, bedrooms or studios:

A fee is applicable for each letting. The standard fee will be £288 per letting (accredited landlords £245).

An assisted licence application will be £352 per HMO in addition to the applicable fee.

6.9 For large scale student accommodation blocks, not accredited (ANUK/UNIPOL or equivalent) or university owned, the fee will be £33 per dwelling.

6.10 Converted flats:

The standard fee will be £703 per building/block (£597 for accredited landlords).

An assisted licence application will be £181 in addition to the applicable fee.

Payment schedule

6.11 Fees will be split into two parts. Full details of all the applicable fees are included in Appendix 2.

6.12 Both parts of the fee will need to be paid when the application is submitted, if the council refuses to grant a licence the Part 2 fee will be refunded to the applicant.

7 Conditions

7.1 Full details of the proposed conditions for Property Licensing are included in [Appendix 5](#). Each new licence granted would be subject to a series of licence conditions. Licence conditions under either Additional or Selective Licensing must include the mandatory conditions set out in Schedule 4 of the Housing Act 2004 and may include additional conditions relating to management, use and occupation.

7.2 In summary, the mandatory conditions would require licence holders to:

- Provide gas safety certificates annually (if gas is supplied);
- Keep any electrical appliances and furniture provided in a safe condition;
- Supply the authority on demand with a declaration as to the safety of such appliances and furniture;
- Provide suitable smoke alarms and keep them in good working order;
- Provide suitable carbon monoxide alarms in any room used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance and keep them in good working order;
- Supply the authority on demand with a declaration of the condition and positioning of such alarms (smoke and/or carbon monoxide);
- Issue residents with a written statement of the terms of occupation (e.g. a tenancy agreement or licence);
- Require references from prospective tenants;

7.3 The proposed additional Licensing Conditions would require licence holders to:

- Limit occupation of the property to the numbers of persons and households specified in the licence and based on facilities and room sizes;
- Provide reasonable terms of occupation;
- Put the tenancy deposit in an approved tenancy deposit scheme;
- Make suitable arrangements for completing routine repairs and maintenance;
- Ensure that anyone involved with managing the property is a 'fit and proper person';
- Ensure adequate management arrangement during their absence;
- Comply and cooperate with the council, and any inspectors;
- Demonstrate to the satisfaction of the Council that they have properly managed the property and have taken all reasonable and practicable steps when dealing with complaints of antisocial behaviour and/or harassment made against the occupants;
- In the case of HMOs, to display the name, address and telephone number for the licence holder or manager, certain certificates (e.g. gas safety, electrical installation etc.) and a copy of the licence in the common parts;
- Advise the council of any change in circumstances;
- Ensure fire safety;
- Ensure the door and doorframe between each kitchen and hallway/landing is a fire door;
- Provide a fire blanket in each kitchen;
- Provide adequate means of fixed space heating which is economic to run and controllable by the occupant;
- Ensure adequate thermal insulation;

- Provide electrical installation condition reports for the fixed wiring installations at intervals of not more than five years;
- Ensure the safety of any furniture and furnishings that are provided;
- Provide adequate security to the property;
- Appropriately manage pest infestations;
- Provide the council with access to secure bin storage areas;
- Comply with Islington council's household recycling and waste storage and disposal service and policies, provide suitable sufficient recycling and waste containers for tenants' use and make tenants aware of the arrangements for the correct presentation and collection of recycling and waste and carry out regular compliance checks;
- Provide written information to all tenants, at the start of the tenancy to ensure that tenants are advised and reminded of their responsibilities for the proper storage and disposal of household recycling and waste.
- Ensure all external areas within the curtilage of the property are kept free from waste and fly tipping deposits;

7.4 The council believes that such licence conditions are not onerous, and that good landlords are unlikely to find that they need to do any more than they already do in maintaining a good property.

8 [The evidence](#)

- 8.1 The council has undertaken an extensive review of available data, both from within its own organisation and that more widely available, in relation to both the national picture and that of London in reaching its conclusion that the proposed scheme designations are the correct course of action to take. A number of data-sets are only available in Census data. The last Census was in 2011 and so it is recognised that this data is now at least 7 years old. However, as the recognised reliable data source and as the most recent available, has been relied upon in some cases. Where possible, more up-to-date data has been sourced from recognised sources such as the Office for National Statistics (ONS) and the Greater London Authority (GLA Datastore).

[Housing stock](#)

- 8.2 There were 111,111 properties on the Islington Land and Property Gazetteer in October 2018.
- 8.3 The 2011 Census showed the proportion of different tenures as shown in [Table 1](#).

Ward	Owned: Total	Social rented: Total	Private rented: Total	Total stock
Barnsbury	1757	2132	1512	5401
Bunhill	1418	3173	1961	6552
Caledonian	1383	2733	1822	5938
Canonbury	1586	2694	1257	5537
Clerkenwell	1531	2237	1401	5169
Finsbury Park	1413	2711	1996	6120
Highbury East	2156	1629	1368	5153
Highbury West	2047	2339	2316	6702
Hillrise	1665	2294	1021	4980
Holloway	1488	3084	1737	6309
Junction	1605	2443	1449	5497
Mildmay	1598	2739	1360	5697
St George's	1822	2063	1413	5298
St Mary's	1494	2290	1642	5426
St Peter's	1843	2243	1333	5419
Tollington	1758	2538	1629	5925
TOTAL	26564	39342	25217	91123

Table 1. Proportion of tenure of housing stock by Ward – Census 2011

- 8.4 The most recent stock condition survey (SCS) in Islington was in 2008.
- 8.5 Relevant findings from that stock condition survey were as follows:
- The most common dwelling type was self-contained flats within converted pre-1919 terraced houses.
 - Around 90% of the PRS was in self-contained flats.

- 62.3% of private sector properties (excluding RSLs) were pre-1919 stock (See [Figure 1](#)). This compares with 24.9% nationally and 34.2% in London at that time.

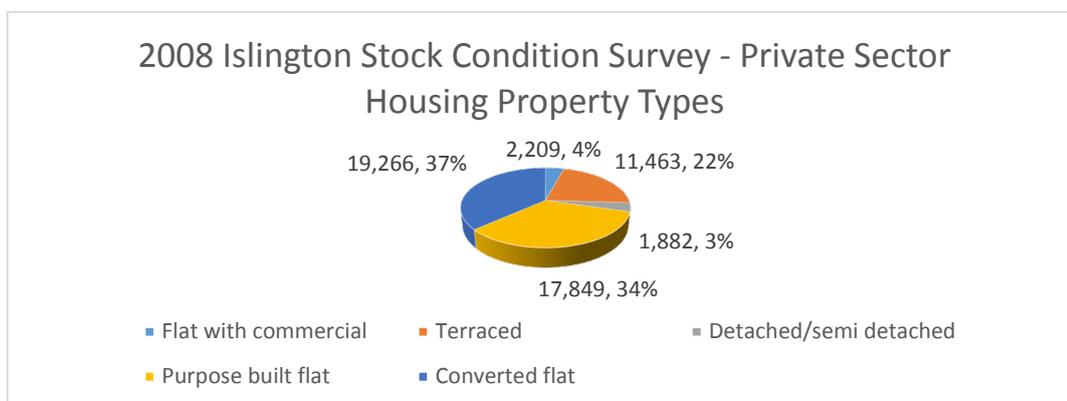


Figure 1. Housing property types – 2008 SCS

- Research for the SCS indicated that 3,547 (15.7%) PRS dwellings had at least one Category 1 hazard and 9.5% of all private sector dwellings had a Category 2 hazard in Band D and 11.2% in Bands E to I.
- Estimated costs to remedy Category 1 hazards in the PRS was an average of £4,407 per dwelling and a borough-wide cost of £15.6M
- Estimated total costs of dealing with disrepair of PRS properties across Islington were £135.8M.
- Vulnerable and support needs households in the private sector had considerably higher average basic repair costs at £2,628 and £4,356 per dwelling respectively.
- 29.6% of dwellings in the PRS failed the Decent Homes standard.
- The average cost of remedying non-decent homes in the PRS was estimated to be £4,628 and for vulnerable households this figure was £6,421.
- 1,585 vulnerable households lived in non-decent accommodation in the PRS, which was 45.8% of all vulnerable households in the PRS.
- There were 2,653 converted buildings in the borough, containing 8,685 self-contained flats (potential Section 257 HMOs).
- There were 5,512 flats or houses in multiple occupation (Section 254 HMOs).
- It was estimated at the time that there were 758 HMOs that fell under the mandatory licensing scheme.
- Section 254 HMOs were more likely to have a Category 1 hazard than other private sector dwellings (particularly licensed HMOs).
- An estimated 814 HMOs had a sharing ratio for amenities of worse than one per five lets.
- 97.4% of Section 257 HMOs were pre-1919 buildings.
- 37.2% of Section 257 HMOs were deemed to be non-decent, compared with 26.4% for the whole private sector stock.
- In terms of energy efficiency, the average SAP rating for the PRS in Islington was 61 (out of 100) and older dwellings typically demonstrated lower SAP ratings.
- 22.1% of all private sector households in the borough were in fuel poverty, rising to 35.4% of vulnerable households.

- 8.6 With 68.5 dwellings per hectare, Islington is the second most dense London borough for housing and almost 2.3 times the London average. (Census 2011)
- 8.7 Only 38% of the dwelling stock in the borough are houses and there is an average of 2.3 people per dwelling, the same as the average for the UK in the 2011 Census.
- 8.8 There were 91,123 household spaces in Islington in the Census 2011 an increase of 10,362 (12.8%) from 2001 to 2011. A total of 900 households, or 9 in every 1,000 were overcrowded, compared to 15 in every 1,000 for London. (2011 Census)
- 8.9 Islington ranks 26th of the 32 London boroughs for private rent affordability. Average rent in Islington is £1,752 per month.
- 8.10 On average, households in the private rented sector spend 34% (including Housing Benefit) of their income on rent. Social renters spend, on average, 28%. Some 9% of private renters were either currently in arrears or had been in the previous 12 months, compared with 25% of social renters. (EHS 2016-17)
- 8.11 The PRS has had the highest level of growth over the period 2011 to 2016 across all housing tenures in Islington, at 6.3%.
- 8.12 The PRS is estimated to be approximately 26,000 properties and so Islington has the seventh highest proportion of housing in the PRS compared with other London boroughs (from figures published by ONS – 2018).

[Table 2](#) shows the change in household property types between the Census 2001 and 2011.

Household space	2001	2011	% increase / decrease
All household spaces - with residents	82,281	93,556	13.70
All household spaces - with no residents - vacant	1,479	4,640	213.73
Whole house or bungalow - detached	828	1,093	32.00
Whole house or bungalow - semi-detached	2,251	2,845	26.39
Whole house or bungalow - terraced	13,445	13,402	-0.32
Flat, maisonette or apartment - in a purpose built block of flats or tenement	41,278	53,386	29.33
Flat, maisonette or apartment - part of a converted or shared house (includes bed-sit)	24,001	24,650	2.70
Flat, maisonette or apartment - in a commercial building	2,102	2,753	30.97
Caravan or other mobile or temporary structure	76	67	-11.84

Table 2. Household space change 2001-2011

- 8.13 27.67% (25,217) of household spaces with at least one resident were private rented in Islington. In London the PRS was 25.4% and nationally it was 17.1%. (2011 Census)

- 8.14 By 2016, 66,300 households, or 29% of Islington households were in the PRS, ranking 11th in London. (ONS 2018).
- 8.15 The PRS is expanding, not through any significant increase in supply but by replacing owner occupation (down from 3.3% between 2011 and 2016) and meeting the demands of a reduced supply of social housing (down 3%).
- 8.16 According to the 2011 Census, every Ward in Islington has greater than 20% of the properties in the PRS, ranging from 20.5% in Hillrise Ward to 34.56% in Highbury West Ward. The average of PRS properties per Ward is greater than 27%.
- 8.17 Of the seven Wards with the worst property conditions (highest rate of Category 1 and 2 hazards found) the percentage of PRS was as shown in [Table 3](#):

Ward	No. of properties (Census 2011)	No. of PRS properties (Census 2011)	Percentage of PRS
Highbury West	6,702	2,316	34.56%
Finsbury Park	6,120	1,996	32.61%
Caledonian	5,938	1,822	30.68%
Holloway	6,309	1,737	27.53%
Tollington	5,925	1,629	27.49%
Junction	5,497	1,449	26.36%
Hillrise	4,980	1,021	20.50%

Table 3. Percentage of PRS in the Wards with worst property conditions

- 8.18 Private renting increased by 85% in Islington between 2001 and 2011. In London it increased by 75% and nationally by only 8%, while owner occupation was unchanged in Islington but decreased by 8% in London. In contrast, social renting and mortgage-owned housing have decreased by 17% and 9% respectively in Islington.
- 8.19 41.2% of Islington population live in social housing, compared to 23.1% across London. This is the third highest percentage in London (2016 - London Data Store).
- 8.20 There are 25,349 local authority dwellings in Islington, the second highest in London in 2017.
- 8.21 Islington Council owns and manages more than 35,400 council properties. As at May 2018, the stock comprises 25,349 tenanted and approximately 11,000 leasehold properties. It is estimated that 40% of these are sublet.
- 8.22 Partners for Improvement in Islington manage 6,342 tenanted and leasehold properties and 3,103 properties are managed by Tenant Management Organisations.
- 8.23 There are 2,566 housing benefit claimants in the PRS in Islington.

- 8.24 For the purposes of this consultation report, a PRS property that is not an HMO is known as a Single Family Occupied property (SFO) (however, it is acknowledged that a multi-occupied property with two separate households may fall into this definition). There were 2,669 non HMO PRS properties (SFOs) that Environmental Health had been involved with at September 2018.
- 8.25 Taken from the Environmental Health database, [Figure 2](#) shows the distribution of the SFO properties that have had Environmental Health involvement.

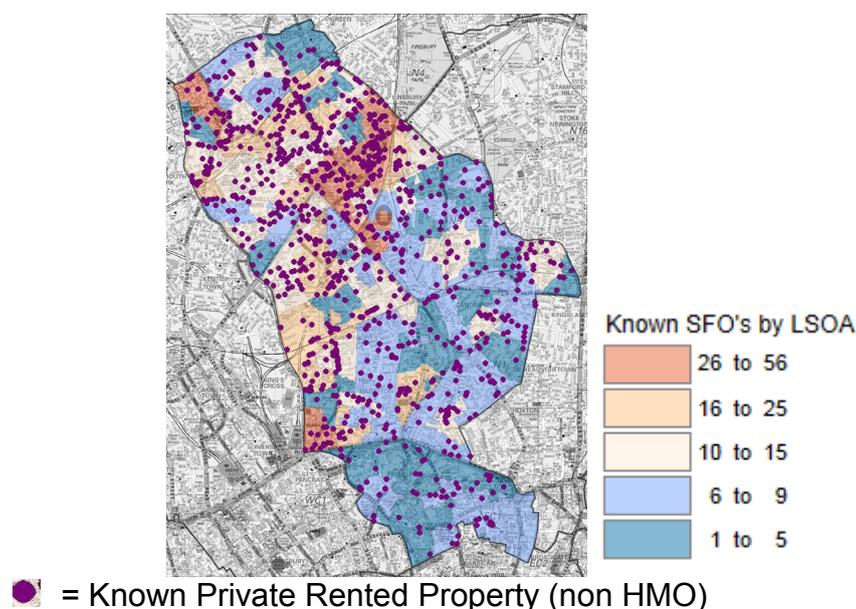


Figure 2. Known SFO properties on the EH database September 2018

- 8.26 It can be seen that the greatest concentration of these is in the north east and central parts of the borough, with the highest Wards being as shown in [Table 4](#) below:

Finsbury Park	386
Caledonian	370
Holloway	249
Junction	209
Hillrise	223
Tollington	183

Table 4. PRS properties that have had an Environmental Health involvement (excluding HMOs) at September 2018

- 8.27 Council records and records from registered tenancy deposit schemes (TDS) have been used to identify the approximately 26,000 privately rented properties across the borough. The distribution of these is shown in [Figure 3](#).

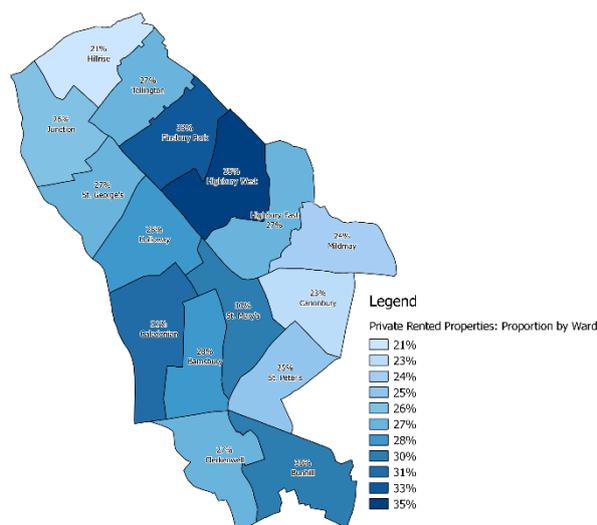


Figure 3. Distribution of PRS properties determined through analysis of council and TDS records

8.28 [Image 1](#) shows a typical pre-1919 terrace of housing in Islington. Many of these dwellings have now been converted to self-contained flats.

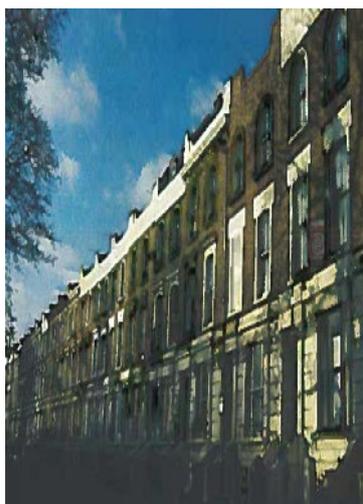


Image 1. A typical terrace of pre-1919 houses in Islington

8.29 [Figure 4](#) shows the location of both known HMO and non HMO (SFO) properties on the Environmental Health database as at September 2018. It can be seen that a significant proportion of the known HMOs at this point in time are along the main roads of Caledonian Road and Holloway Road, where the existing Additional Licensing scheme is in force.



 = Known SFO Private Rented Property
 = Known HMO

Figure 4. Known PRS properties on the EH database September 2018

- 8.30 The 2011 Census showed an increase in the number of properties across all sizes from the Census 2001. Properties with greater number of rooms are more likely to be HMOs. However, an increase in the number of one and two roomed dwellings can indicate an increase in converted flats, which may be S257 HMOs. [Table 5](#) shows the percentage increase in properties up to eight or more rooms.

Rooms	2001	2011	% increase
1 room	2,897	3,320	14.60
2 rooms	8,290	10,921	31.74
3 rooms	22,361	26,028	16.40
4 rooms	22,707	25,333	11.56
5 rooms	13,652	14,722	7.84
6 rooms	5,782	6,130	6.02
7 rooms	3,058	3,100	1.37
8 or more rooms	3,534	4,002	13.24

Table 5. Increase in size of dwellings (Census 2011)

- 8.31 [Figure 5](#) shows the types of known HMOs on the Environmental Health Database as of October 2018 by Ward. Caledonian Road and Holloway Road pass through several Wards through the centre of the borough, however a significant proportion of the currently licensed HMOs under the existing Additional Licensing scheme fall within Caledonian Ward.

Although there is a greater concentration of HMOs not covered by the existing Additional Licensing scheme in certain Wards, it can be seen that HMOs are spread throughout the Wards, with the lowest numbers in the most southerly Wards bordering the City of London.

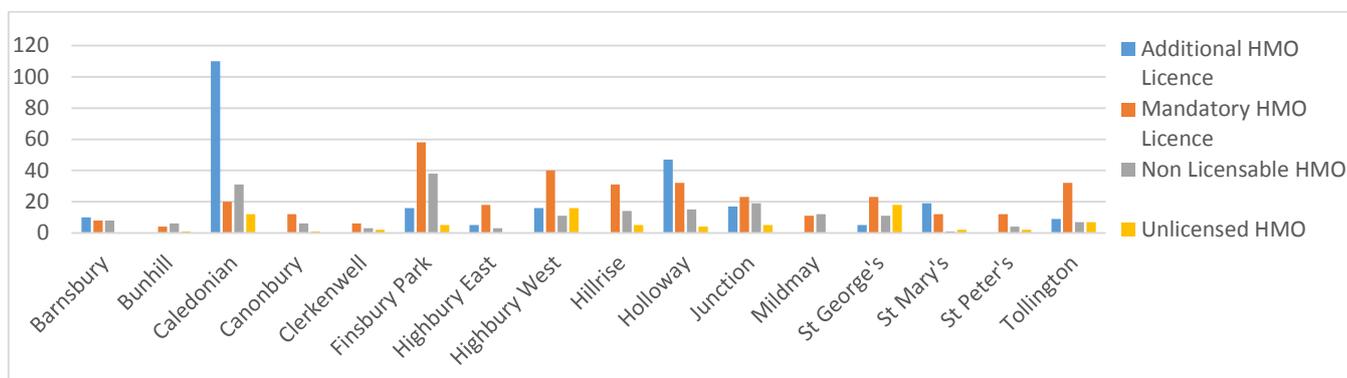


Figure 5. Known HMOs

8.32 As of September 2018, there were 865 known HMOs of different types, with which the Environmental Health department had had an involvement on the database. The spread of the different types is shown in [Table 6](#) below.

Mandatory HMO Licence	342
Additional HMO Licence	254
Non Licensable HMO	189
Unlicensed HMO	80

Table 6. No. of known HMOs that have had an involvement

- 8.33 The number of HMOs that have a mandatory licence is based upon the pre October 2018 criteria. Although not exclusively so, a significant proportion of older properties in Islington are of three or more storeys. Therefore, the extended definition for mandatory licensing, to include properties below three storeys in height, with five or more people who do not form a single household, is not expected to bring a significantly high number of properties into scope of mandatory licensing from that currently. It is estimated that no more than 100 new mandatory licences will be required. As at end of December 2018, 18 new mandatory licence applications had been received for properties below three storeys.
- 8.34 Of the 189 non licensable HMOs currently known it is assumed that these will fall between the extended mandatory and the proposed new Additional Licensing scheme and so will become licensable under one scheme or the other.
- 8.35 The 80 unlicensed HMOs are currently being investigated and pursued to obtain a licence. Some of these will already be in the process of applying for a licence.
- 8.36 We have used council data sources and records from three tenancy deposit schemes (TDS) to try to identify the likely number of currently unknown PRS properties, including HMOs across the borough, that will now become subject to licensing under the new proposals. This will be made up of a combination of HMOs that fall under either the mandatory scheme, or the proposed Additional Licensing scheme.

- 8.37 There were 14,789 addresses with TDS deposits registered in Islington at October 2018. [Figure 6](#) shows the distribution of these addresses by LSOA.

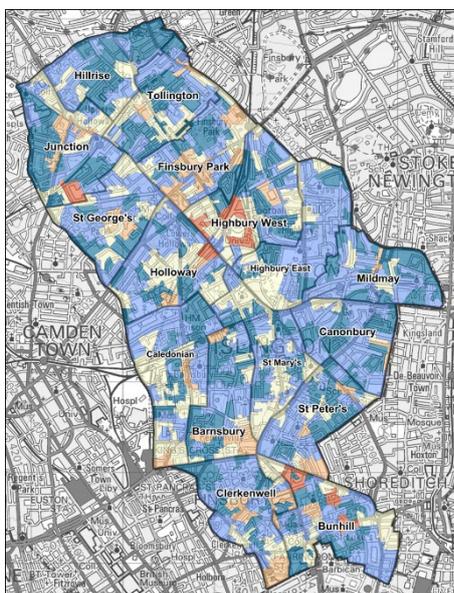


Figure 6. Distribution of properties registered with a custodial TDS

- 8.38 Council Tax data provides us with indicators of likely multiple occupation, such as the number of unrelated people per dwelling. The Council Tax database identifies properties which are HMOs for council tax purposes. In accordance with the Council Tax (Liability for Owners) Regulations 1992, Local Authorities are required to hold the owner rather than the occupants of an HMO as being responsible for council tax. The owner is normally the person who has a lease or, if none exists, a freehold interest in the whole dwelling. In addition the Council Tax database has been analysed for those properties which are exempt from Council Tax and where all the occupants of that property are considered to be in full time education i.e. student housing.
- 8.39 Following a reconciliation of all the information, including removing any duplicate premises and any already licensed HMOs, we believe there are approximately 26,000 PRS properties in the borough, of which 3,850 Section 254 HMOs that will be subject to licensing. Assessing the number of Section 257 HMOs is a more difficult exercise as there is no firm data available about properties that have been converted without complying with the relevant Building Regulations. Evidence from the survey of properties in Finsbury Park Ward however has been used to provide an estimate of the number of Section 257 HMOs.
- 8.40 [Figure 7](#) below shows the distribution of the properties that have been identified with a high degree of certainty that they are Section 254 HMOs from these data sources.

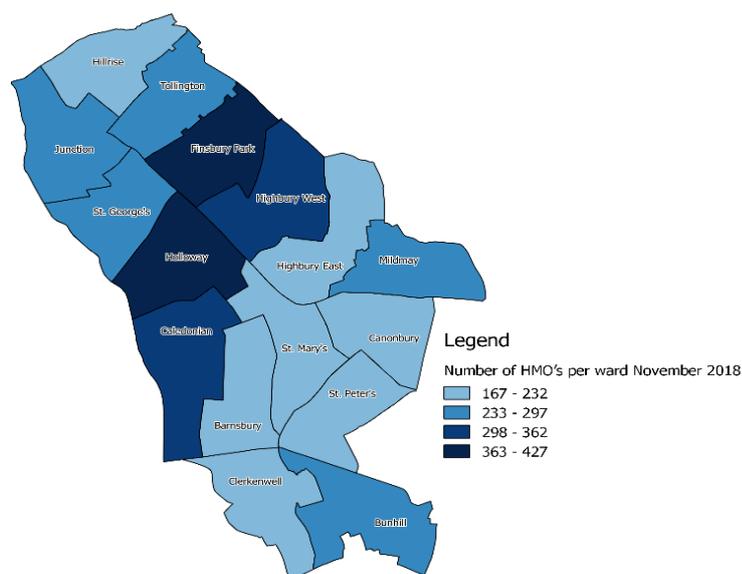


Figure 7. Distribution of likely HMOs by Ward

8.41 [Table 7](#) below shows the number of properties identified as likely HMOs, with people on the Council Tax register who are not related, by Ward. Properties with only one or two people, (highlighted red) would not usually be considered to be S254 HMO's, however, these properties have been identified through other data sets, including existing licensed HMOs and may therefore indicate S257 HMOs.

Ward / Number of unrelated people per house	1	2	3	4	5	6	7	8	9	Grand Total
Barnsbury	8	2	121	57	3	2				193
Bunhill	4	3	156	75	5	1				244
Caledonian	46	17	157	103	14	1				338
Canonbury	8	7	134	37	4	1				191
Clerkenwell	4		121	35	6	1				167
Finsbury Park	47	14	221	117	19	9				427
Highbury East	2	4	118	67	14	1				206
Highbury West	27	9	196	91	13	2				338
Hillrise	24		105	52	12	6	1	1		201
Holloway	34	10	202	105	24	2				377
Junction	16	5	134	96	6	1	1			259
Mildmay	13		171	68	3	1				256
St George's	32	6	130	64	9	5				246
St Mary's	10	1	139	61	8	1				220
St Peter's	5	1	128	47	8					189
Tollington	21	4	168	91	8	3	1		1	297
Grand Total	301	83	2401	1166	156	37	3	1	1	4149

Table 7. Number of unrelated persons in properties per Ward

8.42 City University of London and London Metropolitan University are both located within Islington. In addition, the close proximity to other further education establishments in neighbouring boroughs around London, leads us to believe there to be a high proportion of student rented accommodation outside of halls of residence. [Figure 8](#) shows the distribution

of properties registered for Council Tax as student accommodation that is also identified as in the PRS.

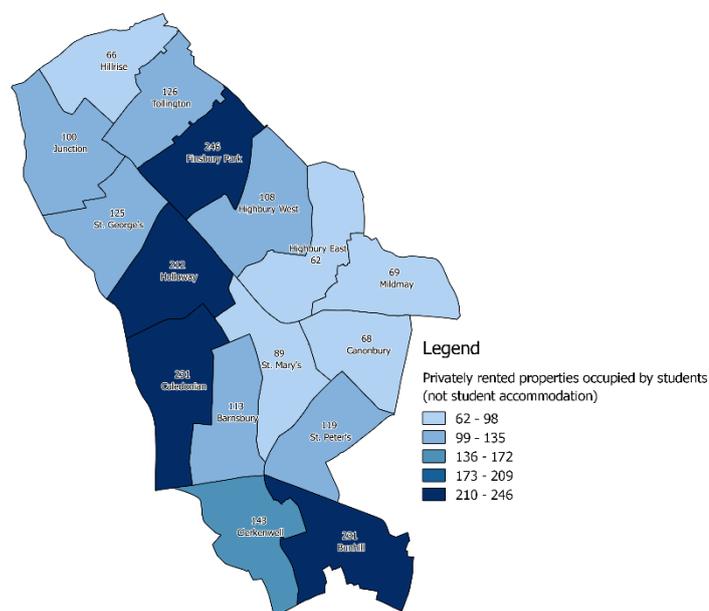


Figure 8. Location of PRS occupied by solely students by Ward

8.43 [Table 8](#) lists the number of addresses occupied solely by students by Ward.

Ward	No. of addresses occupied solely by students
Finsbury Park	246
Bunhill	231
Caledonian	231
Holloway	212
Clerkenwell	143
Tollington	126
St George's	125
St Peter's	119
Barnsbury	113
Highbury West	108
Junction	100
St Mary's	89
Mildmay	69
Canonbury	68
Hillrise	66
Highbury East	62
TOTAL	2108

Table 8. Student accommodation numbers by Ward

- 8.44 In addition to the analysis of council data sources as a means of identifying how many PRS properties and particularly HMOs there are in Islington, a physical survey was conducted during 2018 to provide some direct evidence of both the numbers of PRS properties and also the condition of the properties and any problems associated with them.
- 8.45 Finsbury Park Ward was selected for this survey – a Ward where there was a known high level of PRS from the 2011 Census, and one that was also known to have high levels of property complaints. Later in this consultation document the findings of this survey were used to extrapolate likely numbers of PRS properties and HMOs and problems associated with them. In view of the fact that Finsbury Park is known to be above average compared with the rest of the borough, the data was reduced by a proportionate factor to avoid over estimating the numbers across the borough.
- 8.46 The survey identified a total of 338 properties for investigation, selected at random, based upon a list produced from Council Tax records that indicated likely PRS (a total of 1,443 properties) and from a list of properties registered with one of the tenancy deposit schemes.
- 8.47 Of the 328 properties surveyed, entry was gained to a total of 114 PRS properties. For these properties a survey form was completed to gather data such as tenure, occupancy and any problems associated with the property. For those properties where entry was not gained, an external assessment was used to identify where possible the tenure and any external problems, such as disrepair, general condition and any refuse within the curtilage.
- 8.48 [Table 9](#) shows the break-down of the tenure/occupancy type of the properties and the projected number across the Ward, based upon the total number of dwellings identified in the 2011 Census for Finsbury Park, where 1,996 of a total of 6,120 properties were identified as in the PRS.

No. of Properties Surveyed: 328			
No. of Properties where entry gained or data gathered: 314			
	Number identified	Percentage of Sample where data gathered	Projected number for Ward based upon 2011 Census Housing Stock
HMOs identified S254	30	9.5%	581
HMOs identified S257	33	10.5%	643
SFO PRS properties - not HMO	114	36.3%	2,222
Owner occupied or other	137	43.6%	2,668

Table 9. Number of property types in Finsbury Park survey and projected total numbers

- 8.49 Based upon this calculation, it would indicate there has been a significant increase in total PRS on Finsbury Park Ward since the 2011 Census, with potentially up to 3,446 properties, which would be a 72% increase. It is accepted that there may be a significant margin for error in these projections. Through analysis of Council Tax records the figure for Section 254 HMOs is 427 against 581 from the projection method used from the Finsbury Park survey (36% increase).

8.50 The data providing the highest level of confidence for the number of Section 254 HMO's is the Council Tax method, which suggests there may be up to 3,800 subject to licensing. As already stated, Section 257 HMOs are far more difficult to identify through council data. The Council Tax method suggests there may be around 400, although this is thought to be an underestimate. The Finsbury Park survey suggests there may be an equal percentage of Section 257 to Section 254 HMOs. Allowing for a margin of error, it could be estimated that there may be up to a further 4,000 Section 257 HMOs. However, as Finsbury Park is known to be the Ward with the worst property conditions, it is considered reasonable to assume that a lower percentage of the converted flats in other parts of the borough have been converted without compliance with the relevant Building Regulations. The estimate for Section 257 HMOs is therefore adjusted down by a factor of 2.16 (the proportion of known HMOs in Finsbury Park compared to the average for the borough) to 1,800. This would put the estimated number of all HMOs (both Section 254 and Section 257) at approximately 5,600.

Proportion of property in the PRS

- 8.51 To show that the proportion of property in the PRS is a relevant criteria for the area(s) proposed for a Selective Licensing designation, it must be demonstrated that **the area has a high proportion of property in the private rented sector.**
- 8.52 Guidance suggests that more than the percentage in the most recent English Housing Survey would be a high proportion. The current English Housing Survey puts the national average of PRS properties at 20%. Therefore, if privately rented properties account for greater than 20% of the total housing stock, the area can be considered as having a high proportion of PRS.
- 8.53 Looking at the profile of the borough, from the 2011 Census, the whole borough contained 27.46% PRS and so, if warranted, a borough-wide Selective Licensing scheme could be designated.
- 8.54 Breaking the borough down into Wards, every Ward has greater than 20% PRS, ranging from 20.5% to 34.56%, meaning that every Ward could individually be considered for designation.
- 8.55 [Table 10](#) shows the number and percentage of PRS properties per Ward as per the 2011 Census.

Ward	PRS - % 2011 Census	PRS - Number 2011 Census
Barnsbury	27.99	1512
Bunhill	29.93	1961
Caledonian	30.68	1822
Canonbury	22.70	1257

Clerkenwell	27.10	1401
Finsbury Park	32.61	1996
Highbury East	26.55	1368
Highbury West	34.56	2316
Hillrise	20.50	1021
Holloway	27.53	1737
Junction	26.36	1449
Mildmay	23.87	1360
St George's	26.67	1413
St Mary's	30.26	1642
St Peter's	24.60	1333
Tollington	27.49	1629

Table 10. Number and percentage of PRS by Ward

8.56 [Figure 9](#), below shows the LSOAs with greater than 20% PRS. The few areas that do not fall into this category are predominantly council estates. Criteria: Any Lower Super Output Area (LSOA) with more than 20% privately rented homes (based on 2011 census (QS405EW)). In total 92 out of 123 LSOAs met this criteria (75%). The LSOA's that meet this criteria have been shaded in green.

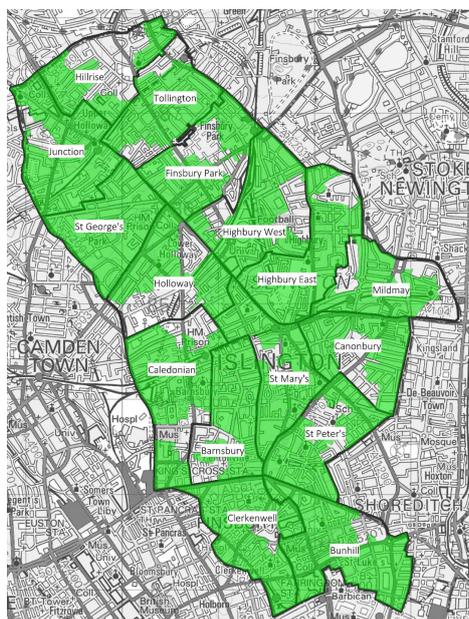


Figure 9. Map showing distribution of PRS by LSOA (Census 2011)

Low housing demand

8.57 To show that low housing demand is a relevant criterion for the designation of a Selective Licensing scheme, it must be demonstrated that **the area is, or is likely to become, an area of low housing demand.**

8.58 This criterion does not apply in Islington and so is not considered further.

Anti-social behaviour

- 8.59 To show that anti-social behaviour is a relevant criterion for the designation of a Selective Licensing scheme, it must be demonstrated that **the area is experiencing a significant and persistent problem caused by anti-social behaviour (ASB)**.
- 8.60 Guidance suggests the authority should consider whether private sector landlords in the designated area are not effectively managing their properties so as to combat incidences of anti-social behaviour caused by their tenants, or people visiting their properties and in particular the area suffers from anti-social behaviour as a result of this failure, or because that failure significantly contributes to that problem.
- 8.61 For these purposes, the guidance suggests ASB includes acts of (but not limited to):
- intimidation and harassment of tenants or neighbours;
 - noise, rowdy and nuisance behaviour affecting persons living in or visiting the vicinity;
 - animal related problems;
 - vehicle related nuisance;
 - anti-social drinking or prostitution;
 - illegal drug taking or dealing;
 - graffiti and fly posting;
 - and litter and waste within the curtilage of the property
- 8.62 Data has been gathered from both the police and the council's own information on ASB complaints, as well as the DEFRA data on fly-tipping incidents.
- 8.63 Fly-tipping incidents in Islington in 2016/17 were 3,011, compared to an average of 11,093 across London. Residential incidents were 33 compared to an average of 123 for London. White goods fly-tipping incidents, which are often closely associated with the PRS were 204, compared to the London average of 437. Statutory actions however, such as enforcement notices and fixed penalty notices were higher in Islington than the average for London. (DEFRA) These figures do not assist in demonstrating that fly-tipping is particularly an issue in Islington compared with other parts of London and therefore is not helpful in providing a link to the high levels of the PRS. However, these figures should be treated with caution as it is evident from the DEFRA website that there are reporting inconsistencies, (for example the high level of enforcement actions compared to the number of incidences of fly-tipping compared with others). This data is not taken into account to support the introduction of a Selective Licensing or Additional Licensing scheme under the anti-social behaviour criterion.
- 8.64 From the police, data was available on begging and vagrancy; drugs; rowdy/nuisance neighbours; rowdy or inconsiderate behaviour; and vehicle nuisance – inappropriate use or inconsiderate behaviour – a total of 4,110 cases in the year to 31st August 2018.
- 8.65 From council complaints, data was available on drugs; environmental; neighbours; rowdy/inconsiderate; and nuisance vehicles – a total of 6,304 in the 6 months to 30th

September 2018. These complaints include issues such as dog barking/other animal noise, noisy neighbours – music, noisy neighbours – people, alarm noise and parties/raves.

- 8.66 Complaints about noise in 2015/16 in Islington were 36.9 per 1,000 population compared to 14.6 in London and 6.3 nationally. (PHE – Public Health Profiles)
- 8.67 [Figure 10](#) shows LSOAs where the total number of ASB Calls to the Council between November 2016 and October 2017 in the LSOA is above the LSOA average in Islington. In total 50 out of 123 LSOAs met this criteria (41%). The LSOAs that meet this criterion have been shaded in green.

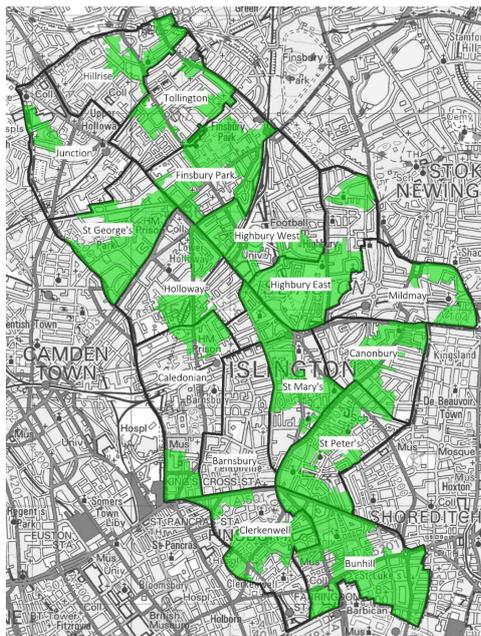


Figure 10. Distribution of ASB calls in a 12 month period by LSOA

- 8.68 [Figure 11](#) shows the number of ASB calls to the police over a three-year period. Although there are fluctuations, numbers in March 2018 are similar to those in April 2015 and show a persistent problem.

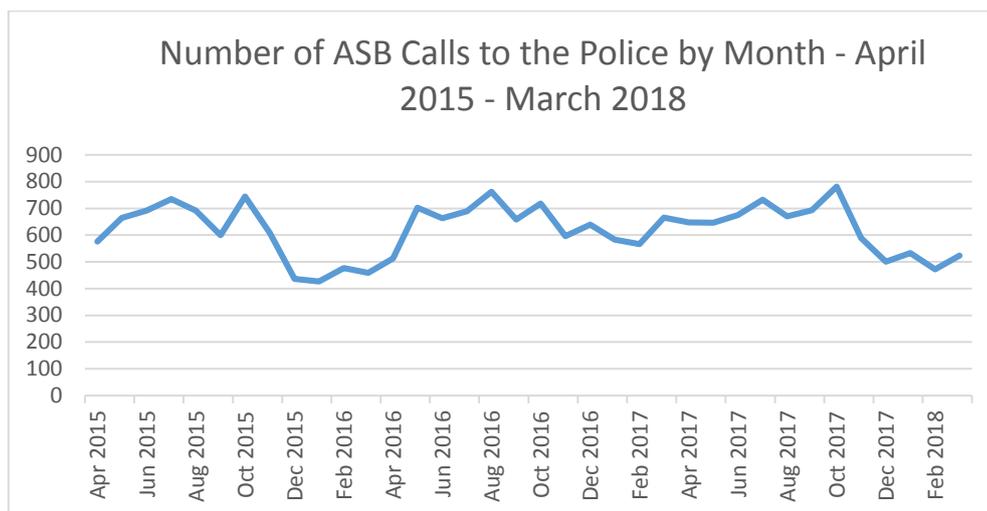


Figure 11. ASB calls to the police 2015-2018

8.69 The average number of complaints for all Wards was divided into the total number of complaints for each Ward, to give an index comparable to the average. The average index being 1. [Tables 11](#) and [12](#) below list the Wards with a complaint index of greater than 1 (above average) for police and council complaints respectively.

Finsbury Park	1.72
Caledonian	1.58
Holloway	1.44
Junction	1.36
Highbury West	1.30
St Mary's	1.27
Bunhill	1.09

Table 11. Police ASB complaints index

Finsbury Park	1.42
Highbury West	1.35
Bunhill	1.22
Canonbury	1.18
Tollington	1.16
Clerkenwell	1.10
Holloway	1.06
St Mary's	1.02

Table 12. LBI ASB complaints index

- 8.70 Whilst Finsbury Park Ward clearly has the highest index for both police and LBI ASB complaints, only Highbury West, Holloway, Bunhill and St Mary's Wards have an above average number of complaints through both sources. The combined council and police indexes give the ranking as shown in [Table 13](#).

Finsbury Park	1.54
Highbury West	1.33
Holloway	1.21
Bunhill	1.17
St Mary's	1.12
Caledonian	1.08
Tollington	1.02

Table 13. Combined ASB index

- 8.71 The difficulty with this information is that there is insufficient supporting evidence to show that the ASB that is the subject of these complaints is definitively linked to the PRS. The Act requires that; some or all of the private sector landlords who have let premises in the area (whether under leases or licences) are failing to take action to combat the problem [ASB] that it would be appropriate for them to take. The main indicator we have of the likelihood of this is the association with the size of the PRS and condition of properties in the Ward. The seven Wards in Table 13 are all within the top eight Wards for the highest levels of PRS properties and five are in the top seven Wards for poor property conditions. This suggests there may well be some correlation between PRS and ASB. However, due to the lack of corroboration available to confirm these cases are all directly linked to the PRS, ASB is not seen as being a strong indicator of the need for a Selective Licensing scheme alone. It is however clearly a contributing factor and so in constructing a matrix based upon the indexes for each of the criteria, a weighting factor of times one has been applied.

[Property Conditions](#)

- 8.72 To show that poor property conditions is a relevant criteria for the designation of a Selective Licensing scheme, it must be demonstrated that **the local housing authority considers it would be appropriate for a significant number of the properties referred to in article 3(1)(a) to be inspected, with a view to determining whether any category 1 or category 2 hazards exist on the premises; and the local housing authority intends to carry out such inspections with a view to carrying out any necessary enforcement action.**
- 8.73 Guidance suggests that a significant number of properties in the private rented sector should be in poor condition and are adversely affecting the character of the area and/or the health and safety of their occupants. Authorities should consider the following factors to help determine whether there are poor property conditions in their area:

- the age and visual appearance of properties in the area and that a high proportion of those properties are in the private rented sector
- a significant number of properties in the private rented sector need to be inspected in order to determine whether any of those properties contain category 1 or 2 hazards (more than a small number, although it does not have to be a majority of the private rented stock in the sector)

8.74 In terms of the age of properties, over 62% of properties in the 2008 Islington Stock Condition Survey were pre-1919.

8.75 In order to establish the relevance of this criterion, we first looked at the complaints about property conditions received by the council.

8.76 The council's data base has been used to review the information available about the condition of private rented properties. The period between 1st September 2014 and 31st August 2018 was used to carry out this analysis.

Complaints:

8.77 During this period, there were 2,285 complaints received relating to 2,041 private rented properties. A rate of approximately 8% of the PRS. 1,869 individual properties had a complaint about poor property conditions and/or overcrowding. Of these complaints, in 1,296 cases the investigating officer identified an issue that required follow up action. This equates to 69.3% of properties complained about. [Figure 12](#) below shows the total of all property complaint types. The average number of complaints is 148 per Ward, meaning Finsbury Park Ward had more than double the average number of complaints.

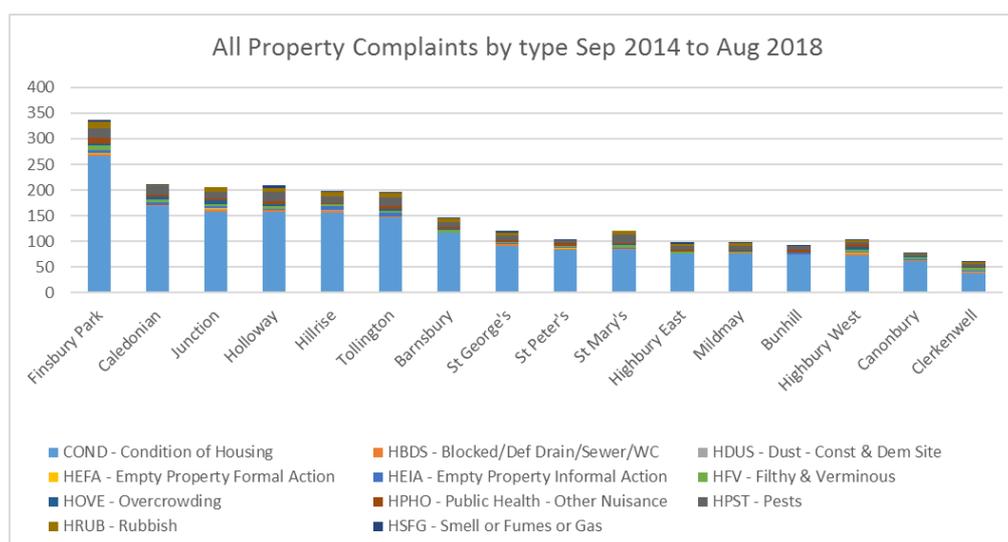


Figure 12. Total number of complaints by Ward.

Poor property conditions:

8.78 [Figure 13](#) shows complaints purely about the condition of the property, such as disrepair, dampness, fire, and overcrowding.

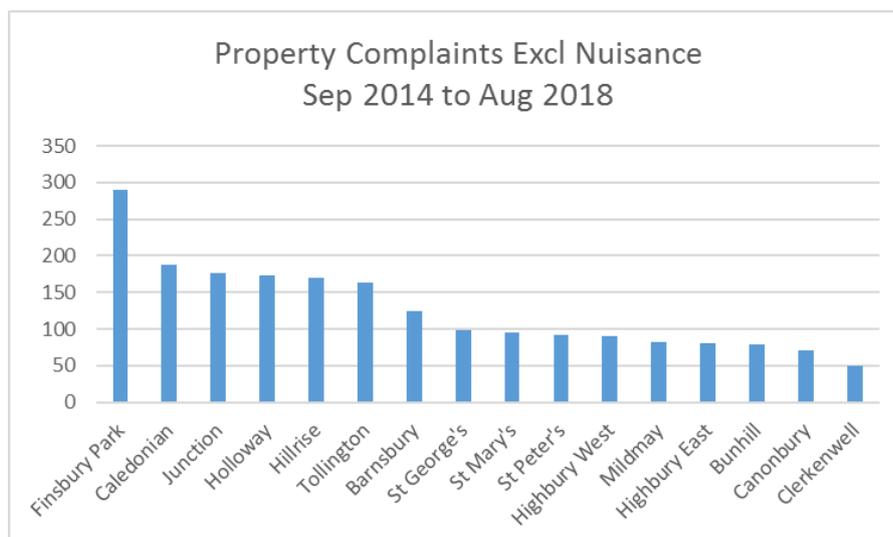


Figure 13. Number of complaints relating to property conditions

8.79 [Table 14](#) shows the number of complaints received across the borough. Although it has fluctuated and decreased in 2017/18, there are persistently around 500 plus complaints across the borough.

Year	Number of complaints received
2014/15	658
2015/16	535
2016/17	593
2-17/18	496

Table 14. Total number of complaints 2014-2018

Overcrowding:

8.80 [Table 15](#) shows that in the 2011 Census, of 26,443 households in the private rented sector, 11,412 were overcrowded by being short of one room/bedroom or more than is required based upon a standard formula, taking into account the number of rooms and bedrooms, the number of people occupying the accommodation, their ages and relationships to each other. This is equivalent to 43.15% of all privately rented accommodation.

Tenure	All categories: Tenure	Owned or shared ownership (part owned and part rented)	Social rented	Private rented or living rent free

Occupancy rating (rooms)				
All categories: Occupancy rating (rooms)	93,556	27,771	39,342	26,443
Occupancy rating (rooms) of +2 or more	14,890	9,452	3,703	1,735
Occupancy rating (rooms) of +1	17,710	6,707	7,389	3,614
Occupancy rating (rooms) of 0	33,765	7,422	16,661	9,682
Occupancy rating (rooms) of -1 or less	27,191	4,190	11,589	11,412

Table 15. Overcrowding as recorded in the 2011 Census

8.81 [Figure 14](#) below shows the distribution of property condition complaints over the period June 2014 to June 2017 by LSOA. Criteria: Any LSOA where the number of complaints about poor property conditions to the council is above the LSOA average in Islington. In total 37 out of 123 LSOAs met this criteria (30%). It can be seen that the LSOAs fall mostly within the Wards of Junction, Tollington, Finsbury Park, Holloway and Caledonian.

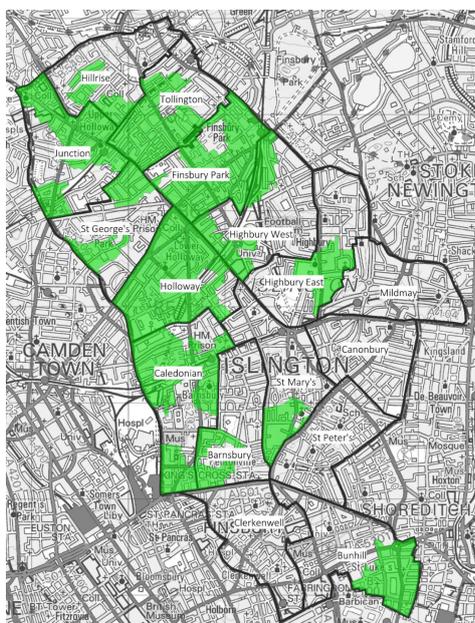


Figure 14. Distribution of above average poor property conditions by LSOA

8.82 To assess the impact of property conditions across the Wards, the average number of complaints for all Wards was divided into the number of complaints for each Ward to give an index comparable to the average. The average index being 1. [Table 16](#) shows the Wards with a complaint index of greater than 1 (above average).

Finsbury Park	2.26
Caledonian	1.43
Holloway	1.41
Junction	1.38
Hillrise	1.34
Tollington	1.31

Table 16. Property condition complaints index

8.83 As the data provides direct evidence of a significant and persistent problem with property conditions over a period of at least four years, it has been weighted accordingly, with property complaints given a weighting of times 4.

Nuisance associated with poor property conditions:

8.84 We next looked at the nuisance complaints associated with the condition of properties in the PRS. 509 complaints were received in the same four-year period, with Finsbury Park accounting for almost 13% of these complaints.

8.85 [Figure 15](#) shows the number of nuisance complaints associated with PRS properties during the period. These relate to issues such as defective drainage, filthy and verminous premises, accumulations of refuse, pests and other public health nuisances.

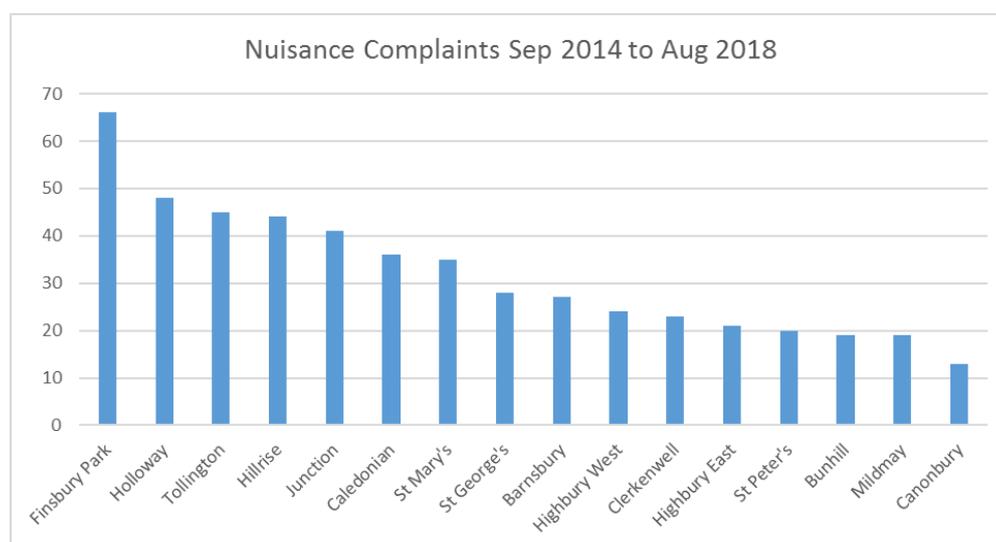


Figure 15. Nuisance complaints associated with PRS property conditions

Pests:

8.86 According to the British Pest Control Association (BCPA) Annual Survey 2016, Islington had the 11th highest number of bed bug complaints per head of population in the country with 0.88 per 1,000 people, compared to 0.49 for London and 0.2 nationally. Bed bugs are frequently associated with poor property conditions in the PRS.

8.87 For mice complaints, Islington was seventh highest nationally and second in London with 1,511 call-outs, or 7.33 per 1,000 head of population, an increase of 32% on the previous year. For London the average was 2.26 and nationally 1.21 per 1,000 people. Mice are also frequently associated with poorly managed PRS properties. [Figure 16](#) shows the total number of pest complaints received over the same four-year period.

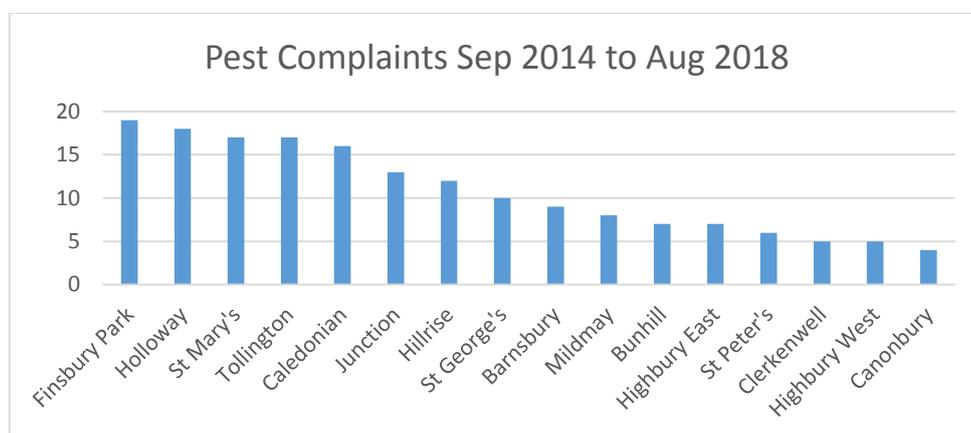


Figure 16. Number of pest complaints received relating to the PRS

Rubbish:

8.88 Rubbish accumulated in the front or rear gardens of properties is frequently associated with poorly managed PRS properties. Complaints about refuse are frequently combined with other complaints about property conditions and so are not always recorded as the main issue being complained of, so the total numbers recorded appear artificially low. [Figure 17](#) shows the number of complaints recorded solely as being about rubbish in PRS properties over the same period.

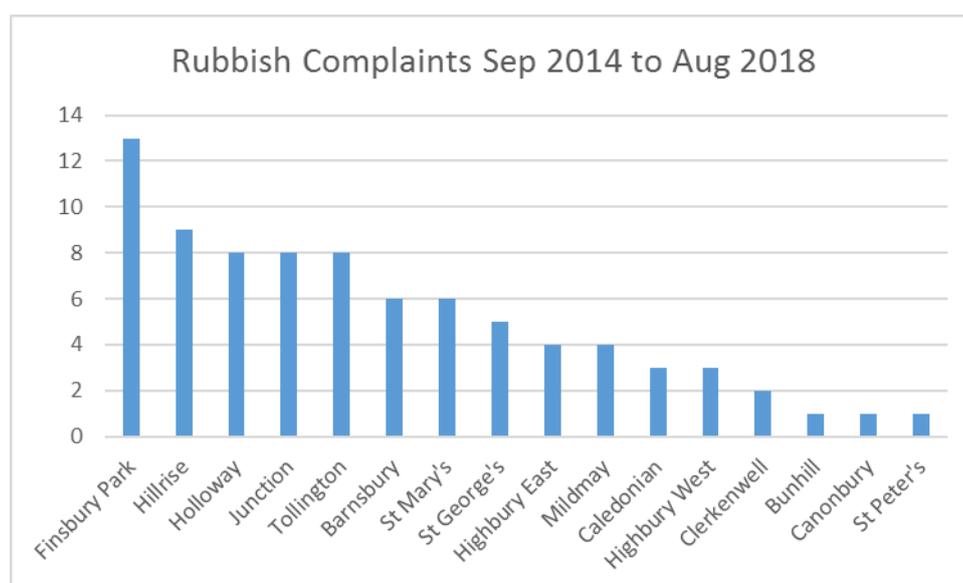


Figure 17. Rubbish complaints related to the PRS

- 8.89 The average number of nuisance complaints associated with property conditions for all Wards was divided into the number of complaints for each Ward to give an index comparable to the average. The average index being 1. The [table 17](#) lists the Ward with a complaint index of greater than 1 (above average).

Finsbury Park	2.07
Holloway	1.51
Tollington	1.41
Hillrise	1.38
Junction	1.29
Caledonian	1.13
St Mary's	1.10

Table 17. Property condition nuisance complaints index

- 8.90 Property nuisance also provides evidence of a persistent problem with property conditions and so it has been weighted accordingly, with property nuisance complaints given a weighting of times 2.

Category 1 and 2 hazards:

- 8.91 In the 3 full calendar years 2015, 2016 and 2017, the percentage of properties complained about that had a significant issue requiring intervention increased, with 54% in 2015, 52.7% in 2016 and 73% in 2017 (384 out of 526 cases complained about). This shows a 20% increase in problems found per complaint in one single year, indicating that although the number of people complaining has not necessarily increased, the regularity of poor condition of properties in the PRS is worsening.
- 8.92 In terms of hazards, during the period September 2014 to August 2018, there were a total of 1,399 Category 1 and 2 hazards recorded during inspections of private rented properties. These hazards fell into a total of 25 different categories. The top 15 categories are shown in [Table 18](#).

All Category 1 Hazards	No.
Fire	346
Damp and mould growth	240
Excess cold	164
Falls associated with stairs and steps	109
Crowding and space	73
Food safety	60
Personal hygiene, sanitation and drainage	58
Electrical hazards	52
Falls between levels	51
Entry by intruders	35
Falls on the level	34
Lighting	32
Domestic hygiene, pests and refuse	30
Hot surfaces and materials	30
Structural collapse and falling elements	28

Table 18. Top categories of hazards found

8.93 [Table 19](#) shows the distribution of Category 1 and 2 hazards across the Wards, with Finsbury Park having the greatest number, with 17.8% of the total. The top seven Wards account for 76% of the total number of hazards identified across the borough.

Ward	No of Category 1 and 2 Hazards
Finsbury Park	234
Caledonian	193
Holloway	138
Highbury West	136
Tollington	125
Junction	102
Hillrise	74
St. Georges	71
St. Peter's	38
Mildmay	36
Highbury East	32
St. Mary's	32
Bunhill	30
Canonbury	26
Clerkenwell	25
Barnsbury	20

Table 19. Category 1 and 2 hazards by Ward

8.94 Looking purely at SFO properties (excluding HMOs), there were 657 Category 1 and 2 hazards the distribution of which provides a similar picture, with the top seven Wards being the same as for all PRS property types, as can be seen in [Table 20](#).

Ward	Total Category 1 and 2 Hazards
Finsbury Park	140
Highbury West	76
Tollington	73
Holloway	60
Caledonian	48
Hillrise	40
Junction	37

Table 20. Total Category 1 and 2 hazards in SFO properties across the worst seven Wards

8.95 The worst hazards are known as Category 1 hazards, of which there were 150 properties found with at least one hazard. 211 SFO properties were found with at least one Category 2 hazard. [Table 21](#) shows the number of SFO properties with Category 1 and 2 hazards by Ward.

Ward	No. of properties with Category 1 Hazards	Ward	No of properties with Category 2 Hazards
Finsbury Park	29	Finsbury Park	45
Highbury West	19	Tollington	22
Junction	16	Holloway	20
Caledonian	13	Highbury West	19
Tollington	13	Caledonian	17
Holloway	11	Hillrise	13
Highbury East	7	Junction	12

Table 21. Top seven Wards for numbers of properties with Category 1 and 2 hazards

8.96 A total of 158 SFO properties were identified with Category 1 hazards out of 280 properties with hazards (56.4%), with the 222 (79.2%) being identified with Category 2 hazards. There were 2,024 complaints, with 1,869 properties complained about with poor conditions during the four year period analysed. With a total of 613 PRS properties with a Category 1 or 2 hazard, [Table 22](#) shows the percentage of properties complained about and requiring an intervention with a Category 1 or 2 hazard.

	No. of properties	No. requiring intervention	No. with Category 1 or 2 hazard
Complaints about poor property conditions	2,041	1,296	613
% of properties with a Category 1 or 2 hazard	30.03%	47.30%	

Table 22. Percentage of Category 1 and 2 hazards by complaint and need for intervention

8.97 [Table 23](#) shows the number of individual PRS properties found to have a Category 1 or 2 hazard by Ward and the percentage of the number of PRS properties within the borough, along with the percentage of the total number of hazards found.

Ward	No. of properties with Category 1 or 2 Hazards	Category 1 and 2 Hazards - % of PRS	Category 1 and 2 Hazards - % of total found in the borough
Finsbury Park	96	4.81%	16.38%
Caledonian	95	5.21%	16.21%
Highbury West	56	2.42%	9.56%
Holloway	56	3.22%	9.56%
Junction	53	3.66%	9.04%
Tollington	48	2.95%	8.19%
Hillrise	31	3.04%	5.29%
St. Georges	28	1.98%	4.78%
St. Peter's	18	1.35%	3.07%
Canonbury	17	1.35%	2.90%
Bunhill	16	0.82%	2.73%
Mildmay	16	1.18%	2.73%
Barnsbury	15	0.99%	2.56%
Highbury East	15	1.10%	2.56%
St. Mary's	15	0.91%	2.56%
Clerkenwell	11	0.79%	1.88%

Table 23. Category 1 and 2 hazards by Ward

8.98 The average number of properties found upon inspection with Category 1 and 2 hazards for all Wards was divided into the total number of properties with Category 1 and 2 hazards in each Ward to give an index comparable to the average. The average index being 1. The [Table 24](#) below lists the Ward with a Category 1 and 2 hazard index of greater than 1 (above average).

Finsbury Park	2.62
Caledonian	2.59
Holloway	1.53
Highbury West	1.53
Junction	1.45
Tollington	1.31

Table 24. Category 1 & 2 hazard index

8.99 Category 1 and 2 hazard data provides the most direct evidence of a significant and persistent problem with property conditions in the PRS, the index has therefore been given the highest weighting at times 5.

Enforcement notices:

8.100 Over the 4 year period September 2014 to August 2018, a total of 698 enforcement notices were served in relation to PRS properties. Of these, 211 were Improvement Notices under

Sections 11 and 12 of the Housing Act 2004 and 20 were Prohibition Notices, under Section 20. 36 notices were for overcrowding under Section 139.

Finsbury Park Ward property survey:

8.101 The survey of 314 properties in Finsbury Park Ward in 2018 identified 114 PRS (SFO) properties. 54% of these properties were found to have some sort of issue. 27% had evidence of internal and 23% evidence of external poor conditions. 23% had evidence of poor management issues. [Table 25](#) shows the full findings of the survey in relation to SFO properties.

PRS - SFO Properties		Percentage of SFO properties with issues
Total number of SFOs identified	114	
Number of properties identified with:		
Any issues	62	54.38%
External condition issues	27	23.68%
Internal condition issues	31	27.19%
Inadequate amenities	0	0.00%
Overcrowding	4	3.50%
Property management issues	27	23.68%
Lack of gas safety certificate	23	20.17%
No fire alarm	10	8.77%
Occupier does not feel safe from intruders	4	3.50%
No written tenancy agreement	1	0.87%
Property converted without Building Regulation compliance	14	12.28%

Table 25. Issues found in SFOs in Finsbury Park Survey

8.102 Using the findings of the property condition survey, the data has been modelled to provide a projection of the likely numbers of SFO properties across the borough to be suffering issues relating to poor property conditions. The percentage of all properties with any issues identified in Table 25 above has been divided by the average of the three property condition indices for Finsbury Park in Tables 16, 17 and 24 above (2.32) to provide the likely average percentage for there being an issue (23.44%).

8.103 Taking the Census 2011 figure of 25,217 PRS properties, this would result in 5,910 properties likely to have an issue requiring intervention across the borough, or in the top seven worst Wards, 2,806 properties.

Migration

8.104 To show that migration is a relevant criterion for the designation of a Selective Licensing scheme, it must be demonstrated that **the area has recently experienced or is experiencing an influx of migration into it.**

- 8.105 Guidance suggests that migration refers to the movement of people from one area to another. It includes migration within a country and is not restricted to migration from overseas. Authorities should consider whether the area has experienced a relatively large increase in the size of the population over a relatively short period of time. In assessing this, the local housing authority should consider whether net migration into the designated area has increased the population of the area.
- 8.106 Guidance goes on to suggest a population increase of around 15% or more over a 12 month period would be indicative that the area has or is experiencing a high level of migration into it. However, only one LSOA with the whole borough – in Bunhill Ward, met this criteria. There were three LSOAs – with between 10 and 15% - one each in Finsbury Park, Highbury West and Caledonian Wards. However we do not believe this shows the complete picture and so we looked at other evidence of migration into the borough.

Population growth:

- 8.107 Islington is the most densely populated local authority area in England and Wales, with over 15,500 people per square km. This is almost triple the London average and more than 37 times the national average.
- 8.108 The population of Islington increased by 30,000 (17%) between 2001 and 2011, to 206,100 residents. By 2018 the population of Islington is estimated to be 233,200. This is an increase of approximately 13% (27,000 people) since 2011.
- 8.109 The GLA 2018 mid year estimate suggests a 15.6% growth in the population since 2011. For the same period growth in London was 10.18%. Islington had the 3rd highest growth in London, whilst over the same period, UK growth was 11.74% (ONS 2018). So, Islington is growing faster than the UK and London.
- 8.110 ONS population growth estimates for the 10 years from 2016 to 2026 for the UK is 5.48%. The GLA predicts 9.17% growth for Islington in same period and 10.6% for London as a whole.
- 8.111 Islington's population profile in terms of relationship status is considerably different compared to London and England, with 60% of residents recorded as single compared to 44% in London and 35% in England. The percentage of people recorded as single in Islington increased from 54% in 2001. The equivalent figure was 41% in London and 30% in England in 2001. (2011 Census)
- 8.112 The largest category for household composition in Islington is one person households (31%). This had largely remained unchanged since 2001 (32%). (2011 Census)
- 8.113 The 2011 census showed that Islington has become a more ethnically diverse borough, with the younger population being more diverse than the older population.
- 8.114 33% of Islington residents were born outside of the United Kingdom compared to 14% Nationally. (ONS 2016-2017).

- 8.115 Almost 40% of the increase between the 2001 and 2011 Censuses is accounted for by a growth in the population born in the European Union but outside of the UK and Ireland (11,500 people, which is a 73% increase). The number of people born in non-EU countries increased by 10,400 (25% increase), while the number of people born in the UK increased by 9,600 (8% increase).
- 8.116 In 2008-2009 (GLA) Islington had the 4th highest population churn rate at 312 persons per 1,000 population. Population turnover was the eighth highest in London at 51,800. Growth estimates suggest the number of Islington households will increase to 122,400 by 2031.
- 8.117 The number of migrant new National Insurance Registrations in 2016 was the 17th highest in London at 8,919, a slight decrease from 2015 (9,534), although higher than all previous years and an increase of 3.7% since 2013. In the same year, new migrant GP registrations were the highest ever in Islington at 7,897, the 16th highest in London.
- 8.118 [Figure 18](#) shows the population estimates for non-UK born people from 2005 to 2016, showing a steady increase from below 60,000 to over 80,000.

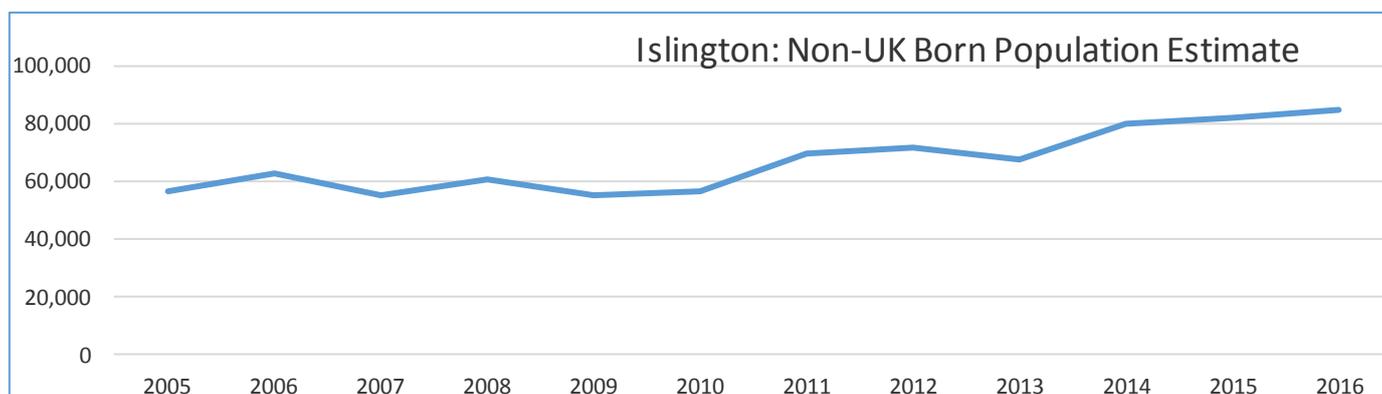


Figure 18. Non-UK born population estimates (source (GLA))

- 8.119 Looking at the latest available mid year population estimates by Ward, [Table 26](#) below shows that Bunhill Ward had the highest percentage increase of 6.95%, with seven Wards above the average population increase for Islington.

Ward	Mid-2015 Lower Layer Super Output Area population estimates for England and Wales	Mid-2016 Lower Layer Super Output Area population estimates for England and Wales	Percentage Change between Population Estimates
Bunhill	17680	18909	6.95%
Caledonian	14628	15325	4.76%
Finsbury Park	16270	17008	4.54%
Highbury West	17530	18055	2.99%
Holloway	17298	17795	2.87%
Highbury East	12850	13172	2.51%
Clerkenwell	12362	12641	2.26%
Hillrise	12347	12597	2.02%
St Peter's	13008	13263	1.96%
Mildmay	14166	14429	1.86%
Junction	12620	12714	0.74%
St Mary's	12792	12868	0.59%
Barnsbury	14034	14116	0.58%
Tollington	13995	14016	0.15%
Canonbury	13088	13062	-0.20%
St George's	13024	12895	-0.99%

Table 26. Percentage change in population estimates.

8.120 An index was produced based upon the average percentage population increase for each Ward. The average rate of population increase for all Wards was divided into the rate of population increase for each Ward to give an index comparable to the average. The average index being 1. [Table 27](#) below lists the Wards with a population increase index of greater than 1 (above average).

Bunhill	3.31
Caledonian	2.27
Finsbury Park	2.16
Highbury West	1.43
Holloway	1.37
Highbury East	1.19
Clerkenwell	1.07

Table 27. Population percentage change index

8.121 We also looked at a recognised indicator for increase in migration, which is the increase in new national insurance number registrations for overseas migrants (NINO). [Figure 19](#)

shows a gradual increase in the borough wide registrations, with some fluctuations between 2005 and 2016 from under 7,000 to 9,000 new registrations per annum.

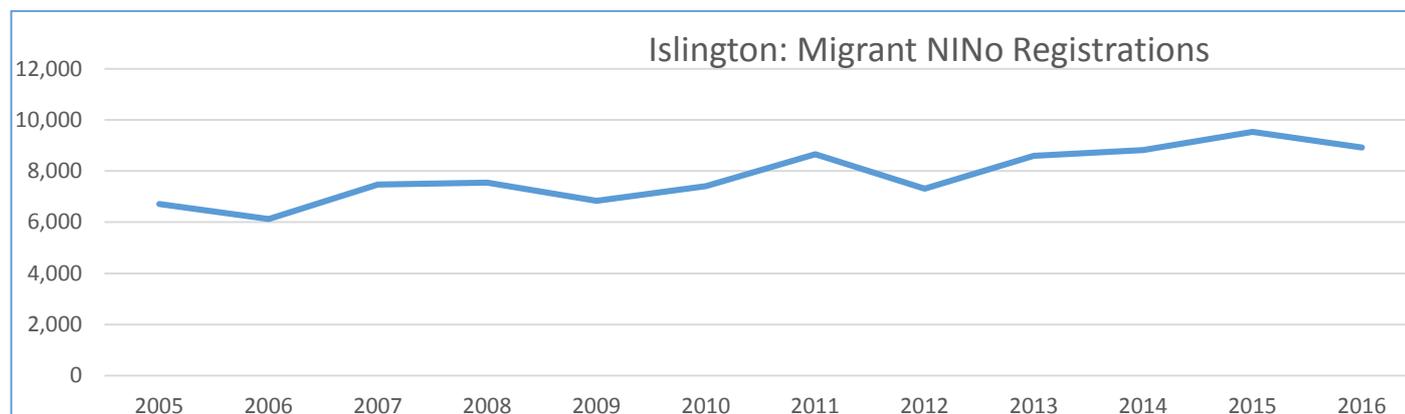


Figure 19. NINO registrations

8.122 The number of NINO registrations per 1,000 head of population by Ward was analysed, with five of the top seven Wards coinciding with the top seven Wards for population increase as in Table 27 above. The average was 49.1 per 1,000 head of population, with Finsbury Park the highest at 63.3.

8.123 The average rate of registrations per 1,000 population for all Wards was divided into the rate of registrations for each Ward to give an index comparable to the average. The average index being 1. [Table 28](#) below lists the Wards with a NINO index of greater than 1 (above average).

Clerkenwell	1.80
Bunhill	1.38
Finsbury Park	1.29
Barnsbury	1.14
Holloway	1.02
St George's	1.02
Caledonian	1.01

Table 28. NINO registrations index

8.124 We also looked at the new migrant GP registrations, which over the same period showed a similar increase, with an increase from just over 5,000 to 8,000, shown in [Figure 20](#) below.

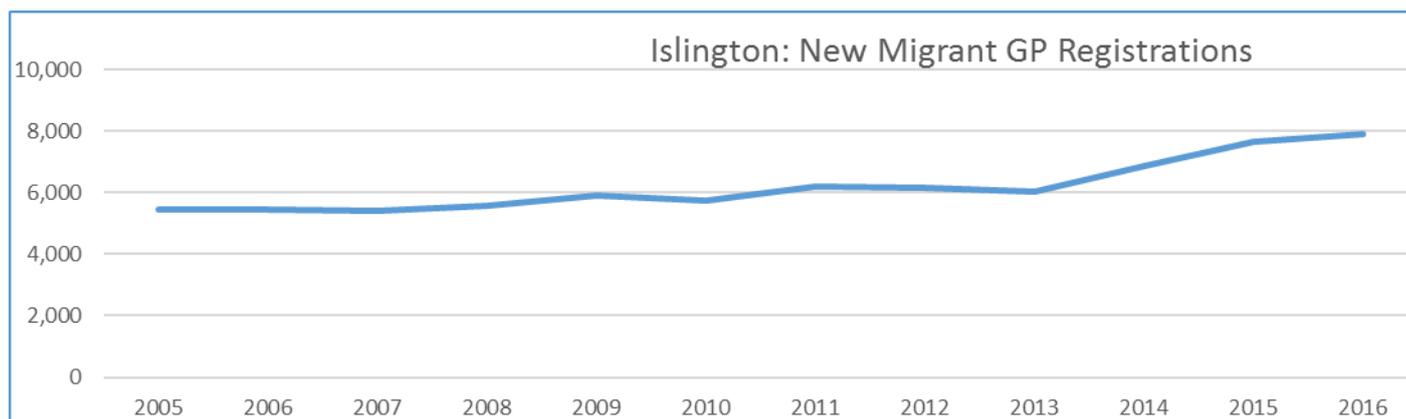


Figure 20. New migrant GP registrations

8.125 The migration data does not show a strong correlation with the distribution of the PRS or with poor property conditions, although Finsbury Park Ward does appear above average in both tables. Although there is clearly a steady increase in migration into the borough and certain Wards greater than others, the increase is not as significant as suggested by the guidance. Therefore, these two indexes for the migration criterion are given a weighting of 0.5 times to reflect its low relevance in determining areas suitable for designation for Selective Licensing.

Deprivation

8.126 To show that deprivation is a relevant criteria for the area(s) proposed for a Selective Licensing designation, it must be demonstrated **that the area is suffering from a high level of deprivation, which affects a significant number of the occupants of properties referred to in article 3(1)(a).**

8.127 Guidance suggests that the authority considers the following factors when compared to other similar neighbourhoods in the local authority area or within the region:

- the employment status of adults;
- the average income of households;
- the health of households;
- the availability and ease of access to education, training and other services for households;
- housing conditions;
- the physical environment;
- levels of crime

8.128 Data has been taken from the English Indices of Deprivation 2015 - Index of Multiple Deprivation.

8.129 Islington is a deprived borough with 52% of the population living in the 20% most deprived areas of the country. Islington is the fourth highest in London for number of LSOAs within the 10% most deprived areas in the country, and 48th highest in England. In terms of the

extent of deprivation across districts, Islington again ranks fourth highest for deprivation in London and 24th in England.

- 8.130 The graph in [Figure 21](#) shows the average of the IMD rank against each Ward based upon the decile for each LSOA within the Ward, where 1 equals the most deprived (i.e. within the top 10% most deprived in the country).

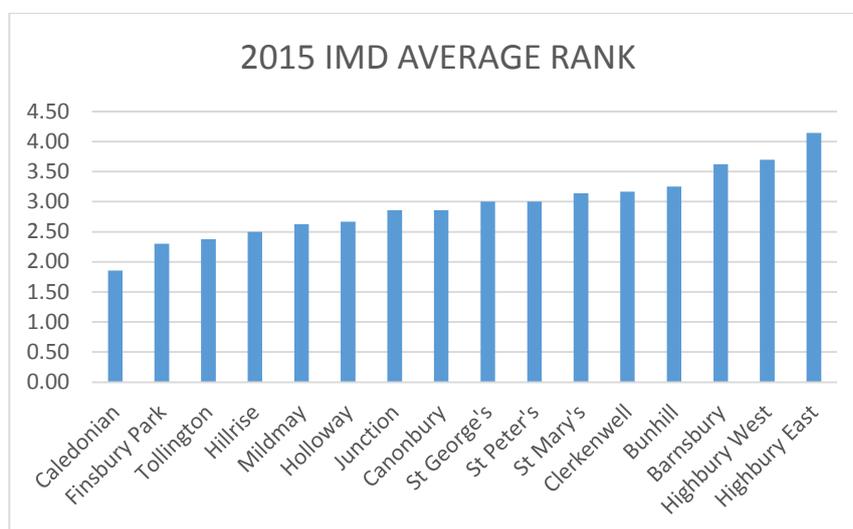


Figure 21. Average rank of deprivation by Ward (lowest equals most deprived)

- 8.131 Although Highbury West Ward appears to be the second least deprived Ward overall, it is significant to note that it is a larger Ward, with 10 LSOAs, rather than 7 or 8 in the other Wards and 60% of the Ward falls within the 30% most deprived neighbourhoods in England, but with two neighbourhoods in the Ward being amongst the least deprived, this provides a misleading average result for Highbury West.
- 8.132 [Figure 22](#) shows LSOAs where the overall 2015 IMD score is above the Islington average. In total 56 out of 123 LSOA met this criteria (46%). The LSOA's that meet this criteria have been shaded in green. It can be seen that most of Finsbury Park Ward falls into this category.

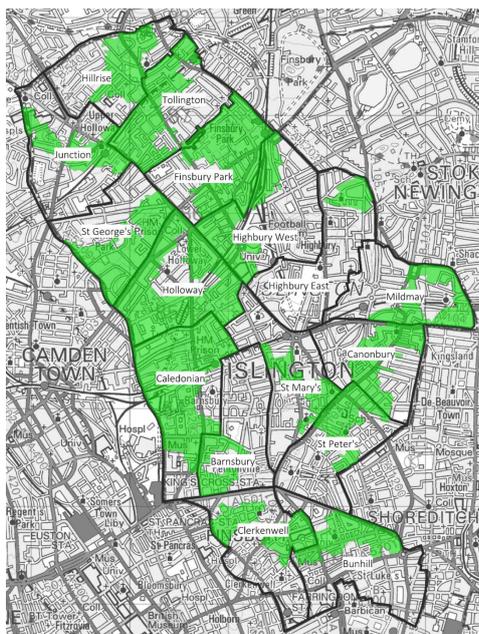


Figure 22. Map showing the LSOAs with above average 2015 IMD score

- 8.133 Islington ranked third nationally on the income deprivation indicator for children (35.3%), and fifth for income deprivation affecting older people (36.1%). The proportion of the Islington population living in deprived income households was 21.7% in 2015, ranking 19th nationally and fourth in London.
- 8.134 35% of children under the age of 16 live in low income households. This is the third highest nationally and an improvement from second in 2010. Child poverty is closely linked to unemployment - over a third (35.3%) of Islington children live in households where no one is in employment. In 2016/17, 52.9% (7,500) of primary school pupils in Islington's schools were eligible for the deprivation Pupil Premium. The proportion is even higher for secondary school pupils where 69.6% (5,300 pupils) are eligible for the deprivation Pupil Premium. 59.4% of Islington children eligible for any form of pupil premium achieved 5 A*-C grades at GCSE (or equivalent) in English and maths, compared with 74.8% of all other children in Islington. Across England, 43.2% of Pupil Premium children achieved that level, compared with 71.0% of all other children.
- 8.135 There are around 21,000 people aged 65 and over living in Islington, making up 9% of Islington's resident population. This means the borough has a relatively young population: 12% of the population of London and 18% of England are aged 65 and over. 53% of single pensioners in private sector housing in Islington are fuel poor, as opposed to 10.4% of all households. Pensioner households have a considerably lower income than the rest of the borough. 36% of Islington's 60+ population are living in income deprived households. The fourth highest proportion of 60+ persons living in income deprived households relative to all other London Boroughs.
- 8.136 Poverty is an issue in every part of the borough: there is a neighbourhood (LSOA) in every ward in Islington that is among the poorest 20% of neighbourhoods in England and only seven neighbourhoods in the whole borough in the top 50% least deprived in England.

- 8.137 Men in Islington have the 10th lowest life expectancy out of all London boroughs. Islington has a healthy-life expectancy of 60.7 years for men, and 61.6 for women. Both of these are slightly lower than for London (64.1 for males and females) and England (63.4 and 64.1). In Islington, men who live in the worst off areas are expected to live eight fewer years than men living in the best off areas in the borough.
- 8.138 In Islington 56% of lone parents are not in employment while just 21% are in full-time employment - half the figure for the wider population. 17.8% of all Islington households are workless.
- 8.139 In 2015, 9.8% of households were in Fuel Poverty, compared to 10.1% for London and 11.0% nationally.
- 8.140 The most recently published (2015) Index of Multiple Deprivation (IMD) was used to determine an index. This index takes account of each of the factors listed earlier, as per the guidance.
- 8.141 The index was produced based upon the average IMD rank for each Ward. Areas are ranked on a rising scale where 1 equals the most deprived. The average of the average IMD rank for all Wards was divided by the average IMD rank for each (based upon the decile for each LSOA within the Ward) to give an index comparable to the average. The average index being 1. [Table 29](#) below lists the Wards with an average IMD index of greater than 1 (above average).

Caledonian	1.58
Finsbury Park	1.28
Tollington	1.24
Hillrise	1.18
Mildmay	1.12
Holloway	1.10
Junction	1.03
Canonbury	1.03

Table 29. Average IMD rank index

- 8.142 Although all Wards rank highly on the IMD Average Ranking when compared to neighbouring areas, with Islington being the fifth highest in London, the eight Wards above are above the average for Islington. The ranking of these Wards correlates with the ranking of the worst property conditions in the borough and so deprivation is considered a persistent and relevant indicator of the need for the designation of a scheme. The IMD Index has therefore been given a 1.5 times weighting.

[Crime](#)

- 8.143 To show that crime is a relevant criterion for the area(s) proposed for a Selective Licensing designation, it must be demonstrated **that the area suffers from high levels of crime**.
- 8.144 Guidance suggests the authority should have regard to whether the area has displayed a noticeable increase in crime over a relatively short period, such as in the previous 12 months; whether the crime rate in the area is significantly higher than in other parts of the local authority area, or that the crime rate is higher than the national average. In particular the local housing authority may want to consider whether the impact of crime in the area affects the local community and the extent to which a selective licensing scheme can address the problems.
- 8.145 Met Police statistics for the years 16/17 and 17/18 show that there has been an increase in recorded crime of 10.19% in Islington, compared with only a 6.4% increase for the whole of London. For residential burglary, which significantly affects the local community, there was an increase of 55.67% compared to 33.68% for London.
- 8.146 In 2015/16, Islington had the second highest violent crime rate in London at 6,030 or 27 offences per 1,000 population, compared to 17 per 1,000 for London.
- 8.147 [Figure 23](#) shows the distribution of crime across LSOAs. Criteria: Any LSOA where; total crime in the LSOA is above the average for the borough or; where there was a percentage increase in crime in the LSOA that was more than that of the whole Metropolitan Police Force. In total 63 out of 123 LSOAs met this criteria (51%). The LSOAs that meet this criteria are shaded green.

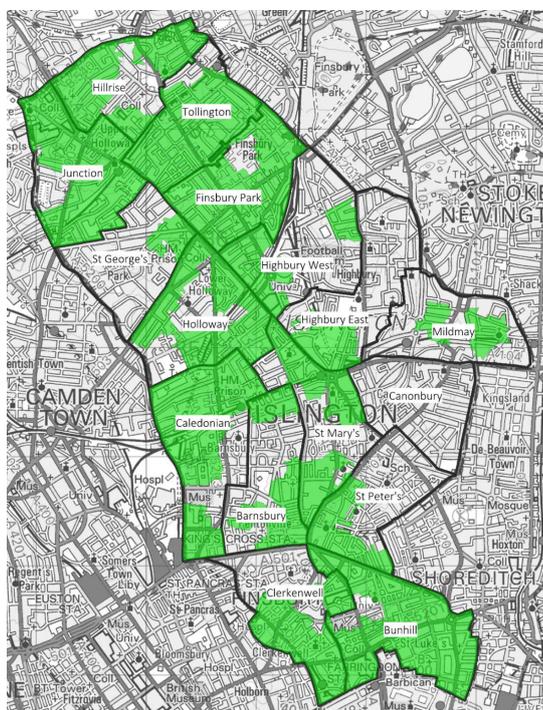


Figure 23. Distribution of crime above the average for Islington by LSOA over a 12 month period

8.148 Residential burglary crime is clearly something that affects the local community. Analysis of the burglary figures over the 12-month period to September 2018 shows that Tollington and Holloway Wards are most affected, with the top eight Wards in [Table 30](#) being above the average number of incidents (83.5).

Total Number of Burglary Residential Offences 1 Oct 2017 and 30 Sep 2018	
Tollington	137
Holloway	133
Finsbury Park	122
Highbury East	104
Mildmay	99
St George's	98
Caledonian	90
Highbury West	90
Junction	81
St Mary's	76
Hillrise	76
Canonbury	56
Bunhill	54
Clerkenwell	45
St Peter's	43
Barnsbury	32

Table 30. No. of residential burglary cases over 12 months by Ward

8.149 An index was produced for residential burglary in Islington. The average number of offences for all Wards was divided into the number of offences for each Ward to give an index comparable to the average. The average index being 1. [Table 31](#) below lists the Wards with a complaint index of greater than 1 (above average).

Tollington	1.64
Holloway	1.59
Finsbury Park	1.46
Highbury East	1.25
Mildmay	1.19
St George's	1.17
Caledonian	1.08
Highbury West	1.08

Table 31. Residential burglary index

8.150 Many other crimes can have an impact on the community and may be associated with areas with high levels of PRS. We also looked at the following crimes:

- criminal damage

- drugs
- personal robbery
- motor vehicle interference & tampering
- theft from a motor vehicle
- theft/taking of a motor vehicle
- theft/taking of pedal cycles
- snatch offences
- violence and sexual offences

8.151 [Table 32](#) shows the total number of these offences per Ward over the 12 months to September 2018.

All Crime - Ward	All Crime Number
Bunhill	1755
Finsbury Park	1686
St Mary's	1635
Clerkenwell	1456
Caledonian	1142
Holloway	1067
Junction	1057
Tollington	980
Highbury West	964
St Peter's	923
Mildmay	792
Barnsbury	704
Hillrise	681
Highbury East	663
St George's	628
Canonbury	384

Table 32. No. of total crime cases over 12 months by Ward

8.152 An index was produced for total crime in Islington. The average number of offences for all Wards was divided into the number of offences for each Ward to give an index comparable to the average. The average index being 1. [Table 33](#) below lists the Wards with a complaint index of greater than 1 (above average).

Bunhill	1.70
Finsbury Park	1.63
St Mary's	1.58
Clerkenwell	1.41
Caledonian	1.11
Holloway	1.03
Junction	1.02

Table 33. Total crime index

8.153 [Figure 24](#) shows the long term trend of crime and residential burglary over the period April 2015 to March 2018. It can be seen that levels are persistent throughout this period.

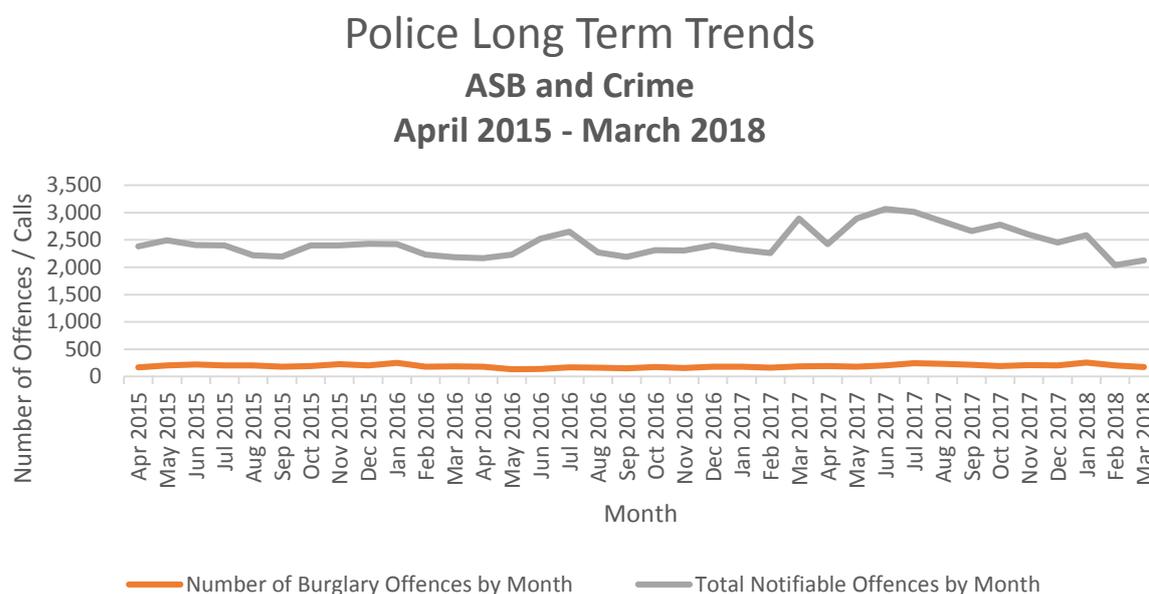


Figure 24. Long term crime and burglary trends 2015 – 2018

8.154 The Wards of Finsbury Park, Tollington and Holloway feature above average for both residential burglary and total crime in the borough. However, for total crime the Wards featuring do not correlate with those found to have poor property conditions. For burglary, Tollington, Holloway, Caledonian and Highbury West, as well as Finsbury Park Ward all feature highly on the poor property conditions ranking. Accordingly the total crime index has been given a weighting of times 1 and the burglary index a weighting of times 1.5.

[Houses in Multiple Occupation](#)

8.155 In order to demonstrate the need for an Additional Licensing designation, Section 56(2) of the Housing Act 2004, the authority must **consider that a significant proportion of the HMOs of the description to be included 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 HMO or for members of the public.**

8.156 Guidance provides examples of properties being managed sufficiently ineffectively, and as a result having a detrimental affect on a local area, to include;

- 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 occupants 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.
- Those where the lack of management or poor management skills or practices are otherwise adversely impacting upon the welfare, health or safety of residents and/or impacting upon the wider community.

8.157 There were 865 known HMOs in Islington as at September 2018. An analysis of the number of known HMOs has shown that the percentage of HMOs with poor property conditions is 25.3%. [Table 34](#) shows the percentage of poor property conditions of the known HMOs by Ward.

% of Known HMOs with Poor Conditions - Ward	Known HMO Properties - Number	% of Known HMOs with Poor Conditions
Bunhill	11	100.00%
Mildmay	23	56.52%
Finsbury Park	117	37.61%
Barnsbury	26	34.62%
Canonbury	19	31.58%
Junction	64	31.25%
Highbury West	50	28.00%
St Peter's	18	27.78%
Clerkenwell	11	27.27%
St George's	57	22.81%
Caledonian	173	20.81%
Tollington	55	18.18%
Holloway	98	17.35%
Hillrise	83	14.46%
Highbury East	26	11.54%
St Mary's	34	8.82%

Table 34. Percentage of known HMOs with poor property conditions

8.158 [Table 35](#) below shows the total number of Category 1 and 2 hazards found and the number and percentage of known HMOs found to have either a Category 1 or Category 2 hazard following inspection.

Ward	Total no. of Category 1 and 2 Hazards	No. of properties with Category 1 and 2 hazards	% of the total properties found with Category 1 and 2 hazards
Caledonian	145	89	22.03%
Finsbury Park	94	61	15.10%
Holloway	78	44	10.89%
Junction	65	38	9.41%
Highbury West	60	40	9.90%
Tollington	52	28	6.93%
St. Georges	41	21	5.20%
Hillrise	34	22	5.45%
Mildmay	17	10	2.48%
St. Mary's	15	11	2.72%
Canonbury	13	9	2.23%
Barnsbury	10	9	2.23%
St. Peter's	9	6	1.49%
Bunhill	8	7	1.73%
Highbury East	8	5	1.24%
Clerkenwell	6	4	0.99%
TOTAL	655	404	

Table 35. Number and percentage of Category 1 and 2 hazards in known HMOs

8.159 [Table 36](#) below shows the total number of Category 1 and 2 hazards found in all HMOs across 22 of the 29 hazards listed in the Housing Health & Safety Rating System (HHSRS).

Hazard Type	No. Category 1	No. Category 2
Fire	102	128
Excess cold	54	9
Falls associated with stairs and steps	34	44
Crowding and space	16	16
Falls between levels	10	28
Damp and mould growth	8	66
Food safety	7	18
Electrical hazards	6	17
Lighting	5	7
Entry by intruders	4	12
Excess heat	4	5
Falls on the level	4	8
Hot surfaces and materials	4	8
Structural collapse and falling elements	4	8
Falls associated with baths etc	2	0
Collision and entrapment	1	6
Domestic hygiene, pests and refuse	1	14
Personal hygiene, sanitation and drainage	1	20
Poor ergonomics	1	0
Noise	0	1
Carbon monoxide & fuel combustion products	0	1
TOTAL	268	423

Table 36. Number and type of Category 1 and 2 hazards found in HMOs.

- 8.160 Assuming from the earlier analysis that there are approximately 5,600 HMOs, at a rate of 25.3% there are estimated to be 1,417 HMOs suffering with poor property conditions that would require an intervention.
- 8.161 In order to analyse the types of poor property conditions likely to be found in these HMOs, we have looked at the results of the Finsbury Park Ward property survey. The number, percentage and type of issues found in S254 HMOs are shown in [Table 37](#) and in S257 HMOs in [Table 38](#).

		Percentage of S254 HMO properties with issues
Total number of S254 HMOs identified	30	
Number of properties identified with:		
Any issues	20	66.66%
External condition issues	3	10.00%
Internal condition issues	14	46.66%
Inadequate amenities	1	3.33%
Overcrowding	1	3.33%
Property management issues	15	50.00%
Lack of gas safety certificate	10	33.33%
No fire alarm	11	36.66%
Occupier does not feel safe from intruders	2	6.66%
No written tenancy agreement	1	3.33%
Property converted without Building Regulation compliance	1	3.33%

Table 37. Issues identified in S254 HMOS in Finsbury Park Ward survey

S257 HMO Properties		
		Percentage of S257 HMO properties with issues
Total number of S257 HMOs identified	33	
Number of properties identified with:		
Any issues	16	48.48%
External condition issues	13	39.39%
Internal condition issues	10	30.30%
Inadequate amenities	2	6.06%
Overcrowding	2	6.06%
Property management issues	12	36.36%
Lack of gas safety certificate	7	21.21%
No fire alarm	11	33.33%
Occupier does not feel safe from intruders	3	9.09%
No written tenancy agreement	0	0.00%
Property converted without Building Regulation compliance	21	63.63%

Table 38. Issues identified in S257 HMOS in Finsbury Park Ward survey

- 8.162 We have extrapolated the Finsbury Park Ward survey data to establish that the percentage of all HMOs with an issue identified was 57%, so on an assumed total of 5,600 HMOs borough-wide, there could be up to 3,192 requiring an intervention.
- 8.163 The two methods of calculating the number of HMOs with poor conditions has demonstrated a wide range, between 1,417 and 3,192 properties. The lower figure has been taken as the estimate for the purposes of this consultation. At 25.3% of expected

HMOs, this is deemed, in accordance with the government guidance, to be a significant proportion of the HMOs within the borough.

- 8.164 Following designation in September 2015, an evaluation of the Caledonian Road and Holloway Road Additional Licensing scheme was carried out in June 2017. Key findings of this evaluation were:
- 105 new landlords had gained accreditation.
 - Of those submitting applications, 54% of the properties deemed to be the highest risk were found to require further formal action to mitigate hazards or improve management.
 - 74% of properties inspected resulted in improvements being carried out.
 - 46% of properties inspected required works conditions applied to their licence.
 - 10% of properties inspected were found to be poorly managed.
 - 269 licence applications had been received (to end of September 2018)
 - 265 HMOs had been inspected (to end of September 2018)
 - A total of 95 hazards (65 Category 1 hazards) have been mitigated (to end of September 2018)
- 8.165 Between 2014 and 2018, the Planning service investigated 118 cases of unauthorised flats in the borough. In most cases these would be for 2 or 3 flats, but in some cases covered up to 12 unauthorised flats in one building.
- 8.166 The criterion of ASB has been considered earlier in the section relating to the proposed Selective Licensing scheme. It can be seen in [Table 39](#) that some of the areas with the highest concentration of known HMOs tend to have the highest levels of ASB.

Ward - No. of expected S254 HMOs	No. of expected S254 HMOs	Combined ASB - Ward	Combined Police and Council ASB cases
Finsbury Park	427	Finsbury Park	986
Holloway	377	Highbury West	853
Caledonian	338	Holloway	775
Highbury West	338	Bunhill	750
Tollington	297	St Mary's	716
Junction	259	Caledonian	690
Mildmay	256	Tollington	655
St George's	246	Clerkenwell	615
Bunhill	244	Junction	612
St Mary's	220	St Peter's	603
Highbury East	206	Canonbury	580
Hillrise	201	St George's	556
Barnsbury	193	Mildmay	518
Canonbury	191	Highbury East	503
St Peter's	189	Hillrise	425
Clerkenwell	167	Barnsbury	410

Table 39. Comparison of Wards with most HMOs with Wards with highest ASB

8.167 In [Figure 25](#), the cases of ASB reported to the council have been examined and show that, at 13% of properties, HMOs are the tenure with the highest levels of ASB.

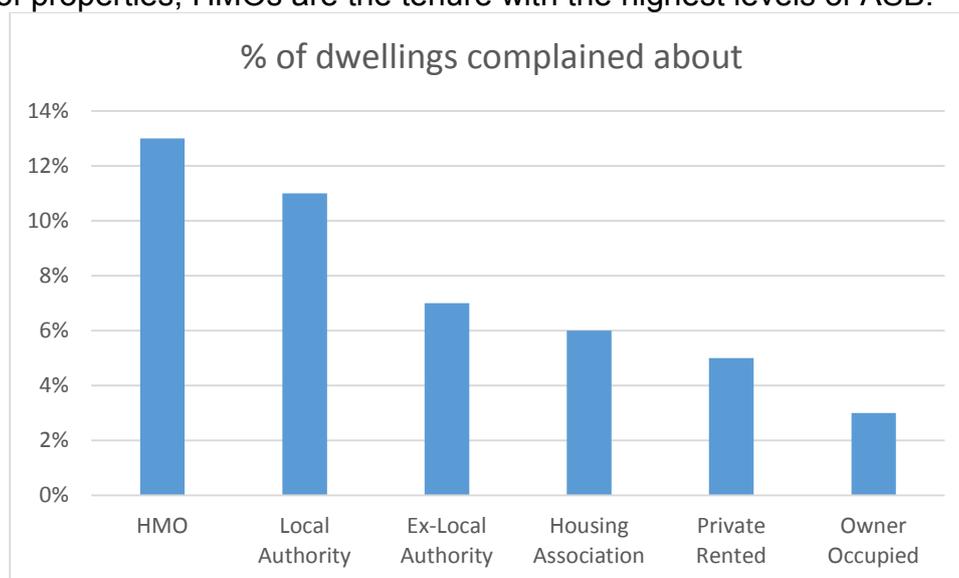


Figure 25 – Percentage of ASB complaints attributed by tenure

8.168 Large numbers of HMOs are clearly spread right across the borough. Evidence of poor conditions found in known HMOs supports the position that a borough-wide Additional Licensing scheme will enable the council to bring about improvement in the standard of management and condition of these properties.

9 Links to other strategies

9.1 The Housing Strategy 2014 to 2019 states: Our vision for Housing is:

“We will make sure everyone in Islington has a place to live that is affordable, decent and secure.”

9.2 This will be achieved through four priorities:

- a) Increase supply and choice
- b) Provide well managed and well maintained places to live
- c) Improve health and wellbeing
- d) Prevent homelessness and provide options

9.3 It goes on to say:

“We will seek to ensure high standards of management and good quality housing services are provided for housing associations and private sector residents. We will work together to improve neighbourhoods to make stronger and sustainable local communities during the current challenging economic times and beyond.”

“Secure and affordable housing is an enabler. Housing has an important role in shaping healthy places, preventing ill health, supporting residents into work, and tackling child poverty. We will continue to improve the condition and energy efficiency of homes because of the significant impact housing has on the quality of life of residents.”

9.4 Under the ‘Improve management standards, housing quality and choice in the private rented sector’ strand of the Housing Strategy, it is stated that, amongst other things:

“We want to see a sector that operates good standards of management and provides good quality affordable accommodation. We can achieve this aim through building good relationships with private landlords who work with the council to improve housing conditions and to let homes at affordable rent levels.”

“We will monitor standards in the private sector (including housing associations) and take action against rogue landlords and lettings agents and any poorly performing housing associations.”

“We will undertake feasibility work to assess the need for additional licensing of Houses in Multiple Occupation (HMO) and consider declaring an area for additional HMO licensing.”

“We will seek to influence housing associations and private sector landlords, and take action where necessary, to ensure high standards of management and good quality housing services are provided for their residents.”

9.5 Dealing with empty properties:

- Between 2010 and 2014, 139 empty properties were brought back into use
- In the same period, 151 properties were recovered from illegal sub-letting
- 400 under occupying households helped with moving to smaller homes and their existing homes re-let to overcrowded households and larger families
- 250 severely overcrowded families have been assisted

9.6 The Housing Strategy 2014-2019 goes on to state:

“Empty properties are a wasted resource that could provide much needed homes. They can blight local neighbourhoods and attract antisocial behaviour. We will reduce the number of empty homes especially in the private sector and focussing upon long term empty homes.

- i. We will not offer any discount on Council Tax payable on empty homes and will look to raise the level payable on long term empty properties*
- ii. We will, through direct incentives or enforcement action, bring 140 homes back into use each year.”*

9.7 Dealing with homelessness:

To prevent homelessness and provide options, key goals are to:

1) Work with our partners to further develop accessible and effective homelessness prevention and advice services

- i. We will increase homeless preventions through early intervention work.
- ii. We aim to keep the level of homelessness acceptances at or below 500 per annum.
- iii. We will coordinate advice and support to households impacted by the benefit cap and other planned welfare reforms.
- iv. We will support the work of the Islington Homelessness Forum by providing good information about prevention of homelessness services available for member agencies.
- v. We will monitor the impact of welfare reform and ensure we respond to current and new challenges to prevent homelessness.
- vi. We will investigate more cost effective options for the provision of temporary accommodation

2) Work with landlords to make private rented homes available to low income families and young people

- i. We will develop a new affordability assessment to make sure housing options in the private sector are sustainable.
- ii. We will increase private sector opportunities through development of cost effective incentives, including setting up a social lettings agency (subject to a viable business case).

3) Provide more move on options for people in supported housing

- i. We will increase access to floating support services to help sustain tenancies and reduce the number of people in temporary accommodation
- ii. We will increase supported choice to help people move into a permanent home.

- 9.8 The Housing Strategy 2014-2019 Action Plan, lists the following Actions that are being taken:
- Increase number of successful homeless preventions and sustain homelessness acceptances at below 500 per annum
 - Co-ordinate advice and support to households impacted by the total benefit cap and promote use of DHP and other available funds to prevent homelessness
 - Support the work of the Islington Homelessness Forum and keep agencies and partners updated on changes in welfare reform
- 9.9 The Preventing Homelessness Strategy 2012-2014 (a new strategy is being prepared) lists the following work with partners to prevent homelessness:
1. Homelessness Forum –brings together the key statutory and voluntary agencies to help tackle homelessness on a more strategic basis. The Forum meets quarterly and is one of the largest in London.
 2. Supporting Peoples Providers Forum – this brings together providers of supported housing to consider issues of relevance including operational matters. Many of the organisations who attend the SP forum also attend the Homelessness Forum
 3. Outreach Forum - this brings together agencies involved in working with Islington’s street population which includes rough sleepers, sex workers, etc
 4. Private Sector Landlords Forum – this brings together landlords in the borough to discuss and find out more about key issues.
 5. Islington Housing Group – this bring together key registered providers of social housing in Islington to consider a wide range of strategic and operational housing issues including development of new homes and meeting housing needs
 6. North London Homelessness Group – a sub group of the North London Sub Regional Directors Group which discuss and agree ideas for joint working. For example development of a strategy to tackle Rough Sleeping, which was led by Islington Council.
 7. Community Advice Network – this enables voluntary and community sector partners to find out more about key issues of relevance including changes to the benefits system. A Housing Options bulletin is also produced to complement the Network.

Regeneration:

The Finsbury Park Accord

- 9.10 The Finsbury Park Town Centre is an area of enormous untapped regeneration potential. The asset of a large open space in the shape of Finsbury Park itself, the excellent and improving public transport connections and the dynamism of the multicultural community who live and work there make Finsbury Park a unique area.
- 9.11 However, Finsbury Park Town Centre is also one of the most deprived areas in the country. Its urban fabric is severely constrained by roads, railways and poor quality public spaces. The area’s location on the boundaries of three London boroughs further complicates a coordinated approach to resolving its challenges.

-
- 9.12 On 1 June 2012, the Leaders of Islington and Haringey and the Mayor of Hackney signed the Finsbury Park Accord. The Accord is a collaboration between Hackney, Haringey and Islington that aims to take on the longstanding challenges of Finsbury Park, realising the area's promise to provide jobs and homes in north London.
- 9.13 The Finsbury Park Accord forms a partnership to prioritise long term strategic regeneration goals for boosting housing, employment and investment at the intersection of the three north London boroughs.
- 9.14 The partnership will work together to make Finsbury Park, already an important North London town centre and neighbourhood, an area that offers all Londoners and tourists a destination to visit.

The Finsbury Park Regeneration Board

- 9.15 The Finsbury Park Regeneration Board was established as a tri-borough mechanism for the delivery of the objectives of the Finsbury Park Accord. The board includes executive members from Islington, Hackney and Haringey Councils, as well as representatives from Transport for London and Network Rail.
- 9.16 Islington Council is now making available in its budget half a million pounds over three years to help regenerate the area. In particular, we will work with the local community and with partners to improve the unattractive areas beneath the railway bridges across Seven Sisters Road and Stroud Green Road, we will seek to see the Sir George Robey pub brought back into productive use after sitting derelict for too long, and we will deliver a raft of smaller environmental improvements to help make the area a cleaner, safer and greener place to live, work and trade. The physical, social and economic regeneration of Finsbury Park is an important priority for the council. Our job now is to ensure this funding makes a real difference where it matters, on the ground.

Finsbury Park Development Framework Supplementary Planning Document

- 9.17 The Finsbury Park Development Framework Supplementary Planning Document (SPD) was adopted by the council on 12 March 2015. The SPD focuses on the area directly west of Finsbury Park Station, which is currently the focus of development activity. In anticipation of development proposals that may come forward in the area in future years, the Finsbury Park Development Framework SPD provides a further layer of detail to the broad development objectives that are outlined in the adopted Finsbury Park Town Centre SPD (see below).

Finsbury Park Town Centre Supplementary Planning Document

- 9.18 The Finsbury Park Town Centre Supplementary Planning Document (SPD) has been adopted by Islington, Haringey and Hackney Councils. The SPD sets out a single vision for the regeneration of Finsbury Park Town Centre, parts of which fall within each of Islington, Haringey and Hackney, and includes an action plan to support the delivery future improvements in the area. Islington Council adopted the SPD on 16 July 2014, Haringey

Council adopted the document on 25 June 2014 and Hackney Council adopted the document on 21 July 2014.

King's Cross Central

- 9.19 King's Cross Central in Camden and just across the border from Islington, is currently the largest development project in Western Europe. The area is developing as a transport hub and a key destination. An exciting new mixed-use development is proposed for King's Cross Central including a university, 1,700 residential units, 650 units for student housing, over 450,000sqm for business and employment, over 45,000sqm for retail and food and drink outlets, over 70,000sqm for community use, over 28,000sqm for leisure, the creation of three new public squares and major investment in the public transport interchange at King's Cross and St Pancras Stations.

Cally Plan (SPD)

- 9.20 The [Cally Plan Supplementary Planning Document](#) (SPD) covers a section of Caledonian Road from the Regent's Canal north to Pentonville Prison known as the Cally, and the area to the west which connects the Cally to York Way and King's Cross. The SPD sets out a vision for the future of this area and includes projects and policy guidance to improve the Cally and achieve this vision.

King's Cross Place Plan

- 9.21 King's Cross is an important and vibrant area that will experience major growth and change in the coming years, mainly as a result of the King's Cross Central development and improvements to King's Cross Station. These changes create both opportunities and challenges for local communities.
- 9.22 Islington and Camden Councils have therefore been working together to develop a Place Plan for the King's Cross area. This plan sets out a vision for the future of King's Cross that reflects the priorities for the area. It is supported by a set of actions to ensure that changes in the area deliver services, facilities and public spaces that meet the needs of people who live, work and visit the area. The Place Plan was adopted by Islington's Executive on 3 July 2012. It was also separately adopted by Camden Council.

King's Cross Islington (SPD)

- 9.23 A Supplementary Planning Document was created for the part of King's Cross that falls within Islington, called the [Neighbourhood Framework document](#). This document comprises nine Neighbourhood Action Plans which are designed to identify opportunities for improvement and change in each area, and directly benefit the communities there.
- 9.24 New developments in King's Cross Islington that have recently been successfully delivered include King's Place and the Regent's Quarter. King's Place opened its doors to the public in 2008. It is a successful mixed-use development housing the Guardian and Observer offices, a music venue, gallery, restaurant and café.

9.25 Heritage-based regeneration has taken place further south along York Way in the form of the Regent's Quarter. Through the creative re-use of existing nineteenth century buildings, the regeneration has created a distinctive urban quarter based on the area's industrial heritage. It is a pioneering example of conservation-led regeneration and is proving a commercial success.

Crime and ASB:

9.26 There are a number of ongoing initiatives that the proposed designation will work alongside:

9.27 For the past five years, theft snatch has been one of the fastest growing crime types in Islington, contributing to a large proportion of the total crime on the borough. In the last year there has been a partnership effort between the council and police to tackle this problem, including a dedicated policing operation (Op Venice). Since the beginning of 2018, we have seen reductions in this crime type. There were 113 snatch theft offences recorded in September 2018. This is the lowest number of monthly offences since August 2014. There has been a 50% reduction in the past 12 months compared to the same period in the previous year. In October 2018, Islington were ranked third out of 32 MPS boroughs for Theft Snatch.

9.28 This has led to a 7% reduction in total crime between 1 October 2017 and 30 September 2018 compared to the same period in the previous year. Islington was ranked 11th out of 32 MPS boroughs for all crime. Across the MPS there was a 2% increase. The reduction can be largely attributed to the reduction in theft snatch.

9.29 Serious Youth Violence recorded a reduction of 16 offences compared to the same period in the previous year. Islington was ranked 20th out of 32 MPS boroughs. In 2017/18, the IGT worked with 76 young people in their Top 50 cohort, 29 young women at risk of gangs and CSE and 28 young people at risk of gang involvement. In total 27 young people completed their interventions. The IGT have supported a total of 29 people into education, training or employment during the period between April 2017 to March 2018 and supported 43 young people with their housing needs.

9.30 There has been a 15% increase in burglary offences in Islington in the past 12 months compared to the same period the previous year, although there was a reduction in September 2018. The police intelligence team have created a problem profile, which is informing the police response.

9.31 There has been a 14% increase in robbery offences in Islington in the past 12 months compared to the same period the previous year, although levels are lower than earlier in 2018. A group who were known to be offending in the north of the borough were identified and the necessary support and enforcement measures were put in place. Islington are currently ranked fourth out of 32 MPS boroughs.

9.32 There has been a 14% increase in knife crime compared to the same period in the previous year, however there has been an 11% reduction in knife crime with injury (non-domestic abuse and where victim is aged under 25). There is a London wide strategy being implemented by MOPAC around serious violence and knife crime.

- 9.33 Whilst drug possession offences have been decreasing across the borough, research has indicated that there are areas across the borough where open drug dealing is rife. Associated problems associated with drug dealing, such as high levels of substance misuse, acquisitive crime and anti-social behaviour is also high in these hot spot areas. A new joint drugs strategy between the council and police is being designed and implemented to tackle these issues.
- 9.34 The Safer Islington Partnership have a monthly operational meeting to tackle priority problems that have been identified. There is an action plan for each area (north, south, east and west of the borough) and partnership actions are taken away each meeting. This is in line with the police monthly tasking meeting. Community Safety officers co-ordinate the action plans and record the outcomes. Islington currently have 5 Community Safety Officers who co-ordinate responses to crime and ASB issues identified across the borough. They work closely with partners, including the police and housing providers to find the best possible outcomes for residents, businesses and visitors to the borough. Islington Council also has a Street Population Co-ordinator, a Complex Needs Outreach Worker and a NRPF (no recourse to public funds) Case Worker to tack street population issues across the borough.
- 9.35 Islington Council has a 24/7 ASB Reporting Line and an out of hours ASB Response service 7 nights a week. Information on calls made to the Reporting Line is routinely shared with relevant partners who work together to resolve ASB cases. The Islington Community MARAC (Multi-Agency Risk Assessment Conference) is a multi-agency meeting where information is shared on vulnerable victims of anti-social behaviour (ASB). The aim is to identify the highest risk, most complex cases and problem-solve the issues of concern. Victims also include those experiencing hate crime. The Islington Community MARAC is regarded as one of the best across London. In line with this, there is a repeat callers meeting, which looks at the top callers to the council and police. Five of the top repeat callers generated 265 calls to the council out of hours team (Sep 2017 to Feb 2018). In the following 6 month period there was a 56% reduction. Our Housing Teams also have anti-social behaviour officers who deal with issues raised on Islington Council estates.
- 9.36 Alongside this, Islington have implemented a Safe Havens scheme. Public premises such as shops, cafes, pubs, libraries and other places of interest can register to be officially known as a safe haven and anyone who may feel in danger, feel threatened or harassed on the street, are unwell or just in need of some help you can look for the safe haven sign in windows. These premises have received training to help assist in these cases.
- 9.37 The police are trialling anti-social behaviour warning letters in Islington and Camden. Originally introduced into Tower Hamlets Borough as a pilot scheme running for 12 months from September 2016 to 2017 to tackle their high levels of ASB, (they had the highest volume in the Met). Another aim of the warning letters is to improve working and sharing with the council and ensure better diversion services. It ensures better recording of ASB related incidents and more opportunity for intervention. Since rolling them out in July 2018, there have been 210 ASB warnings issued across Camden and Islington. There have been 121 issued in Islington.

9.38 Islington's approach to youth crime.

- Work together for a safer Islington youth crime plan, with a focus on early intervention and prevention and on safeguarding
- There is a Missing and Exploited team working with vulnerable young people who have missing spells or are at risk of CSE or county lines
- Targeted interventions, enforcement and support for those young people identified as the most high risk (i.e. Integrated Gangs Team)
- Maintained/increased investment in services for young people including mentoring, key working, trauma informed work in schools and youth settings, youth violence prevention toolkit, Abianda and Victim Support etc.
- Regular weapon sweeps in hot spot areas through the police, Parkguard and also community weapon sweeps
- Better partnership working to achieve positive outcomes and information sharing. Good relationships with third party organisations offering support and outreach i.e. The Arsenal.

Community Trigger:

9.39 The Community Trigger is the name generally applied to the response to complaints section of the Anti-Social Behaviour, Crime and Policing Act 2014 Act and enables victims to require agencies to carry out a review of their response to the anti-social behaviour they reported.

9.40 It can be instigated by any victim or victims representative with written permission.

9.41 It requires the Local Authority to undertake a case review once the threshold has been met even if the complaints have been received by Police or a Registered Housing Provider. We have received nine applications since April 2018.

10 [Methodology](#)

[Selective Licensing methodology](#)

- 10.1 Having gathered the data and determined its relevance to the criteria for designation of a Selective Licensing scheme, a methodology was devised to draw together all the relevant data, apply weightings (as has been described in the Evidence section of this consultation) and combine the results to provide a representative picture of the borough.
- 10.2 Each of the relevant criteria were scored per Ward as an index, where 1 equals the borough average for that criteria. An index of greater than one means that the Ward was above average for that criteria. [Table 40](#) shows the weightings applied to each of the criteria. The weightings were applied with the greatest emphasis on poor property conditions, arising from Category 1 and 2 hazards found and complaints received. To reflect the perceived relevance of the other criteria, deprivation and residential burglary were weighted slightly higher than all crime and ASB complaints, with migration seen as the lowest relevant criteria and so weighted lowest at 0.5 times the index.

Criteria	Weighting Applied
Category 1 and 2 hazards found as percentage of the PRS in the Ward	x 5
Total complaints about property conditions	x 4
Nuisance complaints about properties	x 2
Index of Multiple Deprivation rank	x 1.5
ASB complaints to the council	x 1
ASB complaints to the police	x 1
Total crime offences	x 1
Burglary offences	x 1.5
New National Insurance Number Registrations	x 0.5
Percentage of population change	x 0.5

Table 40. Criteria index weightings

- 10.3 After applying the weightings, the totals of all the weighted indexes were combined to provide an overall weighted index. A Ward that was at exactly the average for every criterion would have a total weighted index of 18. Therefore, a Ward with a weighted total over 18 is above average considering all the factors. [Table 41](#) shows the total weighted indexes per Ward.

Ward	Total Index
Finsbury Park	36.89
Caledonian	29.99
Holloway	25.08
Tollington	22.30
Junction	22.08
Highbury West	19.47
Hillrise	18.27
St Mary's	14.68
St George's	14.61
Bunhill	14.58
Mildmay	12.61
St Peter's	12.45
Barnsbury	12.21
Highbury East	12.01
Clerkenwell	11.51
Canonbury	10.13

Table 41. Total weighted indexes for all Wards.

10.4 [Table 42](#) below shows the individual unweighted indexes for each of the criteria. Those highlighted red are above average. Those highlighted amber are within 0.1 of being above the average and those in green are all those 0.1 or more below average.

Ward	Cat 1 & 2 Hazards Index	Total Property Complaints Index	Nuisance Complaints Index	IMD Index	ASB LA Index	ASB Police Index	All Crime Index	Burglary Crime Index	NINO Index	Population % change Index
Finsbury Park	2.62	2.26	2.07	1.28	1.42	1.72	1.63	1.46	1.29	2.16
Caledonian	2.59	1.43	1.13	1.58	0.74	1.58	1.11	1.08	1.01	2.27
Holloway	1.53	1.41	1.51	1.10	1.06	1.44	1.03	1.59	1.02	1.37
Tollington	1.31	1.31	1.41	1.24	1.16	0.82	0.95	1.64	0.80	0.07
Junction	1.45	1.38	1.29	1.03	0.68	1.36	1.02	0.97	1.00	0.35
Highbury West	1.53	0.70	0.75	0.79	1.35	1.30	0.93	1.08	0.84	1.43
Hillrise	0.85	1.34	1.38	1.18	0.77	0.50	0.66	0.91	0.75	0.96
St Mary's	0.41	0.81	1.10	0.94	1.02	1.27	1.58	0.91	0.85	0.28
St George's	0.76	0.81	0.88	0.98	0.97	0.72	0.61	1.17	1.02	-0.47
Bunhill	0.44	0.63	0.60	0.90	1.22	1.09	1.70	0.65	1.38	3.31
Mildmay	0.44	0.65	0.60	1.12	0.90	0.68	0.77	1.19	0.74	0.88
St Peter's	0.49	0.70	0.63	0.98	0.97	0.90	0.89	0.51	0.93	0.93
Barnsbury	0.41	0.98	0.85	0.81	0.50	0.84	0.68	0.38	1.14	0.28
Highbury East	0.41	0.66	0.66	0.71	0.95	0.53	0.64	1.25	0.68	1.19

Clerkenwell	0.30	0.42	0.72	0.93	1.10	0.75	1.41	0.54	1.80	1.07
Canonbury	0.46	0.52	0.41	1.03	1.18	0.49	0.37	0.67	0.74	-0.09

Table 42. Unweighted indexes of all Selective Licensing criteria by Ward

- 10.5 [Table 43](#) shows the total weighted index for each ward in order of the highest to lowest. The average is 18, so a total of seven Wards are above average across all criteria when the weightings are applied. The table also shows the geographical area and percentage of PRS for each Ward and the percentage of the borough for each.

Ward	Total Index	PRS - % 2011 Census	PRS - Number 2011 Census	PRS % of borough 2011 Census count	Area hectares	Area %
Finsbury Park	36.89	32.61%	1996	7.92%	91.60	6.16%
Caledonian	29.99	30.68%	1822	7.23%	113.80	7.66%
Holloway	25.08	27.53%	1737	6.89%	100.90	6.79%
Tollington	22.30	27.49%	1629	6.46%	84.70	5.70%
Junction	22.08	26.36%	1449	5.75%	102.80	6.92%
Highbury West	19.47	34.56%	2316	9.18%	108.20	7.28%
Hillrise	18.27	20.50%	1021	4.05%	82.50	5.55%
St Mary's	14.68	30.26%	1642	6.51%	86.90	5.85%
St George's	14.61	26.67%	1413	5.60%	84.60	5.69%
Bunhill	14.58	29.93%	1961	7.78%	108.90	7.33%
Mildmay	12.61	23.87%	1360	5.39%	82.60	5.56%
St Peter's	12.45	24.60%	1333	5.29%	81.00	5.45%
Barnsbury	12.21	27.99%	1512	6.00%	83.00	5.59%
Highbury East	12.01	26.55%	1368	5.42%	100.40	6.76%
Clerkenwell	11.51	27.10%	1401	5.56%	93.50	6.29%
Canonbury	10.13	22.70%	1257	4.98%	80.70	5.43%

Table 43. Total weighted index per Ward and percentage of PRS and geographical area

[Additional Licensing methodology](#)

- 10.6 Council tax data was used to predict the location of HMOs in the borough.
- 10.7 In determining that there is a need for not just an Additional Licensing scheme that goes beyond Caledonian Road and Holloway Road, but for a borough-wide scheme, we have considered the data available and concluded that, although some areas have greater numbers of HMOs, HMOs that are poorly managed and ASB, there are significant numbers across all Wards in the borough.
- 10.8 [Table 44](#) shows the number and percentage of properties that have a high certainty of being HMOs, along with the percentage of poor property conditions and ASB experienced in the area.

Ward	No. of expected S254 HMOs	% of expected S254 HMOs	Est no. of S257 HMOs based on 1,800	% of Est no. of S257 HMOs based on 1,800	Total number of expected HMOs	% of addresses occupied by students	% of properties with Category 1 hazards	Est no. of HMOs with Category 1 hazards	% of Known HMOs with poor Conditions	Est no. of HMOs with poor conditions	% of cases of all ASB
Finsbury Park	366	9.72%	243	13.53%	609	11.67%	16.67%	102	37.61%	229	9.62%
Holloway	333	8.84%	360	20.00%	693	10.06%	10.92%	76	17.35%	120	7.56%
Caledonian	275	7.30%	204	11.33%	479	10.96%	19.54%	94	20.81%	100	6.73%
Highbury West	302	8.02%	133	7.40%	435	5.12%	12.07%	53	28.00%	122	8.32%
Tollington	272	7.22%	173	9.60%	445	5.98%	5.75%	26	18.18%	81	6.39%
Junction	238	6.32%	114	6.36%	352	4.74%	8.62%	30	31.25%	110	5.97%
Mildmay	243	6.45%	54	3.01%	297	3.27%	2.87%	9	56.52%	168	5.06%
St George's	208	5.52%	119	6.59%	327	5.93%	5.75%	19	22.81%	74	5.43%
Bunhill	237	6.29%	71	3.93%	308	10.96%	1.72%	5	100.00%	80	7.32%
St Mary's	209	5.55%	104	5.78%	313	4.22%	2.30%	7	8.82%	28	6.99%
Highbury East	200	5.31%	37	2.08%	237	2.94%	1.15%	3	11.54%	27	4.91%
Hillrise	177	4.70%	54	3.01%	231	3.13%	6.90%	16	14.46%	33	4.15%
Barnsbury	183	4.86%	48	2.66%	231	5.36%	2.87%	7	34.62%	80	4.00%
Canonbury	176	4.67%	23	1.27%	199	3.23%	1.72%	3	31.58%	63	5.66%
St Peter's	183	4.86%	40	2.20%	223	5.65%	0.57%	1	27.78%	62	5.88%
Clerkenwell	163	4.33%	23	1.27%	186	6.78%	0.57%	1	27.27%	51	6.00%
TOTAL	3,765		1,800		5,565			450		1,428	

Table 44. Expected distribution of HMOs by Ward and numbers with Category 1 hazards and poor conditions. Percentage of the boroughs ASB is also shown

- 10.9 The number of estimated S257s per Ward was calculated by multiplying the percentage of known HMOs per Ward by the estimated number of 1,800 S257 HMOs for the whole borough.
- 10.10 The estimated number of HMOs with poor property conditions for Bunhill Ward has been revised down using the average percentage for the whole borough, due to the disproportionately high percentage of 100% of all the small sample of 11 known cases having been found with poor property conditions.
- 10.11 It can be seen that ASB cases are fairly evenly spread across all Wards, with slightly higher numbers in Finsbury Park, Holloway, Highbury West and Bunhill Wards.

Appendix 1 – List of streets included in Finsbury Park Ward within scope of the proposed Selective Licensing scheme.

ALLERTON WALK	MAYTON STREET
ANDOVER ROAD	MEDINA GROVE
ANNETTE ROAD	MEDINA ROAD
ARTHUR ROAD	MINGARD WALK
ATHELSTANE MEWS	MORAY MEWS
AXMINSTER ROAD	MORAY ROAD
BERKELEY WALK	MORRIS PLACE
BERRIMAN ROAD	NEWINGTON BARROW WAY
BESANT WALK	PAKEMAN STREET
BIGGERSTAFF STREET	PARKSIDE CRESCENT
BIRNAM ROAD	PLAYFORD ROAD
BOLTON WALK	POOLES PARK
BOWMAN'S MEWS	RAY WALK
BRYETT ROAD	RIXON STREET
CARVILLE STREET	RODEN STREET
CHAPEL WAY	ROTH WALK
CHARTERIS ROAD	SALTERTON ROAD
City North Place	SELDEN WALK
CLIFTON TERRACE	SEVEN SISTERS ROAD
COLERIDGE ROAD	SIDINGS MEWS
CORKER WALK	SONDERBURG ROAD
DURHAM ROAD	STACEY STREET
EBURNE ROAD	STATION PLACE
EMPIRE SQUARE	STEVE BIKO ROAD
FALCONER WALK	STROUD GREEN ROAD
FONTHILL MEWS	SUSSEX WAY
FONTHILL ROAD	THANE VILLAS
GOODWIN STREET	THANE WORKS
HANMER WALK	TILTMAN PLACE
HATLEY ROAD	TODDS WALK
HEATHER CLOSE	TOLLINGTON PARK
HERCULES PLACE	TOLLINGTON ROAD
HERCULES STREET	TOLLINGTON WAY
HERCULES YARD	TOMLINS WALK
HERTSLET ROAD	TRAVERS ROAD
HOLLOWAY ROAD	VAL MCKENZIE AVENUE
HORNSEY ROAD	WELLS TERRACE
INGLEBY ROAD	WESLEY CLOSE
ISLEDON ROAD	WHADCOAT STREET
KINLOCH STREET	WINDSOR ROAD
LAZAR WALK	WOODFALL ROAD

LENNOX ROAD MANOR GARDENS	PROPOSED LICENCE FEES 2019-2020	YONGE PARK
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[Appendix 2 – Schedule of Proposed Licence Fees](#)

The London Borough of Islington Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2019

Fees for Additional HMO Licensing Scheme: S254 HMOs

Application fee	Part I: £162.00 per letting*	*A letting includes: a. bedsit rooms b. bedrooms in a shared house or flat which is occupied by more than one household (even if there is only one tenancy agreement for all tenants) c. self-contained flats in single household occupation within the HMO
	Part II: £126.00 per letting*	
	Total: £288.00 per letting*	
Application fee for ATLAS (formally LLAS) Accredited** licence holder or manager	Part I: £138.00 per letting*	* See note above.
	Part II: £107.00 per letting*	
	Total: £245.00 per letting*	
Assisted application	Additional £352.00 per HMO	Added to the above for assistance with measuring rooms, producing plans and completing the application form.
Minor amendments	Included	Change of Address (for licence holder or manager)

Change of Manager (if no change of licence holder) ***	Included	Licence holder changing nominated manager (manager has to complete a Fit & Proper Person declaration)
Variation of licence (if no change of licence holder) ***	Included	Material change to the licence such as new facilities installed and licence can be varied for a greater number of occupants
Revocation of licence / no longer licensable / numbers of occupants reduced by conditions on licence	No refund	Once application submitted for specified number of lettings, costs have been incurred in processing application, draft and/or full licence
Student Accommodation:- Application fee for large student accommodation developments	£33.00 per bed space	This fee only applies to licensable large scale purpose built or converted student accommodation where the provider has signed up to the ANUK/Unipol Code of Practice.

1. The fee is composed of two parts:
 - Part I covers the costs of the scheme's 'authorisation procedures and formalities', i.e. the costs of processing the application
 - Part II covers the costs of running and enforcing the scheme.
2. In the event of the application for a house licence being refused, Part I will still be payable for consideration and processing of the licence application, whilst Part II will not be due.

** Accredited under London Landlords Accreditation Scheme. For more information see www.londonlandlords.org.uk/accreditation or phone 020 7974 5893 or e-mail LLAS@camden.gov.uk

*** If there is a change of licence holder, this will be treated as a new application

The London Borough of Islington Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2019

Fees for Additional HMO Licensing Scheme: Converted buildings containing self-contained flats-

Application fee	Part I: £394.00 per building*	<p>*Any building converted into self-contained flats where:</p> <ul style="list-style-type: none"> The conversion work did not comply with the Building Regulations 1991 (or later regulations if applicable) and it still does not comply; <u>and</u> None of the flats are owner-occupied by freeholders or long leaseholders (21 years or more) <p>(these are known 's257' HMOs)</p>
	Part II: £309.00 per building*	
	Total: £703.00 per building*	
Application fee for ATLAS (formally LLAS) Accredited** licence holder or manager	Part I: £335.00 per building*	* See note above. (This reduces the need for background checks on fitness/competency to manage and therefore reduces processing costs)
	Part II: £262.00 per building*	
	Total: £597.00 per building	
Assisted application	Additional £181.00 per building	Additional cost of assistance with completing the application form in respect of a converted building (s257 HMO).
Minor amendments	Included above	Change of Address (for licence holder or manager)
Change of Manager (if no change of licence holder) ***	Included	Licence holder changing nominated manager (manager has to complete a Fit & Proper Person declaration)
Variation of licence (if no change of licence holder) ***	Included	Material change to the licence such as new facilities installed and licence can be varied for a greater number of occupants
Revocation of licence / no longer licensable / numbers of occupants reduced by conditions on licence	No refund	Once application submitted for specified number of lettings, costs have been incurred in processing application, draft and/or full licence

1. The fee is composed of two parts:
 - Part I covers the costs of the scheme's 'authorisation procedures and formalities', i.e. the costs of processing the application
 - Part II covers the costs of running and enforcing the scheme.
2. In the event of the application for a house licence being refused, Part I will still be payable for consideration and processing of the licence application, whilst Part II will not be due.

** Accredited under London Landlords Accreditation Scheme. For more information see www.londonlandlords.org.uk/accreditation or phone 020 7974 5893 or e-mail LLAS@camden.gov.uk

*** If there is a change of licence holder, this will be treated as a new application

The London Borough of Islington Designation of an Area for Additional Licensing of Houses in Multiple Occupation 2019

Fees for Selective Licensing Scheme

Application fee	Part I: £281.00 per house*	<p>* Licensing of houses applies where the whole house is occupied either—</p> <p>(i) under a single tenancy or licence that is not an exempt tenancy or licence</p> <p>(ii) under two or more tenancies or licences in respect of different dwellings contained in it, none of which is an exempt tenancy or licence</p> <p>Exemptions apply to tenancies or licences granted by non-profit registered providers of social housing, profit-registered providers of social housing or provided by a Registered Social Landlord.</p>
	Part II: £219.00 per house*	
	Total: £500 per house*	
Application fee for ATLAS (formally LLAS) Accredited** licence holder or manager	Part I: £239.00 per house*	* See note above. (This reduces the need for background checks on fitness/competency to manage and therefore reduces processing costs)
	Part II: £186.00 per house*	
	Total: £425.00 per house*	
Assisted application	Additional £167.00 per house*	Added to the above for assistance with measuring rooms, producing plans and completing the application form.
Minor amendments	Included above	Change of Address (for licence holder or manager)
Change of Manager (if no change of licence holder) ***	Included	Licence holder changing nominated manager (manager has to complete a Fit & Proper Person declaration)

Variation of licence (if no change of licence holder) ***	Included	Material change to the licence such as new facilities installed and licence can be varied for a greater number of occupants
Revocation of licence / no longer licensable / numbers of occupants reduced by conditions on licence	No refund	Once application submitted for specified number of lettings, costs have been incurred in processing application, draft and/or full licence

1. The fee is composed of two parts:
 - Part I covers the costs of the scheme's 'authorisation procedures and formalities', i.e. the costs of processing the application
 - Part II covers the costs of running and enforcing the scheme.
2. In the event of the application for a house licence being refused, Part I will still be payable for consideration and processing of the licence application, whilst Part II will not be due.

** Accredited under London Landlords Accreditation Scheme. For more information see www.londonlandlords.org.uk/accreditation or phone 020 7974 5893 or e-mail LLAS@camden.gov.uk

*** If there is a change of licence holder, this will be treated as a new application

[Appendix 3 – Islington proposed standards for houses in multiple occupation](#)



Standards for Houses in Multiple Occupation (HMO)

Housing Act 2004

1. Purpose

- 1.1. This document describes the standards that Islington Council will use to assess the suitability of HMO's. It reflects the requirements specified in The Licensing and Management of HMO's and Other Houses (Miscellaneous Provision) (England) Regulations 2006

2. Definitions

Bedsit

- Occupiers who do not usually live together as one cohesive group,
- Kitchens can be located within bedrooms.
- Assured short hold tenancies are usually per tenant rather than one for all tenants.
- Locks maybe on bedroom doors, absence of a living room.
- Some facilities may be provided for the exclusive use of some of the occupants of the HMO.

Shared house

- Is usually occupied by a group of people, occupiers have the use of a communal living room and a suitable dining area with adequate space for use by all occupiers.
- There is evidence of communal living.
- There is likely to be one tenancy.
- There may not be locks on bedroom doors.

Studio

- A self-contained unit comprising bedroom, living space and kitchen with en-suite bathroom facilities.

3. Minimum Room Sizes

- 3.1 The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018 specifies minimum room sizes in HMOs. Islington Council has had regard to the legal minimum room standards and determined that the room sizes described in this document will be applied to all HMOs in the borough.
- 3.2 The minimum floor areas for sleeping and living accommodation are listed in the table below. These minimum sizes will only be acceptable if the room is large enough to accommodate essential furniture and facilities and to enable their safe use.

	Bedsit containing kitchen facilities Studios	Bedsit where shared kitchen facilities are provided in a separate room.	Rooms in shared houses where kitchen facilities are in a separate room
Single Room	12m ² (130 sq.ft)	9m ² (96.75 sq.ft)	8m ² (86 sq.ft)
Double Room	15m ² (160 sq.ft)	12m ² (130 sq.ft)	11m ² (118 sq.ft)

3.3 General requirements for room sizes:

- The minimum acceptable room size does not include any area taken up by bathroom facilities.
- No more than two people can share a bedroom.
- A child is considered a person regardless of age.
- Shared sleeping accommodation is only considered suitable for adults who are married, cohabiters, consenting friends or relatives.
- No two persons of the opposite sex and over the age of twelve can sleep in the same room, unless they are married or cohabiters.
- Floor to ceiling height to be a minimum of 2.3m over 75% floor area. Any floor area where ceiling height is less than 1.5m shall be disregarded. Where bunk beds are used, there shall be a minimum floor to ceiling height of 2.5m.
- When measuring the size of a room floor areas under fitted cupboards, kitchen units and other furniture are included. The space occupied by chimney breasts or lobbies is excluded.

4.0 Facilities for preparing storing and cooking food

4.1 Kitchen Sizes

The size and layout of shared kitchens should enable those sharing facilities to store, prepare and cook food safely. The minimum sizes of kitchens are specified in the table below:

Number of sharers	Minimum size of Kitchen
Up to 3	5.5 m ²
4-5	7.5 m ²
6-7	9.5 m ²
8-10	11.5 m ²

4.2 A separate kitchen with kitchen facilities will be required for every 5 residents sharing. No more than two sets of kitchen facilities can be provided in one room

The table below specifies the minimum requirements for kitchen facilities.

Kitchen Facility	Number of Sharers	Minimum Standard

Cooker	Exclusive use	An oven and grill or combination 900-watt microwave oven and two inset hotplates fitted in an integrated worktop or a conventional cooker with integrated hobs. A portable hob or worktop oven with integral hotplates is not acceptable.
	Up to 5	Four-ring hob, oven and grill and an additional combined microwave oven and grill.
Sink/Drainer	Up to 5	Full-size sink/drainer set on base unit, provided with a constant supply of hot and cold water. Sink/Drainer connected to the drainage system.
Worktop	Exclusive use	A fixed impervious worktop measuring 1000mm x 600mm
	Up to 5	A fixed impervious worktops measuring 1500 mm x 600 mm
Splashback	All	300 mm approximate splashback fitted above the sink and drainer worktop. Sealed with waterproof mastic to the work surface. A splashback above any cooker without an integral splashback
	Up to 5	One dedicated suitably located electrical socket for each fixed appliance provided by landlord and four sockets (in either double or single combinations) above the worktop.
Electrical Sockets	Up to 5	One dedicated suitably located electrical socket for each fixed appliance provided by landlord and four sockets (in either double or single combinations) above the worktop.
Floor covering	All	Impervious and washable floor covering to cover the floor area of the kitchen
Food Storage Cupboard	Per household	A single kitchen base unit W600 x H1000 x D600 or a double wall unit W1000 x H800 x D300mm The base unit below the sink/drainer is not acceptable for food storage.
Refrigerator	Exclusive use	An A rated 100 litre fridge with freezer compartment
	Up to 5	An A rated 200 litre fridge with freezer compartment

4.3

General requirements for kitchen facilities:

- All finishes are to be non-absorbent and readily cleansable including the floor covering which will must be provided under all appliances and must extend at least 1000 mm in front of the appliances.
- No furniture, bedding, curtains etc. shall be within 600mm of cooking appliances.
- For bedsits all kitchens must be on the same floor as the living accommodation, unless dining facilities are within the kitchen, when it must be within one floor distance. All kitchen facilities must be available for use 24 hours a day
- Kitchen units must be securely fixed to a wall and cookers must be positioned as far away from the room door as practicable.
- A mechanical extractor must be provided, ducted to the open air, with the outlet positioned away from any adjacent windows.
- A fire blanket to be provided in the kitchen within reach of the cooker

- A 30-minute fire door of fire resistant construction with intumescent strips and smoke seals and an overhead type door closer must be installed to all rooms with containing kitchen facilities
- Suitably located and appropriate containers for the storage of refuse disposal must be provided, with recycling facilities readily accessible and sufficient for the number of occupants within the HMO

5.0 Bathroom facilities

5.1 Where exclusive use of bath/shower room and WC facilities are not provided the sharing arrangements should be as follows:

1-4 Persons	1 bath/shower 1 water closet (WC) 1 wash hand basin (WHB)	The WC can be located within the bath/shower room, however a separate room is preferred.
5 persons	1 bath/shower 1 water closet 1 wash hand basin	The WC and WHB must be provided in a separate room to the bath/shower room
6-10 persons	2 baths/showers 2 water closets 2 wash hand basin	The WC's and WHB's must be provided in rooms separate to the bath/shower room
10 or more	Per 5 tenants sharing: 1 bath/shower 1 water closet 1 wash hand basin	The WC's and WHB's must be provided in a separate room to the bath/shower room

5.2 General Requirements for Bathroom facilities

- Where reasonably practicable, each letting to contain a wash hand basin of minimum dimensions 560 x 430 mm unless a sink is provided within the bed-sitting room. Wash-hand basins are not required in shared houses or where listed building requirements prohibit it.
- Where the cold water supply to a wash hand basin is not drinking water, it should be labelled "not drinking water".
- Baths to be of minimum 1500 x 750 mm
- Showers to be of minimum 700 x 700 mm
- Shower/ bath rooms to have sufficient a minimum 700 mm x 700 mm clear area outside the shower/ bath space for drying and changing.
- Shower/ bath rooms to be within one floor from the living accommodation they serve.
- Tiled splash-back shall be provided to every wash hand basin with a minimum height 200 mm sealed with waterproof mastic to the basin.

- Tiled shower surrounds shall be provided to a minimum height of 1800 mm
- An adequate, screen, door or impervious shower curtain to be provided to all showers.
- The walls and floors to any bath/shower rooms to be non-absorbent and readily cleansable.
- All bath/shower rooms, to be provided with adequate fixed heating appliances to achieve a recommended temperature of 22°C.
- A quiet running humidistat controlled mechanical ventilation to be provided if there is no openable window to the bathroom.
- WC's to be a minimum size of 800 mm x 1300 mm.
- The WC must be within one floor of the living accommodation it serves

6.0 Water supplies

- 6.1 Each dwelling/letting or shared kitchen shall be provided with a supply of cold running water suitable for drinking purposes directly off the rising main, and located over a sink or wash hand basin with a suitably located stopcock.
- 6.2 Stopcocks must be provided on all incoming water supplies to each letting and all kitchens.

7.0 Heating

- 7.1 Each unit of accommodation must be provided with an adequate means of fixed space heating which is economic to run and controllable by the occupier.
- 7.2 A suitable heating system will usually be a full gas central heating system, with a programmable A-E rated boiler and thermostatic radiator valves

7.3 Where gas central heating cannot be installed, modern fan assisted electric storage heaters may be an acceptable alternative, providing there is efficient wall insulation present e.g. dry lining or cavity wall insulation, loft insulation.

8.0 Fire safety

8.1 The HMO must be provided with appropriate smoke detection and alarm system. As a minimum, interlinked mains wired smoke alarms (with battery back-up) must be kept maintained in proper working order and installed to:

- Each landing level of any staircase
- The circulation space inside any flat or house

8.2 Each kitchen should be provided with a heat detector linked to the alarm system

9.0 Deviation from the HMO Standards

9.1 Any landlord who wishes to provide accommodation that does not meet the standards may apply in writing for a deviation from the standard to the address below.

10.0 Contact for more information

If you would like further advice, then please contact Residential Environmental Health by:

Phone 020 7527 3083

Email resid.envh@islington.gov.uk.

Post Residential Environmental Health

222 Upper Street

London N1 1XR

ROOM AND AMENITY STANDARDS FOR SINGLE FAMILY DWELLINGS

Housing Act 2004

[Appendix 4 – Islington proposed standards for single family occupied privately rented dwellings](#)

This document outlines Islington Council's **minimum** standards for room sizes and the provision of kitchens and bathrooms in single family dwellings.

The application of these standards may be adapted to suit certain circumstances. Any deviations from the standards below must be specifically agreed and approved by the Service Manager.

Introduction:

The purpose of this document is to provide information on the minimum requirements for privately rented homes (not HMOs). It is not intended to be a fully comprehensive list of requirements and regard should be made to any national standards, lease terms/conditions and other legal requirements when assessing standards.

This document is concerned with self-contained residential accommodation, which has exclusive use of amenities for a single household.

1. Room Sizes for Sleeping and Living Accommodation

Maximum number of occupants per room based on floor space in single household dwellings (Non-HMOs)	
4.6-6.49sqm (approx. 50-69sqft)	1 person (under the age of 10 years old)
6.5.10.19sqm (approx.70-110sqft)	1 person (over ten years old)
10.2sqm or more (approx. 11 sqft or more)	2 persons (see note below)

1.1 No more than two people can share a room. Shared sleeping accommodation is only considered suitable for adults who are married, cohabitees, consenting friends or relatives.

1.2 No two persons over the age of ten, of opposite sex, can sleep in the same room, unless they are married or cohabitees.

1.3 Floor to ceiling height to be a minimum of 2.14m (7ft) over 85% floor area. Any floor area where ceiling height is less than 1.53m (5ft) shall be disregarded. Where bunk beds are used, there shall be a minimum floor to ceiling height of 2.5m (8'2").

1.4 When measuring the size of a room, include floor areas under fitted cupboards, kitchen units and other furniture, but do not include chimney breasts or lobbies.

2 Kitchens Standards

2.1 The kitchen should be of satisfactory layout and have adequate provision for hygienic storage, preparation and cooking of food, so preventing the risk of infection to occupants.

2.2 The occupants should not be exposed by reason of layout, size design or other feature to risk from hot surfaces or risk from burns or scalds caused by contact with flames or hot liquids.

2.3 Kitchen units and appliances should be free from defects and in good working order. In general, kitchen facilities should be less than 20 years old.

2.4 Kitchen facilities used by a single household should comprise:

Cooker	Four-ring hob, oven and grill and an additional combined microwave oven.
Sink/Drainer	Full-size sink/drainer set on base unit, provided with a constant supply of hot and cold water and properly Sink/Drainer connected to the drainage system.
Worktop	1500mm x 600mm approximate worktop which must be fixed, and made of suitable impervious material plus additional space for extra appliances
Splashback	200mm approximate splashback fitted to the sink/drainer worktop, and to any cooker without an integral splashback
Electrical Sockets	One dedicated suitably located electrical socket for each fixed appliance such as a cooker, refrigerator and washing machine. In addition, four sockets (in either double or single combinations) to be installed above the worktop.
Floor covering	All Impervious and washable floor covering to cover the floor area of the kitchen
Food Storage Cupboard	One double wall cupboard or One single base cupboard may be provided within individual lets min 1000x800x300mm The base unit below the sink/drainer is not acceptable for food storage.
Refrigerator	A fridge with freezer, minimum 100 litres, an A rated energy efficient fridge is recommended

- 2.5 All finishes are to be non-absorbent and readily cleansable including the floor covering which will must be provided under all appliances and at least 1000mm (40") in front of the appliances. No furniture, bedding, curtains etc. shall be within 600mm (24") of the cooker. Kitchen units and equipment must be securely fixed to a wall and cookers must be positioned away from the room door
- 2.6 A mechanical extractor must be provided, ducted to the open air, with the outlet away from any adjacent windows.
- 2.7 A door of sound construction must be installed to all kitchens.
- 2.8 Suitable and appropriate containers for the storage of refuse must be provided.

3. Personal Washing Facilities (Bathrooms/showers and WHB minimum standards)

- 3.1 Each dwelling to contain a wash hand basin of minimum dimensions 560 x 430 mm (22" x 17"). Where the cold water supply to a wash hand basin is not drinking water, it should be labelled "not drinking water".
- 3.2 Baths to be of minimum 1500 x 750mm (60" x 30") and showers to be of minimum 700 x 700 mm (28" x 28"). Baths/shower rooms to have sufficient space for drying and changing, minimum 700mm x 700mm (28"x28").
- 3.3 Tiled splash-back minimum height 200mm (8") and tiled shower surrounds of minimum height 1800 mm (60") to be provided. Adequate, impervious shower curtain or screen to be available for all showers. The walls and floors to any bath/shower rooms to be non-absorbent and readily cleansable.
- 3.4 All bath/shower rooms, to be provided with adequate fixed heating appliances to achieve a recommended temperature of 22°C.
- 3.5 Mechanical ventilation to be provided to the open air if there is no openable window to the bathroom.

4. WCs

- 4.1 WC's to be a minimum size of 800x1300mm (32" x 52).

5. Household Waste

- 5.1 Adequate provision for refuse storage and recycling should be provided in accordance with Islington's collection service requirements.

6. Gas installations

- 6.1 Only Gas Safe registered contractors should install, service or repair gas water heaters, boilers and gas cookers and associated pipe-work etc.

7 Space Heating

- 7.1 Each dwelling must be provided with an adequate means of fixed space heating which is economic to run and controllable by the occupant.
- 7.2 In most cases, a suitable heating system will comprise full gas central heating which is modern (under 12 years old) and programmable, with Thermostatic Radiator Valves (TRVs).

7.3 Where gas central heating cannot be installed, modern fan assisted electric storage heaters may be an acceptable alternative, providing there is efficient wall insulation present (in addition to loft insulation) e.g. dry lining or cavity wall insulation.

8 Fire safety

8.1 Occupants must not be exposed to threat from uncontrolled fire and associated smoke, and adequate means of escape from fire shall be provided to all properties.

7.1 As a minimum standard, battery operated smoke detectors conforming to BS EN 14604:2005 may be provided to houses and purpose built flats that are not above commercial premises (although mains-linked smoke alarms remain the preferred option in all cases). For other houses, such as flats within converted buildings, hard wired mains operated smoke alarms with battery back-up to BS 5446 must be provided.)

7.2 At least one smoke detector should be suitably located on each floor level used wholly or partly as living accommodation. (A bathroom or lavatory is to be treated as a room used as living accommodation.)

7.3 Each smoke alarm installed in any room in the house shall be kept in proper working order.

7.4 Any firefighting equipment (e.g. fire blankets, fire extinguishers etc.) must be maintained in good working order.

9 Safety (Other)

9.1 A carbon monoxide alarm must be installed in any room in the dwelling which is used wholly or partly as living accommodation and contains a solid fuel burning combustion appliance. ("room" includes a hall or landing. A bathroom or lavatory is to be treated as a room used as living accommodation.)

9.2 Any carbon monoxide alarm installed in any room in the dwelling shall be kept in proper working order.

9.3 All electrical appliances and furniture made available to the occupants must be maintained in a safe condition.

10 Planning Consent

10.1 Compliance with these standards does not confer planning approval for any particular use. To check if the property has the necessary planning permission or for further information on Islington's planning requirements, please contact the Planning Department on 020 7527 2000 or go to www.islington.gov.uk/services/planning.

11 If you would like further advice then please telephone Residential Environmental Health (phone 020 7527 3083 or email resid.envh@islington.gov.uk).

12 Any deviation from the standards must be specifically agreed and approved by the Service Manager.

PROPOSED PROPERTY LICENCE CONDITIONS**Housing Act 2004**[Appendix 5 – Proposed property licence conditions](#)

- 2.1 The licence holder shall supply the occupiers of the property with a written statement of the terms on which they occupy the property and details of the arrangements in place to deal with repair issues and emergency issues. Copies of the written statement of terms must be provided to the Council for inspection within 7 days upon demand.
- 2.2 The licence holder shall protect any deposit taken under an assured short-hold tenancy by placing it in a statutory tenancy deposit scheme. The tenant must be given the prescribed information about the scheme being used at the time the deposit is taken. This information must be provided to the Council within 28 days on demand.
- 2.3 The licence holder shall obtain references from persons who wish to occupy a letting in the property before entering into any tenancy agreement with them. No new occupants shall be allowed to occupy the accommodation if they are unable to provide a reference. The licence holder must retain all references obtained for occupants for the duration of this licence. References must be provided to the Council within 28 days on demand.
- 2.4 The licence holder is required to have in place suitable emergency and other management arrangements in the event of their absence and details of these must be provided to the council within 28 days on demand.
- 2.5 The licence holder must provide to the Council details in writing of the tenancy management arrangements that have been, or are to be, made to prevent or reduce anti-social behaviour by persons occupying or visiting the property. Copies of these must be provided to the Council within 28 days on demand.
- 2.6 The following arrangements shall be implemented to fulfil the requirements of condition 2.5:
- Provision of an emergency contact number (including out of hours response arrangements)
 - Formal arrangements for the disposal of rubbish and bulky waste
 - Update of written records of property inspections for management and repair issues at least once every 3 months
- 2.7 The licence holder shall ensure that inspections of the property are carried out at least every 3 months to identify any problems relating to the condition and management of the property. As a minimum requirement the records must contain a log of who carried out the inspection, date and time of

inspection and issues found, and action(s) taken. The records of such inspections shall be kept for the duration of this licence. Copies of these must be provided to the Council within 28 days on demand.

2.8 The licence holder shall effectively address problems of antisocial behaviour resulting from the conduct on the part of occupiers of, or visitors to the premises by complying with the requirements of paragraphs (a) to (i) below:

- (a) The licence holder must not ignore or fail to take action, if he has received complaints of anti-social behaviour (ASB) concerning the visitors to or occupiers of the premises.
- (b) Any letters, relating to antisocial behaviour, sent or received by the licence holder, or agent of the licence holder, must be kept for 3 years by the licence holder.
- (c) The licence holder must ensure that written notes are kept of any meetings or telephone conversations or investigations regarding antisocial behaviour for 3 years.
- (d) If a complaint is received, or antisocial behaviour is discovered, the licence holder must contact the tenant within 14 days. The tenant must be informed of the allegations of the antisocial behaviour in writing and of the consequences of its continuation.
- (e) The licence holder shall from the date of receipt of the complaint of antisocial behaviour, monitor any allegations of antisocial behaviour.
- (f) Where the antisocial behaviour is continuing after 28 days from receipt of the complaint, the licence holder, or his agent must within 7 days visit the premises concerned with a warning letter about the consequences should the anti-social behaviour continue.
- (g) Where the licence holder or his agent has reason to believe that the antisocial behaviour involves criminal activity the licence holder shall ensure that the appropriate authorities are informed.
- (h) If after 14 days of giving a warning letter the tenant has taken no steps to address the antisocial behaviour and the ASB is continuing the licence holder shall take formal steps under the written statement of terms for occupation, e.g. the tenancy agreement or licence and which shall include promptly taking any legal proceedings to address the anti- social behaviour.
- (i) Where the licence holder is specifically invited they shall attend any case conferences or multiagency meetings arranged by the Council or Police. Any correspondence, letters and records referred to in condition 2.8 above must be provided to the Council within 28 days on demand.

3. Property Management

- 1.1 The licence holder shall ensure that all gas installations and appliances are in a safe condition at all times. The licence holder must have available a current valid gas safety certificate obtained within the last 12 months. This must be provided to the Council within 28 days on demand and copies must be provided to all tenants/occupiers at the start of their tenancy. All work on gas appliances must be carried out by gas safe certified operatives.
- 1.2 The licence holder shall ensure that the electrical installation in the property is in a safe condition. The licence holder must provide the council within 28 days on demand, an electrical installation report (EICR) report issued within the last 5 years. (Note: The licence holder must ensure the report is supplied by a competent person, who is appropriately qualified to issue this report).
- 1.3 The licence holder shall ensure that all electrical appliances provided by the landlord in the property are in a safe condition. The licence holder must provide to the council within 28 days on demand a portable appliance test (PAT) report. (Note: The licence holder must ensure the report is supplied by a competent person, who is appropriately qualified to issue this report.)

- 1.4 The licence holder shall ensure that all furniture provided by the landlord in the property is in a safe condition and provide the council within 28 days on demand a declaration as to the safety of furniture.
- 1.5 Where the licence holder becomes aware of a pest problem or infestation at the property he shall take steps to ensure that a treatment program is carried out to eradicate the pest infestation. Records shall be kept of such treatment programs and these must be provided to the Council within 28 days on demand.
- 1.6 The licence holder must take general fire precautions to ensure, as far as is reasonably practicable, the safety of the people on the premises and in the immediate vicinity to include the carrying out of a fire risk assessment for the purpose of identifying the general fire precautions and other measures needed to comply with the Regulatory Reform (Fire Safety) Order 2005.
- 1.7 The licence holder shall install and maintain in good working order appropriate smoke alarms in the property and shall submit to the council, upon request, a declaration by him as to the condition and positioning of such alarms, in accordance with the LACORS housing fire safety guidance. A copy of the LACORS housing fire safety guidance can be accessed online and downloaded free of charge at:
<https://www.cieh.org/media/1244/guidance-on-fire-safety-provisions-for-certain-types-of-existing-housing.pdf>
 - (a) The licence holder shall ensure that a smoke alarm is installed on each storey of the house (which includes half-landings) on which there is a room used wholly or partly as living accommodation.
A bathroom or lavatory situated on the landing/half landing which form part of a living accommodation is to be protected with the appropriate alarm system; the alarm system is to be sited away from direct contact with steam that is likely to interfere with the operation of the alarm.
 - (b) The licence holder shall ensure each smoke alarm installed in any room in the house is kept in proper working order.
 - (c) The licence holder shall submit to the Council, on demand, a declaration by him as to the condition and positioning of any such smoke alarm.
- 1.8 The licence holder shall ensure that a 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. ("room" includes a hall or landing. A bathroom or lavatory is to be treated as a room used as living accommodation.)
- 1.9 The licence holder shall ensure any carbon monoxide alarm installed in any room in the house shall be kept in proper working order.
- 1.10 The licence holder must supply the authority, on demand, with a declaration by him as to the condition and positioning of any such carbon monoxide alarm.
- 1.11 The licence holder shall ensure that any fire-fighting equipment and fire alarms are maintained in good working order. The licence holder must submit to the council, for their inspection, a copy of all periodical inspection report/test certificates for any automatic fire alarm system, emergency lighting and fire fighting equipment provided in the property. These must be provided to the Council within 28 days on demand.
- 1.12 The licence holder shall ensure that furniture made available in the property is in a safe condition. All upholstered furniture and covers and fillings of cushions and pillows should comply with current fire safety legislation. A declaration as to the safety of such furniture must be provided to the Council within 28 days on demand.

- 1.13 The licence holder shall ensure that:
- The access to the property, such as locks, latches and entry systems are maintained and in good working order at all times.
 - The front door of the property is fitted with a mortice lock (thumb turn) or equivalent, to a five lever security level.
 - Where window locks are fitted, the keys are provided to the relevant occupants.
 - Where a burglar alarm is fitted to the property, the occupants are informed in writing about the circumstances under which the code for the alarm can be changed, and are given details on how this can be arranged.
 - Where previous occupants have not returned keys, the relevant locks will be changed prior to new occupants moving in.
- 1.14 The licence holder must ensure that where necessary for the emptying of waste and recycling containers from secure areas the council has the required access key / code or that arrangements are made to make these containers accessible for collection on the days and times specified by the council.
- 1.15 The licence holder must provide written information to all tenants, at the start of the tenancy to ensure that tenants are advised and reminded of their responsibilities for the proper storage and disposal of household recycling and waste.
- This information must be provided in a clear and easy to understand format which tenants can refer to throughout the period of the tenancy and should include the following details:
- a. How household recycling and residual waste should be separated, stored and placed out for collection in the correct containers;
 - b. How to dispose of bulky household waste;
 - c. If applicable, the licence holder must inform tenants of the arrangements for accessing communal recycling and waste containers that are placed in secure areas and ensure that tenants are able to access these.
- 3.16 No refuse shall be kept in the front or rear garden other than in an approved storage container for that purpose.
- 3.17 The licence holder must include any such recycling and waste containers provided within the inventory associated with the tenancy agreement.
- 3.18 The licence holder must provide and maintain clear signage regarding the separation of recycling and waste by type on or near recycling and waste containers.
- 3.19 The licence holder must carry out regular checks throughout the duration of the tenancy to ensure that all tenants are complying with their responsibilities with regards to:
- the storage and recycling of waste (including bulky waste) within the property and any exterior areas within the curtilage
 - its placement for collection in accordance with the policies set out by the council.
- 3.20 The Licence Holder must ensure that any type of waste which the Council does not routinely collect such as hazardous waste is disposed of in a safe and lawful manner
- 3.21 The licence holder must ensure that all tenants have access to recycling and waste containers sufficient for the number of occupants, and that these containers provide adequate means of separation of recycling, garden waste (where applicable), food waste and residual waste.

4. Documents to be displayed

- 4.1 The licence holder shall display a copy of the licence to which these conditions apply in the common parts of the property. Alternatively, copies must be provided to all tenants/occupiers at the start of their tenancy.
- 4.2 The licence holder shall display the following in the common parts of the property:
- a notice with the name, address and emergency contact number of the licence holder or managing agent in the common parts of the property
 - a copy of the current gas safety certificate
 - a copy of a valid electrical inspection condition report
 - a copy of a valid portable appliance test certificate (PAT) covering all electrical appliances supplied within the HMO
 - a copy of a valid test certificate for the automatic fire alarm system (dated within the last 12 months)
 - a copy of a valid test certificate for the emergency lighting system (dated within the last 12 months)
- Alternatively, copies must be provided to all tenants/occupiers at the start of their tenancy. Copies must be provided to the Council within 28 days on demand.*
- 4.3 If there have been new tenancies issued after 1st October 2008 for the premises, the licence holder must obtain a valid Energy Performance Certificate (EPC) Copies must be made available to all tenants/occupiers at the start of their tenancy and provided to the Council within 28 days on demand. Where individual rooms in a building are rented out and there are shared facilities (e.g. kitchen and/or bathroom), an EPC is not required.

5. Financial Management

- 5.1 No person other than the licence holder or the agent named on the licence may collect and receive rental monies from the occupants of the property. The licence holder and/or agent may pass on the rental monies to any third parties as required.
- 5.2 Where rents are collected or received from occupants, the licence holder must ensure that the payment is recorded and that the occupants receive a receipt for the payment, unless the occupant is an assured shorthold tenant and pays their rent via bank standing order or direct debit. The licence holder must keep a copy of all such records and receipts and must provide the council with a copy of the same within 28 days of any request to inspect them.

6. Material change of circumstances

- 6.1 The Licence Holder must inform the Authority within 21 working days of any material changes in their own circumstances and, within 21 days of becoming aware of them, of any known and material change in the circumstances of any person managing or involved in the management of the property, such as:
- a) Details of any unspent convictions not previously disclosed to the Authority that may be relevant to the Licence Holder or the property manager or the status of either of them as a 'fit

and proper person', including in particular a conviction in respect of any offence involving fraud or dishonesty, violence, drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003.

- b) Details of any finding by a court or tribunal against the Licence Holder and/or the property manager that he or she has practiced unlawful discrimination.
- c) Details of any contravention on the part of the Licence Holder or property manager relating to housing, public health, environmental health, or landlord and tenant law, which has led to civil or criminal proceedings and a judgment or finding being made against him or her.
- d) Information about any property the Licence Holder or property manager owns or manages, or has owned or managed:
 - i. which has been made subject to a control order under section 379 of the Housing Act 1985, in the five years preceding the date of the application; or
 - ii. which has been the subject of any enforcement action described under Part 1 sections 5(2) or 7(2) of the Housing Act 2004, concerning Category 1 and Category 2 housing condition hazards; or
 - iii. in relation to which a local housing authority has either refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence.
 - iv. which has been the subject of an interim or final management order under the Housing Act 2004

7. General

- 7.1 The licence holder must advise the Council's Property Licensing Team in writing of any proposed changes to the construction, layout or amenity provision of the house that would affect the licence or licence conditions. For planning and building regulation queries please refer to the planning pages on the Council's website.
- 7.2 The licence holder must arrange for access to be granted at any reasonable time and must not obstruct Council officers carrying out their statutory duties including the surveying of the property to ensure compliance with licence conditions and any relevant legislation.
- 7.3 The licence holder shall if required by written notice to provide the council with following particulars as may be specified in the notice with respect to the occupancy of the house: The names and numbers of individuals/households accommodated specifying the rooms they occupy within the property and the number of individuals in each household. The particulars shall be provided to the Council within 28 days on demand.
- 7.4 The licence holder shall, if required by written notice, provide the council with a plan of the property showing the location and size of all rooms (in square meters), including kitchen, bathroom and wc facilities. The plan shall be provided to the Council within 28 days on demand.
- 7.5 The licence holder shall inform the Council of any change in ownership or management of the house.
- 7.6 The licence holder shall ensure that whilst any alteration or construction works are in progress, the work is carried out to ensure the safety to all persons occupying or visiting the premises.
- 7.7 The licence holder shall ensure that on completion of any works, the property shall be left in a clean tidy condition and free from builders' debris.

Failure to comply with any licence condition may result in proceedings including fines up to £5,000 and loss of the licence or may be subject to a penalty notice of up to £30,000.

The property licence and conditions do not imply or grant by inference or otherwise any approval or permission for any other purposes including those for Building Control, Development Control and under The Regulatory Reform (Fire Safety) Order 2005. Conversely compliance with any of those requirements does not confer or imply compliance with the requirements of the Housing Act 2004 including property licensing.

Any HMO for more than six people will also require planning permission. Please contact the planning team to clarify what planning permissions are already in place for the property and advice on the process. Please note that unlawful HMO's may be subject to planning enforcement action. The Council do have powers of enforcement against breaches of planning control and that, upon summary conviction, continued failure to meet the Council's enforcement requirements could ultimately result in an unlimited fine.

For planning and building regulation queries please refer to the planning pages on the Council's website.

Any requirements relating to the licence and conditions are without prejudice to assessments and appropriate actions including enforcement actions under the Housing Act 2004 and associated regulations.

Consultation on Property Licensing in Islington

Closing date: 3 November 2019

Islington Council is proposing to introduce two separate property licensing schemes.

Please tell us what you think about our proposals by completing this short survey which should take about 5 minutes to complete.

For more detailed information please read the Consultation Proposal and FAQs on our website www.islington/licensingconsultation

1. What is your interest in this consultation?

- Private Landlord or Managing Agent with properties in Islington
- Private Tenant living in Finsbury Park
- Private Tenant living elsewhere in Islington
- Owner occupier or other resident in Islington
- Other interested party

If Other, please state:

2. Please enter your postcode

3. Do you think the council should prioritise taking action against the following issues within privately rented properties?

- Rogue/problem landlords
- Poor internal repair
- Inadequate fire safety e.g. no working fire alarms
- Poorly managed properties e.g. dirty/unsafe communal areas, no management arrangements
- Inadequate heating
- Dampness
- Inadequate outside storage for rubbish
- Overcrowding
- Rubbish/fly- tipping
- Problem tenants e.g. non-payment of rent
- Anti-social behaviour/petty crime
- Noise and disturbance
- Scruffy/poor external property appearance
- Other

If other, please state:

4. Whilst we recognise that there are many well managed rented properties in Islington do you agree that all landlords/managing agents have a responsibility to have satisfactory management arrangements in place for the properties they rent out?

Yes

No

5. Which of the following issues do you think a borough wide HMO Additional Licensing Scheme should address?

- Improve the condition and safety of privately rented properties
- Protect the health and wellbeing of tenants
- Reduce antisocial behaviour associated with HMOs
- Make it easier to identify and take targeted action against bad landlords
- Assist poorly performing landlords to raise standards
- Support good landlords who treat their tenants fairly
- Help tenants identify who is responsible for the condition of their home

6. Which of the following issues do you think a selective licensing scheme covering all privately rented properties in Finsbury Park should address?

- Improve the condition and safety of privately rented properties
- Protect the health and wellbeing of tenants
- Reduce antisocial behaviour associated with privately rented properties
- Make it easier to identify and take targeted action against bad landlords
- Assist poorly performing landlords to raise standards
- Support good landlords who treat their tenants fairly
- Help tenants identify who is responsible for the condition of their home

7. The proposed licence conditions are designed to improve standards and management. To what extent do you agree or disagree with the following statements regarding the proposed conditions.

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
The number of persons allowed to occupy the property should be controlled	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A suitable number of amenities should be provided (toilet, bathroom, kitchen facilities)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The provision and type of heating should be to a satisfactory standard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The means of escape from fire and fire precautions should be to a satisfactory standard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minimum room sizes must be in place for bedrooms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The landlord should provide tenants details of the arrangements for storage and collection of recycling and waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The landlord must provide sufficient containers for the correct storage and disposal of recycling and waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. Do you think the proposed licence fees are:

- Too low
- About right
- Too high
- Don't know/no opinion

9. Do you agree that accredited landlords should pay a discounted licence fee?

- Yes
- No
- Don't know/no opinion

10. Please use the box below if you have any other comments about the proposed fee and discount

11. To what extent do you agree or disagree with the proposed borough-wide HMO Additional Licensing Scheme?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Disagree

12. To what extent do you agree or disagree with the proposed privately rented property Selective Licensing Scheme for Finsbury Park?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly Disagree

13. Do you think Islington Council should, in the future, investigate the potential for a borough-wide selective landlord licensing scheme on similar terms/conditions as the Finsbury Park scheme currently being proposed?

- Yes – I support the Council investigating a borough-wide selective landlord licensing scheme”
- No – but the Council should investigate more selective landlord licensing schemes in specific areas”
- No – I do not support the Council investigating a borough-wide selective landlord licensing scheme”

14. Please use the space below to provide any additional comments regarding either the proposed borough-wide HMO Additional Licensing scheme or Selective Licensing scheme for Finsbury Park.

Please continue on another sheet of paper if necessary

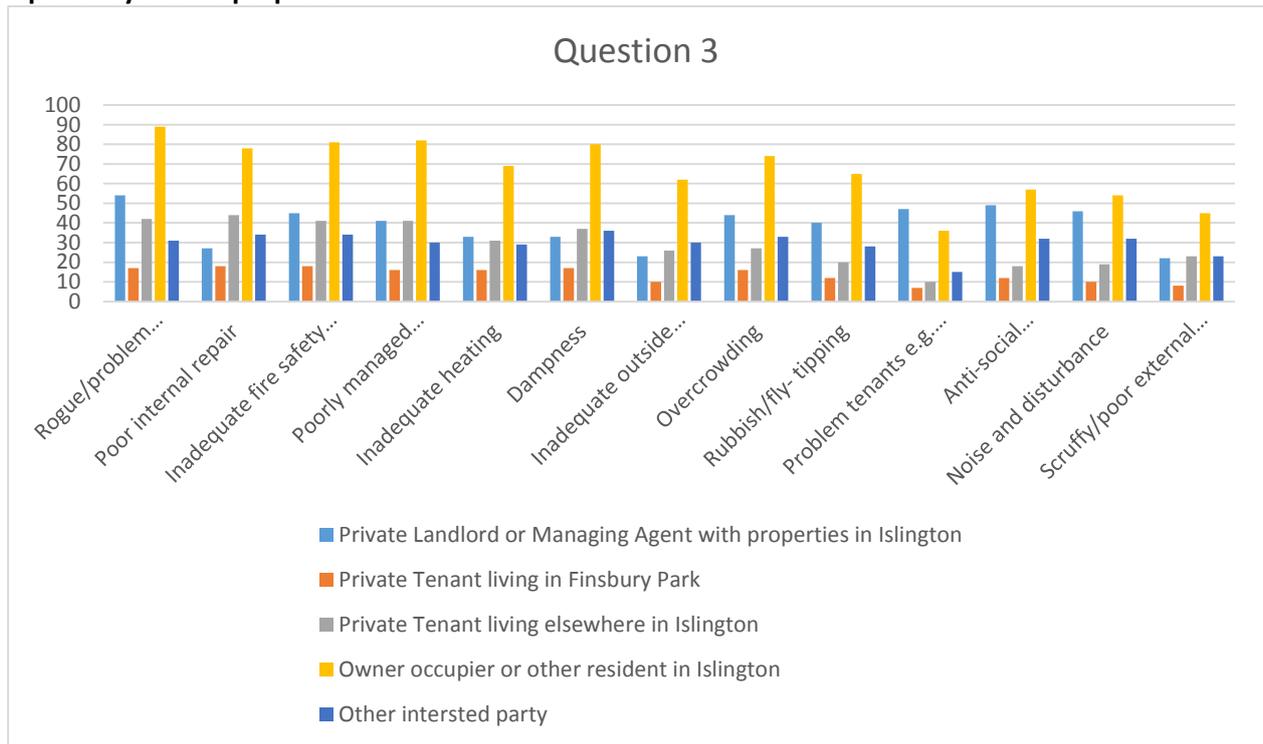
Thank you for completing this survey. All responses will be taken into consideration before the schemes are finalised.

If you wish to receive details of the outcome of the consultation, please provide your name and email address below. We will not identify any individual in the results or share personal details with any third parties. Any personal information you have given us will be held securely for Council purposes. To find out more please visit www.islington.gov.uk/fairprocessing.

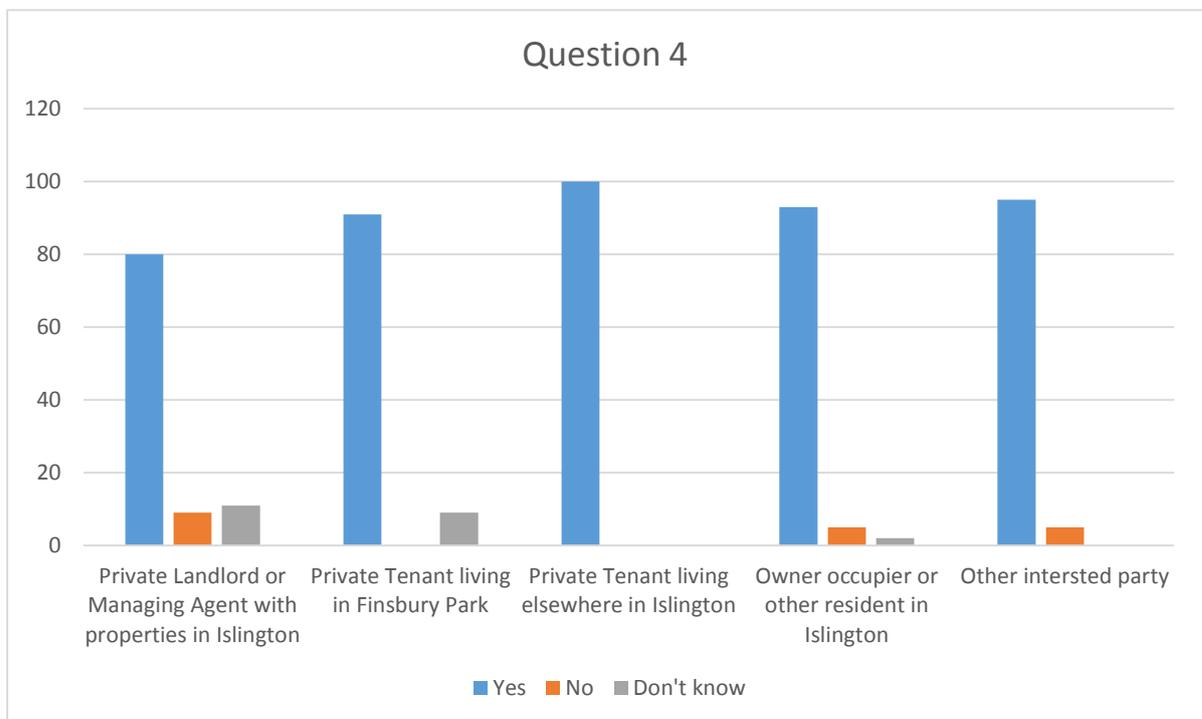
Name

Email

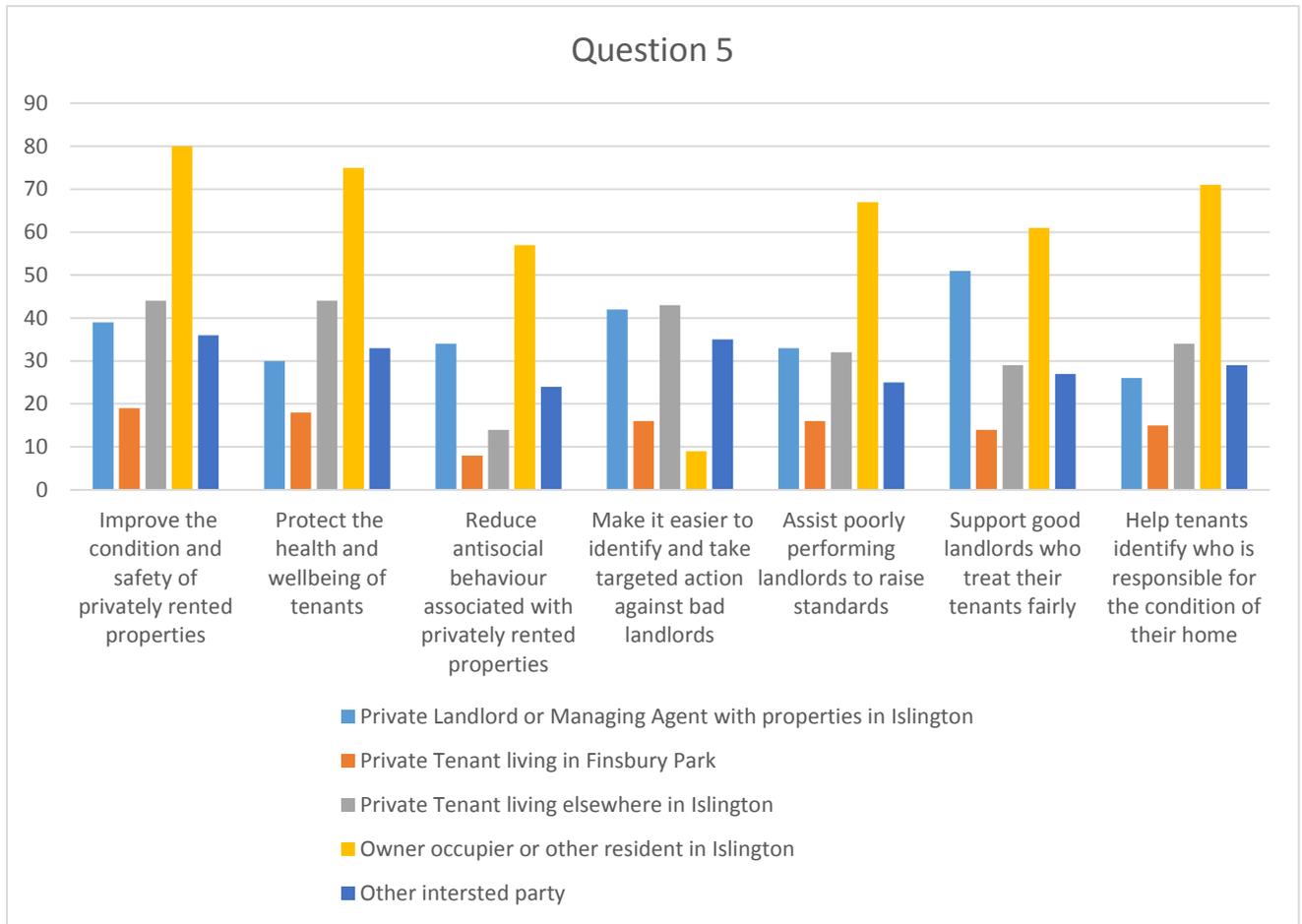
Q3: Do you think the council should prioritise taking action against the following issues within privately rented properties?



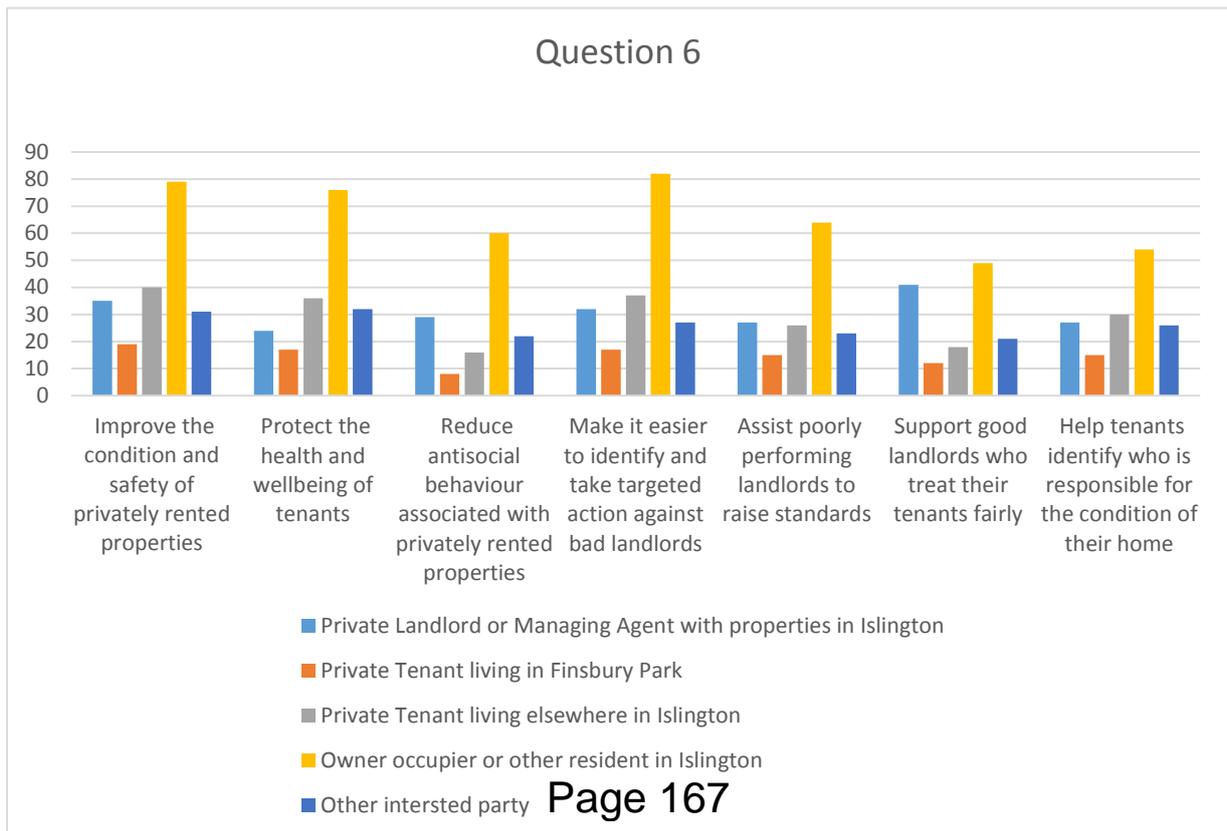
Q4: Whilst we recognise that there are many well managed rented properties in Islington do you agree that all landlords/managing agents have a responsibility to have satisfactory management arrangements in place for the properties they rent out?



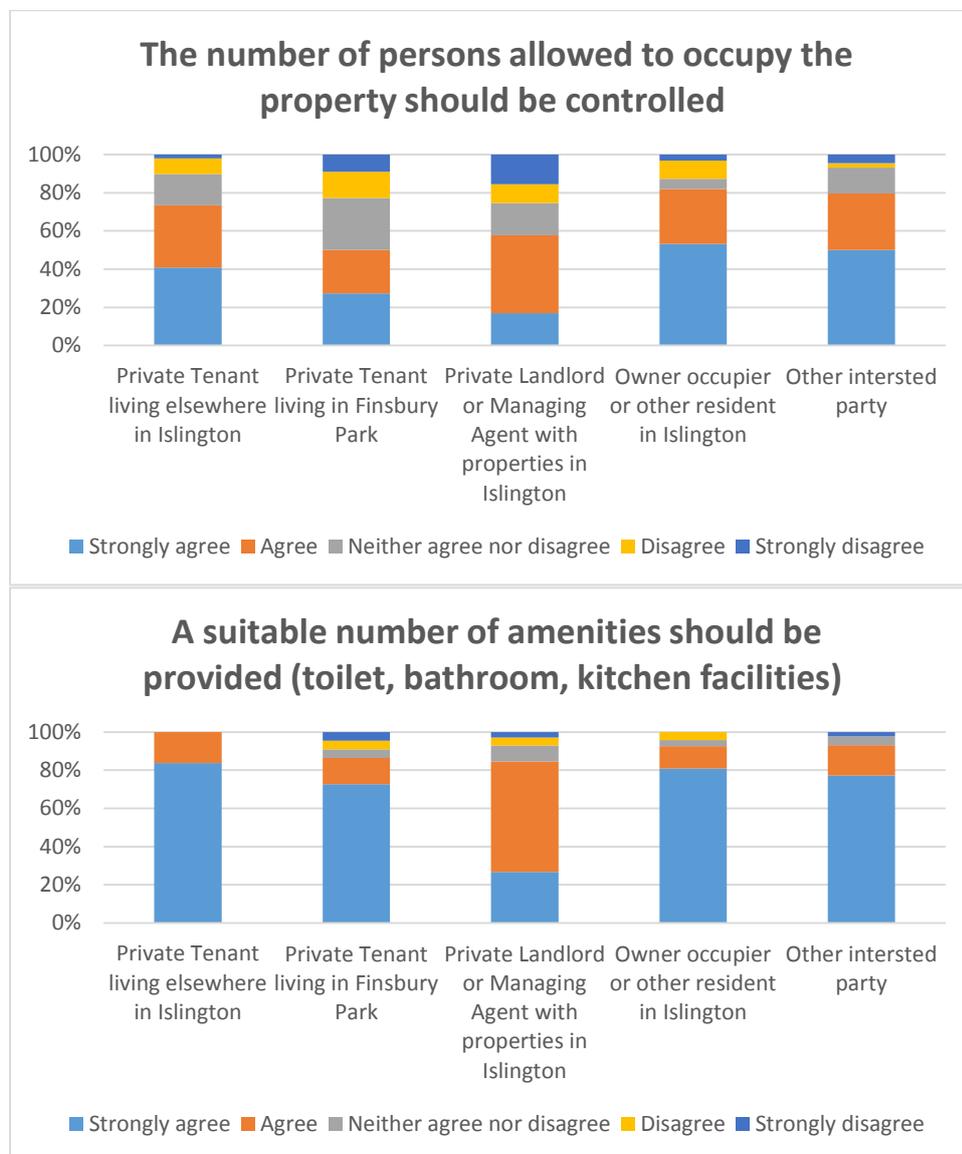
Q5: Which of the following issues do you think a borough wide HMO licensing scheme should address?

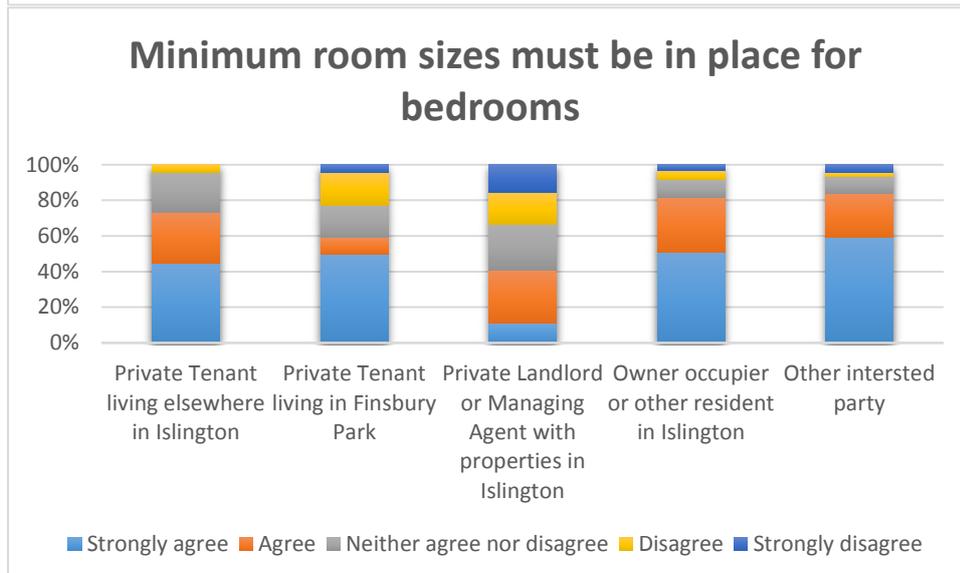
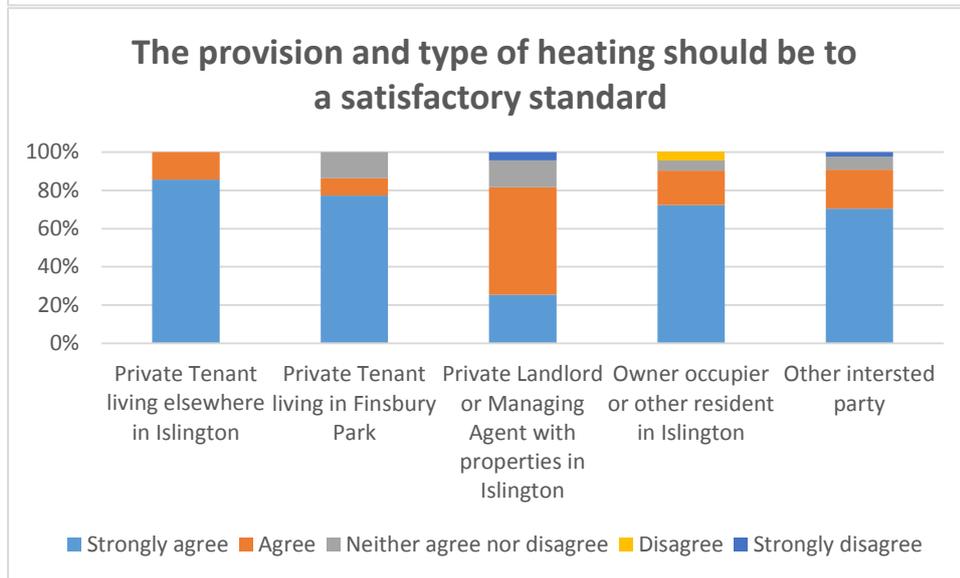
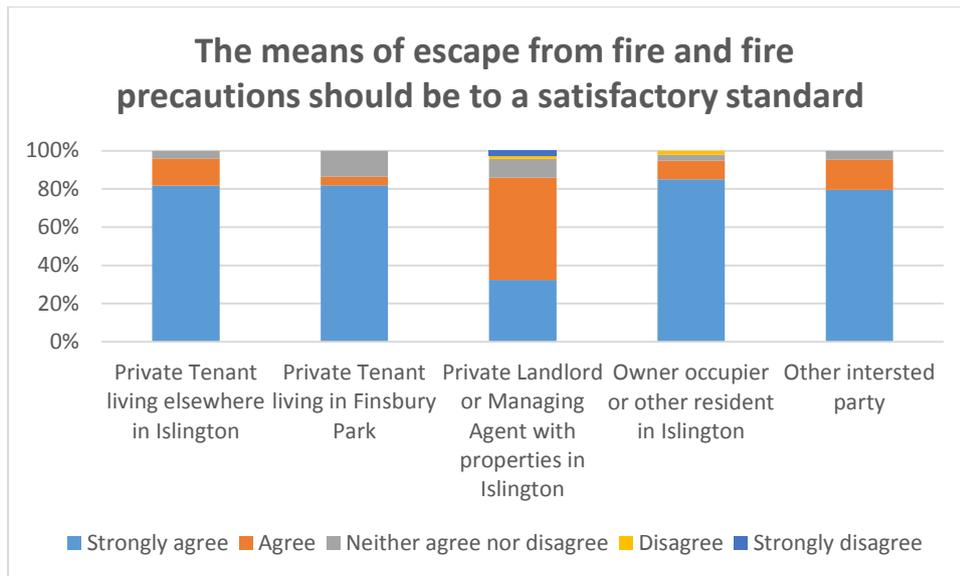


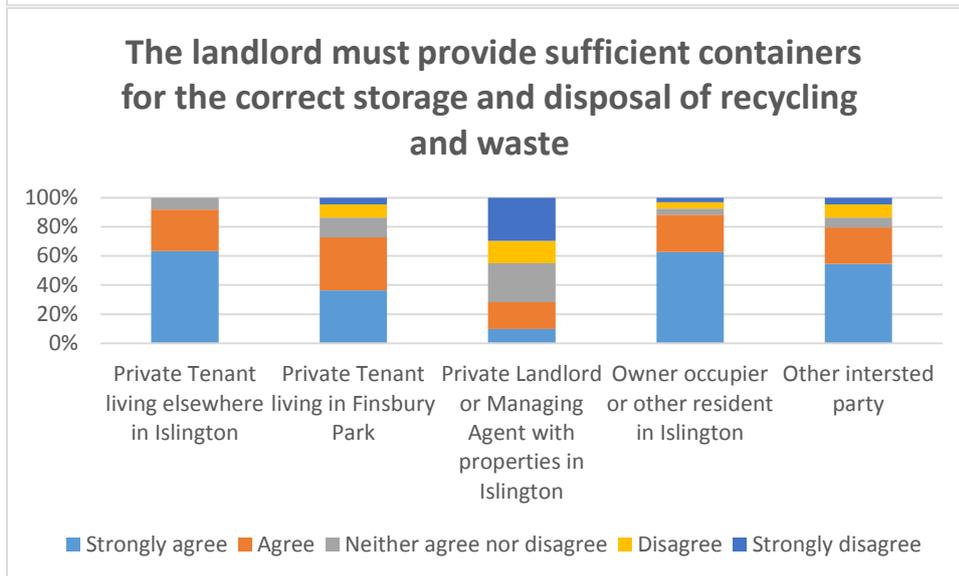
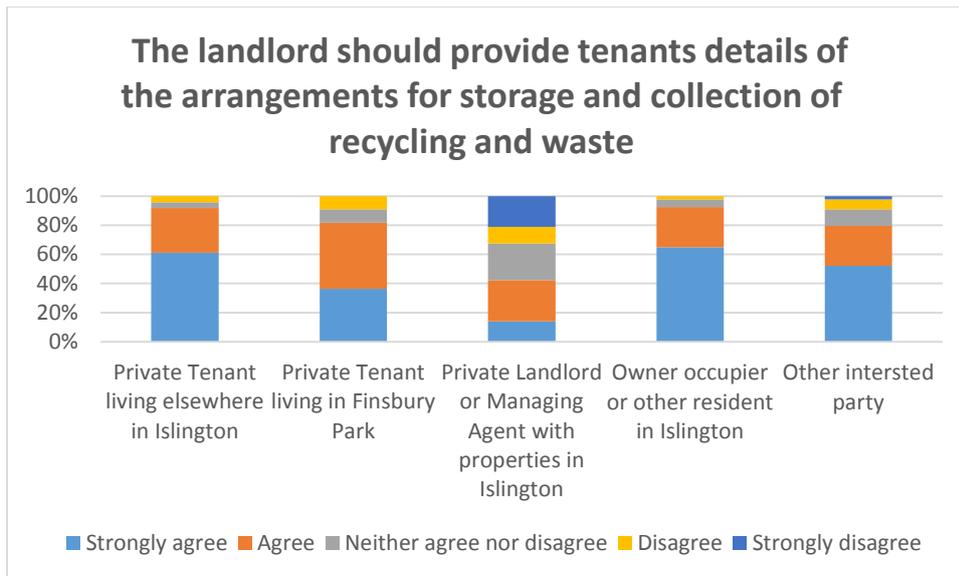
Q6: Which of the following issues do you think a selective licensing scheme for Finsbury Park should



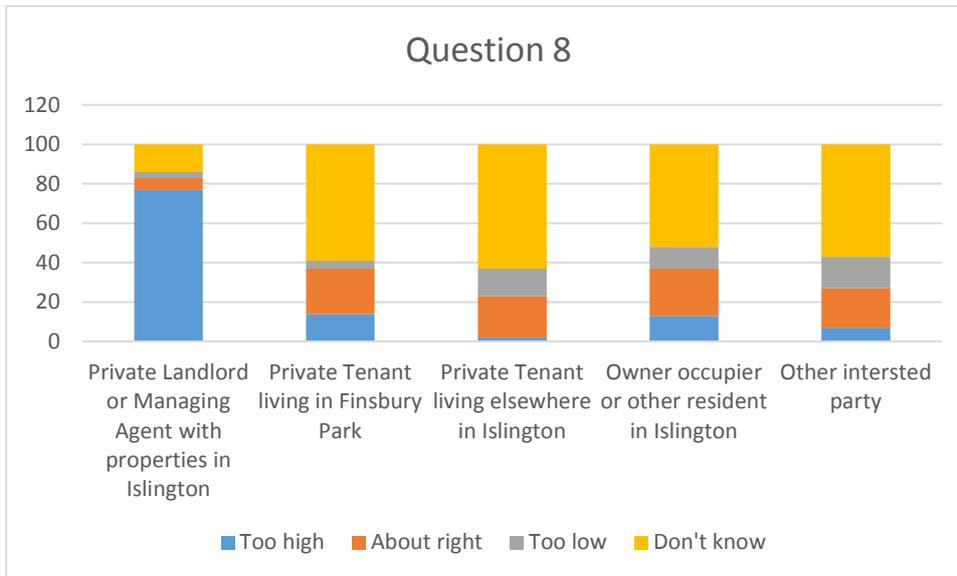
Q7: The proposed licence conditions are designed to improve standards and management. To what extent do you agree or disagree with the following statements regarding the proposed conditions?



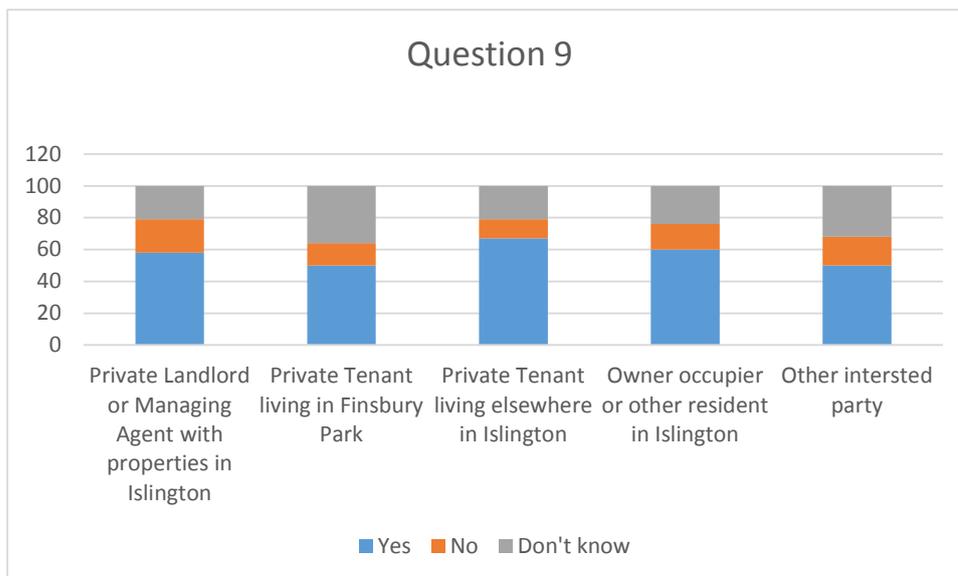




Q8: Do you think the proposed licence fees are

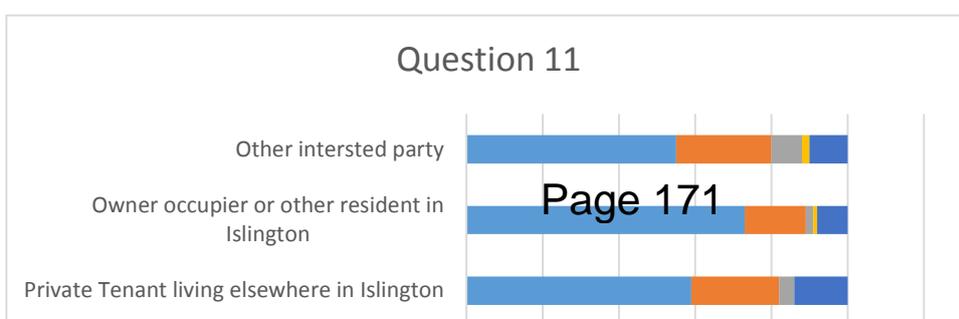


Q9: Do you agree that accredited landlords should be able to pay a discounted licence fee?

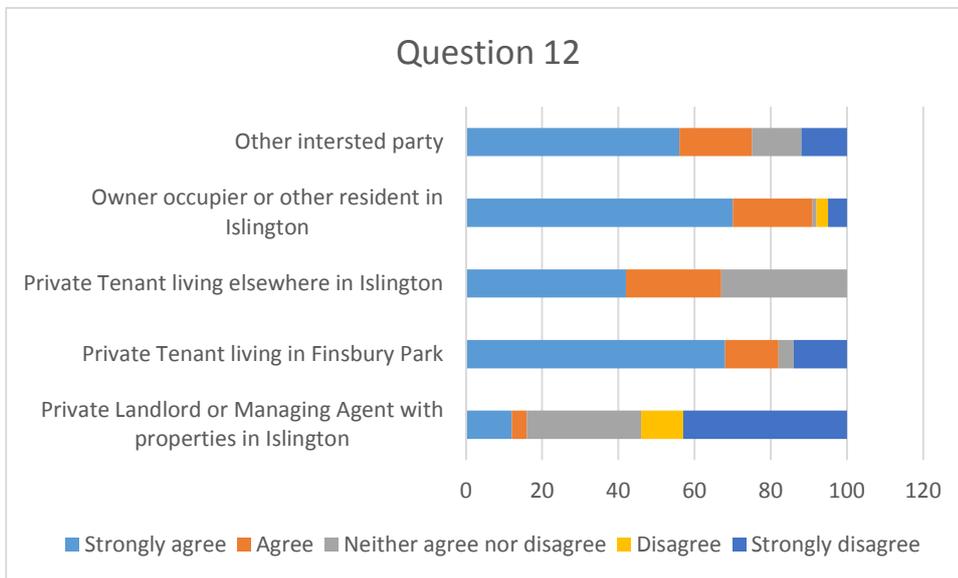


Q10: Please use the box below if you have any other comments about the proposed fees and discounts

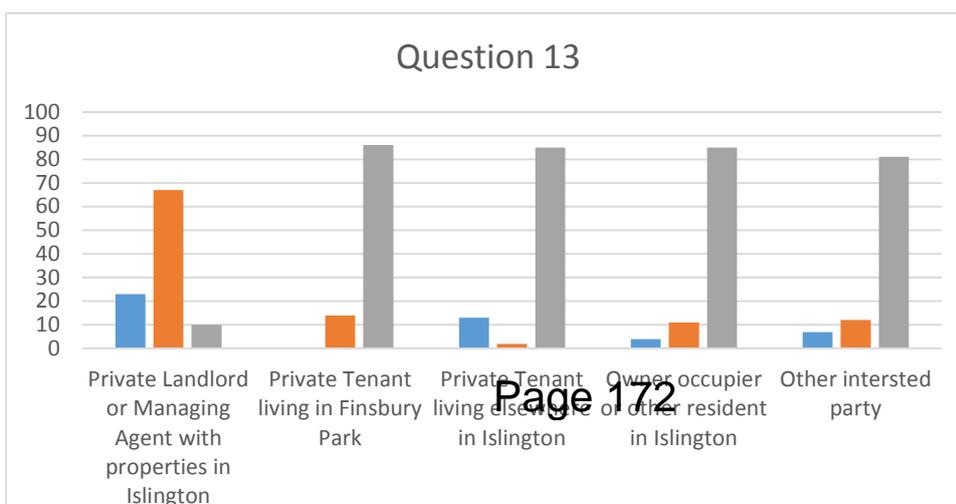
Q11: To what extent do you agree or disagree with the proposed borough-wide HMO Licensing Scheme?



Q12: To what extent do you agree or disagree with the proposed privately rented property licensing scheme for FP?



Q13: Do you think Islington Council should, in the future, investigate the potential for a borough-wide selective landlord licensing scheme on similar terms/conditions as the Finsbury Park scheme currently being proposed?



Consultation on proposed discretionary licensing scheme

Response from ARLA Propertymark

Background

1. ARLA Propertymark is the UK's foremost professional and regulatory body for letting agents; representing over 9,000 members. ARLA Propertymark agents are professionals working at all levels of letting agency, from business owners to office employees.
2. Our members operate to professional standards far higher than the law demands, hold Client Money Protection and we campaign for greater regulation in this growing and increasingly important sector of the property market. By using an ARLA Propertymark agent, consumers have the peace of mind that they are protected, and their money is safe.

General concerns

3. ARLA Propertymark does not believe that discretionary licensing schemes are an effective way of promoting higher quality accommodation. They are often poorly resourced, and consequently the schemes become an administrative exercise that penalises compliant landlords and allows rogues to continue operating under the radar. Enforcement and prosecution remain low where the schemes operate, doing little to improve the minority of substandard properties in the private rented sector, which licensing schemes aim to target.
4. Many licensing schemes fail due to the lack of adequate resources needed to undertake the necessary enforcement activity. Due to the EU Services Directive,¹ the fee to apply for a property licence cannot exceed the cost to process the application, this means that the cost of enforcing the schemes must come from elsewhere. Councils operating discretionary licensing schemes have often indicated that the schemes cost more to operate than the funding generated from licence fees, such as in Blackpool.²
5. Licensing schemes heavily focus on the administration involved, often directing staff away from enforcement to process applications. Councils have indicated that processing a single

¹ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32006L0123>

² <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/housing-communities-and-local-government-committee/private-rented-sector/oral/77774.html>

application can take between 15 minutes and one hour. This can be incredibly time consuming and costly when thousands of properties require licensing.

6. Often, the rogue landlords that the schemes are created to target continue to operate under the radar. Already compliant landlords pay their licensing fees, funding the administration of the scheme while more than often those providing poor housing ignore their legal requirements.
7. The Housing and Planning Act 2016³ allows civil penalty fines levied for offences in the private rented sector to be retained by the Local Authority for further enforcement. Research conducted by the Housing, Communities and Local Government Committee in April 2018⁴ highlighted that Local Authorities on the whole rarely issue landlords and agents with penalties. Existing licensing schemes have demonstrated that only a small number of prosecutions ever occur, with 50 per cent of all prosecutions in 2016-17 coming from Newham Borough Council out of 33 boroughs with discretionary licensing across all of England.
8. Consequently, we would argue that the issue does not lie with existing legislation, rather the lack of enforcement. Local Authorities pinpoint lacking enforcement as a product of stretched resources. Although this should have been remedied with the introduction of the Housing and Planning Act 2016, many Local Authorities do not exercise their powers to bring additional resources into enforcement of the private rented sector.
9. ARLA Propertymark believes that instead of introducing further discretionary property licensing, Local Authorities should adopt a collaborative approach with letting agents, landlords and professional bodies to tackle issues within the private rented sector. This approach recognises and rewards landlords and agents that already adhere to good practice and enables local authorities to better target their resources on effective intelligence-led enforcement.

³ <http://www.legislation.gov.uk/ukpga/2016/22/contents/enacted>

⁴ <https://publications.parliament.uk/pa/cm201719/cmselect/cmcomloc/440/440.pdf>



London Borough of
Islington

31st October
2019

Additional & Selective Licensing Proposal

Thank you for the opportunity to respond to the above consultation. Although we appreciate the issues raised by the council and the vision set out by the Islington Housing Strategy 2014-2019, the RLA is opposed to any form of landlord licensing due to the adverse impact such schemes have on landlords, tenants and the housing market overall.

Pressure on non-selective licence areas

Landlords, especially those with properties outside the licence area will become risk-averse in terms of the tenants they let to. Tenant problems such as anti-social behaviour are impossible for the landlord to address alone and landlords will not wish to risk a breach of licensing conditions that may affect their ability to let properties elsewhere. Some may seek to evict already challenging tenants. This could mean additional costs to other council services, as they pick up the pieces created by the disruption to the lives of already vulnerable tenants.

Fees & compliance

Good landlords will apply for licences and, likely, pass the cost on to tenants in the form of increased rents, doing nothing to address affordability, while the worst landlords – the criminal operators – will ignore the scheme, as they do many other regulations. Such rent increases are now the case in Nottingham. It is reported that the city has seen the highest percentage rise in rent compared to anywhere in the country since the introduction of a city-wide selective licensing scheme from August 2018.

There is already a high level of non-compliance within existing Additional Licensing schemes, as demonstrated by a series of FOI requests by Safeagent. They found that licence applications have been submitted for only 25% of the 138,500 private rented properties that require licensing under mandatory HMO or Additional Licensing schemes – totalling in 75% of non-compliance (<http://www.londonpropertylicensing.co.uk/new-research-finds-over-130000-unlicensed-private-rented-properties-london>). The introduction of further licensing would only add to such non-compliant figures.

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Residential Landlords Assoc. is a trading name of Residential Landlords Association Ltd. Company No. 2869179.



Tacit Consent

The council have made no mention in the Fee Structure document if Tacit Consent applies should the processing of the licence goes beyond the advertised times, as well as not provided a timescale for the length of processing time for a licence application.

Concerning the processing time for a licence application, regulation 19 of the Provision Regulations deals with the speed of processing of applications. Specifically, they require that applications must be:

- processed as quickly as possible and, in any event, within a reasonable period running from the time when all documentation has been submitted;
- The length of the processing period must be fixed and made public in advance.
- Where an application is not processed within the advertised period, the authorisation will be deemed to have been granted automatically.

The *Gaskin* case says that the Provision of Services Directive applies to licensing schemes in full. This does a lot more than talk about fees. The transposition of this into the UK law states that regulators should set out how long it will take to carry out a licensing approval process and if they do not meet that timeline then approval should happen automatically.

The council needs to set out and display their licensing processing time publicly, and if tacit consent will apply if the processing of the application goes beyond the advertised processing timescale.

Existing Enforcement Powers

There are over 150 Acts of Parliament and more than 400 regulations affecting landlords in the private rented sector.

Councils should use the enforcement powers already granted to them by the Housing and Planning Act 2016 and Housing Act 2004 to their full extent, rather than rely on Licensing Schemes to regulate landlords in addition to these powers. The Council has also not taken into consideration the amount of informal enforcement activity undertaken between local authorities and private landlords.

The Tenant Fees Bill has also introduced a lead enforcement authority to provide guidance and support to local authorities regarding the enforcement of letting agent requirements.

Raising Standards

There is little evidence that licensing schemes improve housing standards. The focus of staff becomes the processing and issue of licences, while prosecutions centre on whether a property is licensed or not, rather than improving management standards and property conditions. Additionally, the decent homes standard is a measure of the standard of housing and has no legal applicability to PRS housing. The Housing Health and Safety Rating System (HHSRS) is the relevant standard for the PRS.

The Council already has the necessary tools to tackle poor housing management and conditions in the PRS. Rather than introduce a bureaucratic licensing scheme that will see scarce resources focused on processing applications, the council should continue to direct

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these limited resources at identifying private rented properties and taking effective enforcement action.

Conclusion

The RLA reiterates its objection to the proposed scheme.

There are alternatives to licensing. The RLA supports a system of self-regulation for landlords whereby compliant landlords join a co-regulation scheme which deals with standards and complaints in the first instance, while those outside the scheme remain under the scope of local authority enforcement. We also support the use of the council tax registration process to identify private rented properties and landlords. Unlike licensing, this does not require self-identification by landlords, making it harder for criminals to operate under the radar.

Yours sincerely,

Samantha Watkin
Policy Officer
Residential Landlords Association
Samantha.Watkin@rla.org.uk



Proposed Additional and Selective Licensing Schemes in the London Borough of Islington

Safeagent Consultation Response

1 November 2019

An Introduction to safeagent

Safeagent is an accrediting organisation for lettings and management agents in the private rented sector. Safeagent (formally NALS) was established in 1999, by the Empty Homes Agency, with backing from the Royal Institution of Chartered Surveyors (RICS) the Association of Residential Lettings Agents (ARLA) and the National Association of Estate Agents (NAEA). Safeagent provides an overarching quality mark, easily recognised by consumers, with minimum entry requirements for agents.

Safeagent agents are required to:

- deliver defined standards of customer service
- operate within strict client accounting standards
- maintain a separate client bank account
- be included under a Client Money Protection Scheme

Agents must provide evidence that they continue to meet safeagent criteria on an annual basis to retain their licence. The scheme operates UK wide and has 1500 firms with over 2000 offices, including a number of agents within the London Borough of Islington.

Safeagent was recognised by the GLA as an approved body for the London Rental Standard. We are also a co-regulation partner with Liverpool City Council and a recognised training provider under the Rent Smart Wales scheme.

We very much welcome the opportunity to contribute to this consultation exercise.

Overview

We understand the council is seeking to introduce an additional licensing scheme that would extend licensing to most HMOs throughout the borough, whereas the current scheme is restricted to Caledonian and Holloway Roads.

We understand the council is also seeking to introduce a selective licensing scheme in the Finsbury Park ward.

In preparing this consultation response, we have studied the licensing consultation report and FAQ document that has been published on the council's website and we thank you for sharing the information.

Existing licensing scheme

We note that Islington Council has adopted a fair and balanced approach by restricting additional licensing to Caledonian and Holloway Road under the current

additional licensing scheme, with this area chosen by adopting an evidence based approach.

With the current scheme nearing completion, we recognise the council will want to review the scheme boundary and seek to identify and target areas of greatest concern. However, rather than adopt a borough wide additional licensing scheme, we would encourage the council to adopt an alternative proposal that focuses on the geographical areas of greatest concern, as identified in the published evidence base.

Selective licensing proposal

In deciding to implement a selective licensing scheme, we are pleased that the council is adopting a pragmatic approach and proposing to restrict the scheme to one council ward. We think this more targeted approach will enable the council to coordinate resources to achieve a measurable impact in a clearly defined area.

As part of the scheme development, we would encourage the council to consider establishing a small stakeholder group involving all interested parties including letting and managing agents. This would provide an opportunity for discussion and information sharing throughout the life of the scheme.

Within the FAQ document, we note there are mixed messages about whether it is the council's intention to inspect all properties subject to selective licensing. On page 8, it says it is not the council's intention to inspect every property whereas on page 15 it says officers will inspect such properties. We would request clarification on this point.

We note that one of the reasons for implementing this scheme is to tackle poor housing conditions. In that regard, we would highlight section 4 of the Selective Licensing of Houses (Additional Conditions) (England) Order 2015 which requires the council to undertake a 'significant number' of HHSRS inspections if the scheme is implemented to address poor housing conditions. This may impact on the financial appraisal for the licensing scheme.

Section 257 HMOs (certain converted blocks of flats)

The report states the new additional licensing scheme is intended to cover section 257 HMOs where all the flats are privately rented. We are concerned about this proposal and would like to suggest some amendments to the scheme criteria.

There are very good reasons why this type of property was excluded from mandatory HMO licensing when the Housing Act 2004 came into force and this was further reinforced in the DCLG draft guidance on Parts 2, 3 and 4 of the Housing Act 2004, published in January 2010. Whilst the guidance was never finalised, it continues to be a useful reference point and is still available on the Gov.uk website.

Firstly, section 257 HMOs are not necessarily 'poorly converted' buildings. They include, for example, properties that were converted into flats in the 1960s and 1970s and which obtained all necessary consent for the conversion at that time. When considering such historic conversions, the relevant building regulations are the Building Regulations 1991.

The DCLG draft guidance (2010) explains that it is the common parts of the building

that should be assessed against the Building Regulations 1991 and the range of factors to be considered include the structure, fire safety, resistance to the passage of sound, ventilation, drainage and waste disposal, stairs, ramp and guards, access and facilities for disabled people and glazing (this is not an exhaustive list).

Thus, in order to determine if the property is a section 257 HMO, it is necessary to seek expert advice about whether the conversion works complied with the requirements in force at the time of the conversion or whether the property has subsequently been made compliant.

For properties converted since 1 June 1992, a Building Control completion certificate would satisfy this requirement. But for properties converted before that date, it would be very difficult for a layperson to assess compliance with the Building Regulations 1991 and many local authority licensing teams would struggle to make a definitive assessment. Letting agents cannot be expected to make this sort of judgement.

In situations where there is a freeholder and separate long leaseholders, the situation is further complicated by the need to determine whether less than two thirds of the flats are owner-occupied (to meet the HMO definition) and then whether all the flats are privately rented (for the proposed licensable HMO definition). Only the freeholder may possess this information and the tenure of each flat may vary over time.

This would make it extremely difficult for a safeagent letting agent to assess whether a licence is required, despite their best endeavours. For example, it may be that the building did not require a licence when a flat was rented out, but subsequently requires licensing because another leaseholder in the building has rented out their flat. As such, a letting agent could find themselves unintentionally in breach of the licensing scheme simply because another flat in the building had been rented out without their knowledge.

We do however recognise that there are circumstances where a particular type of section 257 HMO may be worthy of more intensive regulation. For example, where a landlord has converted a property into cramped and poorly designed studio flats entirely for private rental without any planning and building regulation approval.

In such circumstances, the additional licensing scheme could be restricted to section 257 HMOs where the whole building and all the individual flats within it are in single ownership or considered to be effectively under the same control and are all privately rented. The London Borough of Ealing adopted this approach in response to our consultation feedback. They also restrict the licensing of section 257 HMOs to situations where the number of flats exceeds the number of storeys in the building. We would encourage Islington Council to adopt a similar approach.

Licensing fees

We recognise that the council need to charge a reasonable fee to cover the cost of administering and enforcing the licensing scheme.

It is important that the council implement an efficient and streamlined licence application processing system. This will help to minimise costs and keep fees at a

reasonable level, thereby minimising upward pressure on the rent that is charged to tenants.

We note the council does not currently operate an online application system although we understand an online system is being developed. In our experience, it is quite common for the IT development process to overrun and we would seek an assurance no new scheme would be implemented until the system is ready to launch. We would also encourage the council to consider landlord and agent user testing as part of the development process.

In developing a new online application system, we would encourage the council to ensure it is compatible with the Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (Amendment) (England) Regulations 2012. These regulations set down a mandatory streamlined application process for licence renewals.

For additional licensing fees, we note that the proposed fees represent a slight uplift on the current rates and are pitched at about the London average.

For the selective licensing scheme, we think the proposed licensing fee of £500 per property is set at a reasonable level for a five year licence.

We welcome the decision to offer a discounted fee to accredited landlords although we do not think it is fair to restrict this to members of the London Landlord Accreditation Scheme. We think the discount should be widened to all accreditation schemes that were previously approved under the London Rental Standard. Further, we think the discount should be extended to situations where the managing agent is accredited, such as through our safeagent accreditation scheme. This would provide landlords with an incentive to instruct an agent regulated through one of the main national bodies. This in turn will help to meet the council's objective of ensuring licensed properties are well managed. A similar approach has been adopted by Ealing Council and we would encourage Islington Council to follow best practice and do the same.

We note there is no reference to offering an early bird fee discount to reward compliant landlords and agents and support the smooth implementation of the scheme. Other councils such as Newham have found this an essential component of operating a successful scheme and we would encourage the council to give this further thought.

Licensing implementation

We do not agree with the proposal to restrict five year licences to applicants that apply within the first three months and thereafter offer just a one year licence. We would encourage the council to rethink this proposal.

Firstly, much would depend on the ability of the council to promptly reach out to all landlords and managing agents when the scheme designation is made, particularly as there is no central register that can be relied upon.

In our experience, initial scheme publicity is often lacking in effectiveness, particularly for landlords based outside the borough boundary. Complex messages about the nature and scope of licensing schemes are also difficult to capture in

advertising, which could leave landlord and agents unaware that the scheme applies to them. Indeed, on page 14 of the FAQ document, the council acknowledge that a greater effort is required to publicise the scheme and proactively prompt landlords to apply.

For safeagent members with a sizeable portfolio, they need sufficient time to cascade the information to their landlords, collate relevant information and compile numerous applications within a short timescale and with no extra staffing capacity.

After the initial three month period, it would be unreasonable to restrict all applicants to 1 year licences. Licence applications will continue to be submitted as properties are bought and sold and occupancy arrangements change throughout the live of the scheme.

The proposed fees would also be exceptionally high if charged for a 1 year rather than 5 year licence. We would encourage the council to look at approaches adopted by other councils. For example, some councils issue shorter licences if they have issued a prior warning letter or have encountered poor property management. We are not aware of any London Boroughs issuing only 1 year licences to all applicants who fail to apply in the three month pre-notification period.

Indeed, our recent property licensing survey highlighted that mandatory HMO and additional licensing schemes have, on average, only attracted 25% of the applications expected: <https://safeagents.co.uk/2019/10/11/london-licensing-scheme-regime-failing-consumers/>

Licence Conditions

We welcome the statement in the FAQ document that if a licence condition is breached, the licence holder will be supported, given advice on how to comply and a timeframe for doing so. We think this process of constructive dialogue can be effective in building relationships and supporting landlords and agents on a trajectory of compliance.

We note that one set of generic licence conditions has been published. We have commented as though they apply to additional licences as many of the conditions are more applicable to HMOs.

We would not agree that the same conditions are appropriate for selective licences for single family properties. The power to impose selective licence conditions is more restrictive under Part 3 of the Housing Act 2004. For example, licence conditions cannot relate to 'conditions and contents' and proposed conditions relevant to HMOs should be removed. We would ask the council to share an amended set of selective licence conditions for comment.

As a general point, we welcome the flexibility to either display certain documentation in each property or provide copies at the tenancy sign up. This helps to support a light touch approach for safeagent members who are committed to offering high standards of property management, whilst avoiding properties feeling too institutional.

The proposed licence conditions in Appendix 5 do not include the new mandatory licence conditions introduced by the Licensing of Houses in Multiple Occupation

(Mandatory Conditions of Licences) (England) Regulations 2018. In particular these regulations set out new notification requirements that must be applied in situations where the property is deemed over-occupied at the time of application, or if it becomes over-occupied during the period of the licence without the knowledge or consent of the landlord.

Condition 2.1: we would suggest standardising the timescale to provide certain information to the council. In this condition, it is 7 days, which is a very short period allowing for postal delivery and short term staff absences due to holiday, sickness or training. Other conditions state 28 days and we think that is a more reasonable timescale for all such conditions.

Condition 2.2: this condition should be amended as the timescale to provide tenants with prescribed information is within 30 days of taking a deposit and not at the time the deposit is taken.

Condition 2.6: to help drive up standards in the private rented sector, it may assist if the council publish a template property inspection form that landlords and agents could use.

Condition 2.8(h): we note this clause requires 'promptly taking any legal proceedings', although this would depend on whether there is a legal basis to do so. There are restrictions on when a section 21 notice can be served and a section 8 notice is only appropriate if there is sufficient evidence to justify the courts granting possession on this discretionary ground.

Condition 3.3 (numbered 1.3): it would be helpful to specify the frequency of PAT testing the council are expecting.

Condition 3.4 (numbered 1.4): it is unclear if this condition is intending to refer specifically to upholstered furniture and the fire safety requirements. Otherwise, it is unclear how standard furniture such as a table or wardrobe would be certified as safe, and what the council's expectations are in this regard. It is suggested this condition is deleted as it duplicates condition 3.12 (numbered 1.12) which has more appropriate wording.

Condition 3.6 (numbered 1.6): as explained in the LACORS fire safety guidance, the fire safety order only applies to properties where each letting within the property is on a separate tenancy. It does not apply if a property is let to a group of sharers who have exclusive use on a single tenancy. We do not think a licence condition can apply the fire safety order to licensed HMOs that fall outside the scope of the order.

Condition 7.2: the condition should be amended as if the HMO is let to a group of sharers on one tenancy, landlords and agents must give tenants at least 24 hours notice of any inspection. As such, they cannot grant access into those properties in a shorter timescale. For HMOs let out by the room, the agent could grant access into the common parts during normal office hours.

Condition 7.4: it is unclear the purpose of this condition as it is assumed the council will require a floorplan to be provided as part of the licence application. As such,

the council should already have this information on file. For any changes in the layout, this is already covered under condition 7.1

HMO Standards

We would encourage the council to look again at the proposed HMO standards in Appendix 3, given these standards would be applied to potentially thousands of properties across the borough.

Under 'purpose', we would suggest the council insert a clause making clear the standards are not set in stone and they will be applied with a degree of flexibility having regard to the circumstances in each case. This would help to ensure compliance with judgements made by the Upper Tribunal.

The definitions of bedsits and shared house are not comprehensive but rather a series of bullet points which briefly summarise some but not all of the characteristics of such properties. How these terms are defined and interpreted is important as it can create confusion about how a property is categorised and what standards apply.

We note the standards contain indicative minimum room sizes set above the legal minimum but this section is not comprehensive and it is wrong to state these prescriptive requirements 'will be applied to all HMOs in the borough' without allowing for any flexibility, as mentioned above.

For example, within a shared house, it provides indicative bedroom sizes where there is a separate kitchen, but no indication what bedroom sizes would be permitted if there was also a separate communal living or dining space, and what the communal space standards might be.

The standards also make no reference to self-contained flats in converted building test or section 257 HMOs. These flats could be occupied by families with children, with lower room sizes prescribed for children under 10 years old. Whilst we agree the council should adopt a flexible approach, it would be useful to have a more detailed framework within which such decisions would be made.

It is unusual for councils to insist on a combination microwave oven and grill in addition to a cooker and hob in kitchens shared by up to five people.

It is unusual for councils to insist that bedsit HMOs must have a kitchen on every floor unless the kitchen contains dining space. It is normally a kitchen within one floor.

If the standards are to be applied to all HMOs including shared houses and flats occupied by just three people, it would not be appropriate to insist on full 30-minute fire doors to every kitchen. This would exceed the LACORS fire safety guidance for low occupancy shared accommodation. It is difficult to summarise risk based guidance within a prescriptive standard and so reference to compliance with the LACORS guidance may be more appropriate.

It is unusual for councils to insist that a toilet and wash hand basin must be located in a separate room for HMOs occupied by five people. This is normally applied to

HMOs with six or more occupants. Under 6 to 10 occupants, only one of the toilets usually needs to be in a separate room.

Room and Amenity Standards for Single Family Dwellings

It is unclear the purpose of the standards contained in Appendix 4 and how they link to the proposed licensing schemes as there are no prescribed standards for single family properties. Instead, any hazards within single family dwellings would be risk assessed under the HHSRS.

Further, selective licensing case law makes clear that conditions relating to 'conditions and contents' cannot be included on a selective licence, and so we do not think this standard could be applied as a condition of selective licences.

If the council is intending to apply occupancy limits on selective licences (many councils do not do this), it is important any limit is a whole house limit rather than seeking to enforce which family member sleeps in each room. Whilst a safeagent member can assess the most appropriately sized family group, they cannot dictate who sleeps in each room once the tenancy starts when letting to a single family.

In relation to kitchens, there is no requirement under HHSRS for kitchens to be less than 20 years old. This is taken from the Decent Homes standard which is not enforceable in the private rented sector.

The kitchen facility requirements also don't take account of properties let unfurnished where the tenant may provide their own cooker and fridge, as happens with local authority accommodation.

Inspection regime

If properties are to be inspected as part of the licence application process, it is vital that the council has sufficient officers available to conduct any inspections in a timely manner so that licence approvals are not unduly delayed.

We would ask the council to publish clear service standards setting out the timescale for processing and approving licence applications and to publish regular updates so that performance in this area can be monitored. In other boroughs, we regularly see licence approvals taking six months or more due to a backlog of work and inadequate resourcing.

Delivering effective enforcement

It is vital that the council establishes and maintains a well-resourced and effective enforcement team to take action against those landlords and agents that seek to evade the licensing scheme.

Without effective enforcement, new regulatory burdens will fall solely on those that apply for a licence whilst the rogue element of the market continue to evade the scheme and operate under the radar. This creates unfair competition for safeagent members who seek to comply with all their legal responsibilities. They are saddled with extra costs associated with the licence application process and compliance, whilst others evade the scheme completely.

Recognising the important role of letting agents

Letting agents have a critical role to play in effective management of the private rented sector. We would encourage the council to explore mechanisms for effective liaison with letting agents and to acknowledge the benefits of encouraging landlords to use regulated letting agents such as safeagent licensed firms.

Regulation of letting agents

To achieve better regulation of the private rented sector and improve consumer protection, it is important the council takes a holistic approach that extends far beyond the proposed licensing scheme.

Since October 2014, it has been a requirement for all letting agents and property managers to belong to a government-approved redress scheme. In May 2015, a further requirement was introduced requiring agents to display all relevant landlord and tenant fees, the redress scheme they belong to and whether they belong to a client money protection scheme, both in-store and on the company's website. On 1 April 2019, the requirements were updated again, requiring letting agents and property managers to be members of a government approved client money protection scheme if they hold client funds. At safeagent we operate one of the government approved client money protection schemes.

To assist councils in regulating the private rented sector and effectively utilising these enforcement powers, we developed the NALS Effective Enforcement Toolkit. Originally published in June 2016, the toolkit was updated in 2018 in conjunction with London Trading Standards and is currently undergoing a further review. The latest toolkit can be downloaded free of charge from our website:

https://safeagents.co.uk/wp-content/uploads/2018/12/07618_NALS_EnforcementToolkit_Web.pdf

Should you wish to discuss any aspect of this consultation response, please do not hesitate to contact me. Can you also please confirm the outcome of the consultation exercise in due course.

Isobel Thomson
Chief Executive

Safeagent
Cheltenham Office Park
Hatherley Lane
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GL51 6SH

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Drop In sessions

1 October 2019

1. How we will tackle the rogues, costs, borough wide selective believe will happen, concern paying for enforcement of rogues, variation from selective to additional (do they lose the fee paid, Enfield?), turnaround times, NLA members do they get LLAS discount equivalent?, use of word letting is misleading (bedroom proposed), what are our studio standards?, can LA help with inevitable increase in complaints re: ASB once public become aware that we can deal with this via licensing, S21s being phased out by government? Could we overlook reference requirement if council tnt (as LL already taking the risk by taking on bens tnt so should anticipate possible issues), can unlicensed HMOs have H Bens payment for rent refused (to encourage compliance?) LL and letting agents (###) neutral, thinks scheme is between than others eg Enfield

Can we have max time between Part I and Part II payments? Legally?

2. Private LL: Concern over rooms sizes (ex LA flat 2 small rooms, 2 large pones), can they be used and unfair if she can't use but LA flat next door can and same seizes, fees too high, new to this though, lots of ex LA properties will be too small (concern) due to design in 1950-60s, by having lower room sizes for selective vs additional is this fair? Why? Can we justify? On some estates there are rooms that are only suitable for kids under 10! 5.3 m2 small x2 and 12.5 x2 m2 otherwise supportive, can we get list of properties (numbers) from leasehold services of how many flats have undersized rooms and what % are undersized rooms ### issue could be if we issue licence for 3 persons but they still have to pay service charge for 4 this would be unfair and LLs may refuse to pay
3. LL General Qs re: fire safety, room sizes
4. Renters Union. Questions over when inspect and do we act on complaints when deciding what to licence and numbers and level of risk. Camden issue a temporary licence prior to full (presumably a draft) Suggests where exemption is where bad conds are e.g. Andover currently exempt (purpose built) supportive

9 September 2019

Letting agent from ## attended Town Hall:

1. Fees too high.
2. Sought information on how scheme would be run.
3. Was it ok to accept applications from agents when the property owner held the money for the repairs.
4. Comments would be made on the online survey

2 October 2019

1. Landlord of one property: Problem is with the social sector not the private sector. That's where the ASB and crime is not in the PRS. If licenses are needed they are needed but don't ignore the problem in the social sector.

Salter, Ed

From: [REDACTED]
Sent: 19 August 2019 21:40
To: licensing, property; Williams, Gavin
Subject: HMO licensing

Follow Up Flag: Follow up
Flag Status: Completed

Dear Sirs,

I have received email and letter regarding licensing in Islington, thank you

I am a landlord and have 4 properties in the Finsbury Park Ward one of which is a 6 bed HMO licensed in 2018 with the help of Ellis Turner and Gavin Williams both were very helpful in guiding me in the correct direction to obtain the license I have a further 3 one bed flats one in Roden St (Islington is the freeholder) and two in the [REDACTED] [REDACTED] all 3 of these flats are in excellent condition in particular [REDACTED] is kept to the highest standard both in presentation and health and safety

I welcome the idea of the consultation leading to having properties licensed with three people or more it is the correct thing to do as there are many bad landlords who have no respect for their tenants or their properties however I must say these landlords are deflating good landlords as myself and it seems the bad landlords seem to giving the council powers to punish us all and this is unfair, it is concentrating on the bad with no recognition for the good, however good landlords should be the example and with respect not the other way round and perhaps the council can find another way for the Finsbury Park Ward

I would like to offer your department to come and inspect my flats before a decision is reached this could help Islington decide if it is fair good landlords are to be treated equally to the landlords you have received complaints about

For avoidance I fully support licensing this will benefit me making sure my properties are safe and respectful dwelling for tenants, What I'm not happy about is that I may have to license three one bed flats Through no fault of my own but the fault of bad landlords and as a good landlord this is very deflating indeed and would ask you to please consider this before making your decision

I will call your department a few days to see if someone would like to come and inspect my flats

Best Regards

[REDACTED]

[REDACTED]

>
> -----Original Message-----
> [REDACTED]
> Sent: 11 September 2019 12:42
> To: licensing, property <property.licensing@islington.gov.uk>
> Subject: For the attention of Richard Sherwin
>
> Dear Richard Sherwin,
>
> Thank you for your time on Monday
>
> As discussed I am most concerned Islington is proposing to regulate every rental property in the Finsbury Park Ward, I do understand this proposal is due to having many complaints for unscrupulous landlords and upon this the proposal is justified, my concern is there also many landlords who have excellent properties in this area in particular one of the most beautiful and extremely well run properties in London the Beaux Arts Buildings 10-18 Manor Gardens N7 6JT and must say to have these flats regulated is not necessary
>
> We also discussed I would welcome an officer to come and inspect my flats before a decision is made for every property to be regulated in this ward, and perhaps you may decide it is not necessary to regulate as to your departments proposal and whilst I do not want to muddy the waters between us I would respectfully ask for your department to have selective properties to regulate in particular the properties you have had complaints about, I will also look into this further to see I have any ideas I can suggest in order good landlords are not treated unfairly or in the same category as the bad landlords
>
> I will call your office in a few days to see I can arrange an inspector to come to see my flats
>
> Thank you and regards
>
> [REDACTED]
> [REDACTED]
> [REDACTED]
>
> This e-mail is intended for the addressee only. If you have received it in error, please contact the sender and delete the material from your computer. Please be aware that information in this email may be confidential, legally privileged and/or copyright protected.
>

Salter, Ed

From: [REDACTED]
Sent: 14 October 2019 17:24
To: licensing, property
Subject: HMO Licensing Consultation

Follow Up Flag: Follow up
Flag Status: Flagged

To whom it may concern

I am the Landlord of property in Archway and I am writing to say I disagree with the idea of licensing all HMOs in Islington for a number of reasons.

1. The Council already has the necessary tools to tackle poor housing management and conditions in the PRS.
2. It would do little but alienate lawful landlords and wouldn't tackle criminal landlords who would not participate in the scheme.
3. It would place an extra financial and administrative burden on those Landlords who are licensed.
4. What is the actual evidence to show the licensing scheme has improved housing standards on Holloway Road and Caledonian Road?
5. How are you actually going to use licensing to improve living conditions? Will all money raised be used to deal with the most problematic and highest risk properties or be co-opted into other departmental budgets.
6. The council doesn't use the information available to it now and I can't see licensing making any difference. To illustrate my point I am a leaseholder of Islington Council and sublet my property. I heard about this consultation through my membership of the RLA and Islington Life NOT your Homeownership department who know I sublet.

Kind regards

[REDACTED]

To : Finsbury Park Ward Councillors

Gary Heather
Asima Shaikh
Mick O'Sullivan

CC: Richard Sherwin
Islington HMO Licensing team

Date: August 6th, 2019

Dear Local Finsbury Park Ward Councillors,

Proposed Property Licensing Scheme-FINSBURY PARK WARD

I am a landlord letting residential properties in the Finsbury Park ward and other wards in Islington, including current licensed Houses of Multiple Occupation.

I received the e-mail below yesterday from the Islington Council licensing team.

Whilst I am generally in favour of the licensing proposals outlined below, a number of important questions will need to be specifically asked by Councillors please in relation to the proposed blanket licensing scheme (which will require ALL privately rented properties to be licensed) in the Finsbury Park Ward. These questions are as follows:

1. The proposed boundary changes of Islington wards, including Finsbury Park Ward, means that it is not currently clear what area the proposed licencing scheme would apply to in Finsbury Park Ward. I am assuming the existing Finsbury Park Ward?
2. There has never been a whole Ward designation for HMO licensing/selective licensing in Islington previously. If Finsbury Park Ward is to be treated differently, the Council will need to publish the information that it refers to below: "**highest number of complaints from renters.**" and circulate it as part of the consultation. I suspect that if the evidence is looked at properly it will be found that most of the complaints relate to flats located above commercial premises along Seven Sisters Road? Seven Sisters Road should specifically be targeted for the HMO selective licensing rather than the whole Finsbury Park ward. This was the targeting that selective licensing focused on previously-specifically for private residences located along (and above commercial premises) on Holloway Road and Caledonian Road

"Selective Licensing in Finsbury Park

A new licensing scheme for all other privately rented properties in the Finsbury Park ward will be introduced requiring anyone who rents out a flat or house occupied by either 1 household or 2 persons sharing, to obtain a licence

Why? This area has the highest number of complaints from private renters about property conditions in borough. It also experiences high levels of

antisocial behaviour, crime and deprivation. This means we can use licensing to improve living conditions for all renters in Finsbury Park ward.”

3. The truth is that whilst selective additional licensing/HMO Licensing generally improves residential housing stock, it also has the effect of taking substantial amounts of residential property out of the affordable private rented sector. This should be seen as a major problem for Islington as more people will be made homeless with large area blanket licensing schemes (whole of Finsbury Park Ward)....which has had little thought given to it. This is what has happened in Newham where borough wide additional licensing was applied to the private rented sector.
4. The problem for landlords with licensing/HMO licensing sometimes relates to matters that they (landlords) have no control over/no ability to improve/no ability to provide a remedy for. Mortgage finance becomes much more difficult, impossible in some cases, to obtain when a property needs to be HMO licensed or through selective licensing. This then forces a sale of the property. The HMO licensing/selective licensing requirements specify that financing companies must be notified if a property becomes subject to licensing/HMO Licensing. Some landlords may well fall foul of the required “good character” declaration for some historic minor misdemeanour.
5. If the reason for selective licensing is anti social behaviour in Finsbury Park Ward, we really need to understand what this relates to/the proper causes of such anti social behaviour? The private rented sector? Or much more probably, the fact that Finsbury park tube and rail station is one of the busiest train stations in the UK, volume of people transiting through around the station/ the fact that the station is the main railway station used for Arsenal football matches. We need to better understand why Finsbury park ward has been singled out for selective licensing please? More Council housing than other wards perhaps? Andover? Neglected area for so long because it sits on the distant boundary of Islington/Haringey? I don't agree that crime/anti social behaviour is being caused in the Finsbury Park Ward by local private landlords (or rogue private landlords!) in the private rented sector or their tenants.
6. We need to remember that HMO/selective licensing does not and will not apply to properties controlled or managed by a Local Housing Authority or controlled or managed by registered social landlords and housing providers.
7. Regrettably, it is the Andover Estate and similar Council estates in Finsbury Park ward where most of the anti social behaviour and crime currently occurs...and around the Finsbury Park train station. Selective licensing/HMO licensing cannot deal with these very deep seated fundamental problems in certain parts of the Finsbury Park Ward.

In summary, some very serious thought needs to be given please to what is being proposed. Many London local authorities have already been accused of introducing these selective licensing schemes as methods of raising revenues..... rather than having a real desire to raise/improve standards. The Ward may be significantly impacted by the proposals.

The real concern should /might be with those that lose their homes (loss of additional affordable private rented housing stock) because of the more stringent licensing designation.

Finsbury Park Ward Councillors would be well advised to stay on top of this proposal please.

Blanket licensing in a sole singular designated Ward such as Finsbury Park could well have the effect of pushing people out of their existing affordable homes located in Finsbury Park.

Hope this commentary helps.

Please would the Council/Environmental Health team publish their evidence for this extraordinary statement on Finsbury Park Ward:

“This area has the highest number of complaints from private renters about property conditions in borough. It also experiences high levels of antisocial behaviour, crime and deprivation. This means we can use licensing to improve living conditions for all renters in Finsbury Park ward.”

I am afraid to say that the licensing scheme as proposed will have very little impact on improving the living conditions for all renters in Finsbury Park. This is simply fantasy land. The Council needs to do much more and better research on the root causes of the problems in Finsbury park. The private rented sector is not a root cause of the problems in the Finsbury park Ward.

Best wishes

A local Interested landlord

From: licensing, property <property.licensing@islington.gov.uk>

Sent: 05 August 2019 12:08

Subject: Consultation on Property Licensing in Islington Closing date: 3 November 2019

Dear Sir/Madam,

Proposed Property Licensing Scheme

Islington Council wants to improve conditions for tenants renting private accommodation including flats, houses and shared houses and it is proposing to:

1. Introduce a borough wide additional licensing scheme for all houses in multiple occupation (HMOs)
2. Introduce a selective licensing scheme covering all other privately rented properties in Finsbury Park ward.

Why are we consulting on introducing these schemes?

The council recognises that there are many excellent landlords in Islington but there are also some landlords and letting agencies who are breaking the law and treating renters unfairly.

The council believes that introducing the new licensing schemes will:

- Improve the condition and safety of privately rented properties
- Make it easier to identify and take targeted action against bad landlords
- Provide a level playing field for good landlords who treat their tenants fairly

What is being proposed?

Additional HMO Licensing in all of Islington

A Borough-wide licensing scheme for HMOs requiring anyone who rents out a flat or house occupied by 3 or more tenants, who are not members of the same family, to get a licence.

Why? A pilot scheme of this type of licensing in Caledonian and Holloway Roads has led to an improvement in the management of properties. Our evidence shows that 26% of HMOs in other parts of Islington are poorly managed, have some of Islington's poorest housing standards and are spread across the Borough.

The Additional HMO Licencing will also include all buildings converted into self-contained flats, where all of the flats are privately rented and do not meet the 1991 Building Regulations standards or above.

Why? Our evidence suggests many of these conversions have inadequate escape routes in the event of a fire and often the fire alarm systems in these buildings are unsatisfactory or missing.

Selective Licensing in Finsbury Park

A new licensing scheme for all other privately rented properties in the Finsbury Park ward will be introduced requiring anyone who rents out a flat or house occupied by either 1 household or 2 persons sharing, to obtain a licence

Why? This area has the highest number of complaints from private renters about property conditions in borough. It also experiences high levels of antisocial behaviour, crime and deprivation. This means we can use licensing to improve living conditions for all renters in Finsbury Park ward.

Licensing will allow the council to set minimum standards for property management, provision of kitchen and bathroom facilities, room sizes and health and safety (e.g. fire, gas and electrical safety checks) as well as requirements to deal with antisocial behaviour such as waste management.

Have your say

Please tell us your views by completing our on-line feedback questionnaire.

If you go to www.islington.gov.uk/licensingconsultation you will find our consultation document, frequently asked questions and a link to the feedback questionnaire.

If you would prefer to provide specific feedback, especially if you are a landlord or managing agent, please send your written comments by email to property.licensing@islington.gov.uk or post to [Residential Environmental Health, Islington Council, 222 Upper Street London N1 1RE.](#)

Find out more at one of our consultation drop in sessions:

- 9 September 2019, 9.30am to 1.00pm, 222 Upper Street, Upper Street, N1 2XR
- 1 October 2019, 9.30am to 1.00pm, North Library, Manor Gardens, London N7 6JX
- 2 October 2019, 1.00pm to 5.00pm, N4 Library, 26 Blackstock Road, London N4 2DW

What next?

Once this consultation has finished we will consider feedback and publish analysis of the results.

If, following this consultation, the council's joint board and executive committee decide to proceed with the schemes they will come into force early next year.

To receive a copy of this document in another language, braille or large print please contact 020 7527 2000.

Yours faithfully



Richard Sherwin

Environmental Health Manager

If you would like this document in large print or Braille, audiotape or in another language, please telephone 020 7527 2000.

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Salter, Ed

From: licensing, property
Sent: 19 August 2019 15:46
To: [REDACTED]
Subject: RE: Consultation on Property Licensing in Islington Closing date: 3 November 2019

Follow Up Flag: Follow up
Flag Status: Completed

[REDACTED]

Yes membership of any similar scheme to ATLAS (that offered training and accreditation such as the NLA and certain regional schemes) would qualify for the discount.

Kind regards

Richard Sherwin
 Environmental Health Manager (HMO Licensing)
 020 7527 2444

On 1st October 2018 the definition of a mandatory licensable HMO changed. Most properties occupied by five or more people, forming two or more separate households now require a licence regardless of the number of storeys. The only exemption being purpose built blocks containing 3 or more flats. This change in the mandatory definition does not affect properties required to be licensed under our additional licensing scheme, the definition of which remains unchanged. To apply for a HMO licence please visit <https://www.islington.gov.uk/housing/landlords/houses-in-multiple-occupation-hmos> and download the application form

From: [REDACTED]
Sent: 13 August 2019 10:34
To: licensing, property <property.licensing@islington.gov.uk>
Cc: [REDACTED]
Subject: Re: Consultation on Property Licensing in Islington Closing date: 3 November 2019

Hi

In your FAQ you state "Islington actively promotes the Accreditation and Training for Landlords and Agents Scheme (ATLAS) formerly London Landlord Accreditation Scheme (LLAS)". What about other accreditation schemes, such as that run by the National Landlord's Association, will that be acceptable to allow the accredited landlord discount ?

regards

[REDACTED]

On 05/08/2019 10:38, licensing, property wrote:

Have your say

Please tell us your views by completing our on-line feedback questionnaire.

If you go to www.islington.gov.uk/licensingconsultation you will find our consultation document, frequently asked questions and a link to the feedback questionnaire.

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Yours faithfully



Richard Sherwin
Environmental Health Manager

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Environmental Health Manager

Residential Environmental Health

Public Protection Division

222 Upper Street, London N1 1XR.



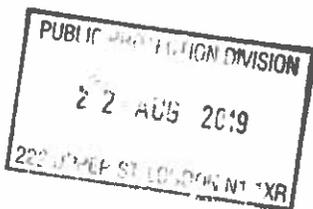
Dear Sir,



Thank you for your letter about proposed property licensing scheme. May I point out that my present HMOs license for the above property will expire on 13-3-2022. As I had spent hundreds of pounds and endless hours meeting your stringent requirements for the present HMOs license, I strongly believe it is unnecessary and most unfair to introduce a new license before my existing HMOs runs out. I sincerely hope that your Committee will take my suggestion into consideration.

With kind regards,

Yours sincerely,



Salter, Ed

From: [REDACTED]
Sent: 07 August 2019 15:04
To: licensing, property
Subject: Re- Proposed Property Licensing Scheme

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Sir/Madam

Having read the proposed, i support the reasons given for the licensing scheme.

However as a residential landlord I have experienced aggressive taxation changes. We are no longer allowed to offset our mortgage expenses against profits. Those of us with large mortgages have felt the financial consequence of this. As a result my Income Tax Bill will have doubled by the end of 2020. This has been devastating.

There have also been other regularity changes put in place, and more in the pipeline. The extra expense involved in additional HMO licensing does not help and puts more pressure on a sector that has already been targeted by the Conservative Government.

I support the reasons for the councils decision to explore the property licensing scheme avenue and think it would be helpful to landlords if there was an option to pay instalments across the duration of the licence. This would certainly reduce the financial pressure of additional licensing fees. I also think that the costings involved in any proposed changes to properties in line with safety standards should be budgeted , so landlords are financially prepared for any improvements they may have to make to the property. A paid service perhaps helping landlords meet HMO standards. Landlords may find it difficult to find competent service providers. It would be helpful if landlords under the scheme had access to competent trades people, qualified to undertake any changes.

Further on to this, it would also be a helpful option if private Landlords registered under the Licensing Scheme be rewarded in some way. Maybe a Landlord is finding it difficult to let the property and decides to make the property available to Families seeking housing in the area? Landlords under the scheme could be rewarded with incentives and fast track council tenants requiring Family Accommodation.

In my experience the Houses/Flats that we have rented with multiple tenants have been occupied by professional sharers. These are groups, friends, couples or work colleagues. These individuals tend to be educated and responsible occupiers.

I think it is worth noting that my experience relates to Three Bedroom Dwellings. These dwellings usually attract close knit professionals who see the financial benefits of sharing with friends and colleagues. We have never rented to individuals, who are not closely related by

friendship or profession. Therefore we do not experience anti-social dynamics associated with HMO dwellings. We do not let the property to the unemployed and have strict referencing criteria.

I would like to be updated with regards to the councils position on this, and appreciate the challenges the council faces. My professional background resides within Accountancy & Finance. I have been fortunate/unfortunate to inherit some investment properties from my father who is now retired. I consider my self a reasonably educated individual and fully support any changes that will improve the lives of tenants and occupiers.

The main problem boils down to Finance. The Conservative Government have made drastic changes to push small property owners out of the market, forcing people to form companies. The capital gains Tax implications of incorporating is not viable to individuals like me. Who have inherited a few properties. Therefore the richest landlords who have the means to re-shuffle their assets and finances will not be effected by these changes. These changes, over time will result in a fully corporate controlled residential housing market. This benefits the wealthy and actually reduces the opportunity for wealth creation for the Lower and Middles.

Kind regards

A black rectangular redaction box covering the signature area.

Salter, Ed

From: [REDACTED]
Sent: 03 September 2019 18:01
To: licensing, property
Subject: Proposed property licensing scheme

Follow Up Flag: Follow up
Flag Status: Flagged

Thank you for your letter dated 8th August. I am opposed to the additional licensing scheme as the student fee ban has placed increasing pressures on landlords currently. Landlords are paying increased fees now as you are aware. I understand that properties require HMO licensing when they are large properties which house multiple tenants. However, rather than imposing an additional licensing scheme and fee you should go and spot check houses with 3 or more tenants to see what your findings are first. If you implement this additional licensing it will have a big impact on costs for landlords. This may mean landlords selling houses. Letting agents suffering further with the introduction of the student fee ban and many more losses for Islington council. Please, reconsider in light of my comments. There are very good landlords out there and this is injustice to them. We will be out of pocket with year or year inflation, increases in all sorts of charges. This is the last thing I want to see and pay for. Many thanks and kind regards

Salter, Ed

From: [REDACTED]
[REDACTED] August 2019 10:08
To: licensing, property
Subject: Formal Opinion on further Property Licencing Schemes

Follow Up Flag: Follow up
Flag Status: Completed

Can you record my formal rejection of furthering all Property Licensing Schemes. As a landlord in the borough your licensing schemes make it tough enough. Furthering them and costs to landlords will make it even less attractive to be a landlord in the area. Therefore can you send me formal confirmation that my response to the matter has been formally recorded?

Thanks

[REDACTED]

Sent from my iPad

Salter, Ed

From: [REDACTED]
Sent: 03 November 2019 22:01
To: licensing, property
Subject: Property Licensing Consultation

Follow Up Flag: Follow up
Flag Status: Flagged

Dear council team,

Background

I am a landlord, NLA member, and own 3 flats, all in [REDACTED], including my former residence :

- Two 2 bed/2 baths flats, each with 3 residents (1 couple + 1 single)
- One 3 bed/2 bath flats, with 4 residents (1 couple + 2 singles)

All are purpose built flats, in modern buildings built in 2002.

My understanding is that the all these flats would be in scope of the new proposed licensing scheme.

I think that as designed the scheme lacks proportionality, and will actually distract the council from improving the conditions in the rentals it wants to target.

I have therefore formulated below some objections and, hopefully constructive suggestions.

Suggestions

My suggestions would be to change the scheme as follows :

a) A more granular, street level selective licensing scheme instead of the blunt approach of targeting all of Finsbury Ward. Not all of Finsbury ward is deprived, and to the reverse this scheme misses a number of other areas in other wards. In particular, Manor Gardens should not be in scope for the selective scheme, given its vastly different socio-economic fabric and modern buildings.

This granularity would ensure that areas that need it, and only them, have the selective licensing in place.

b) More granular additional licensing, with

- a light scheme for properties which would not be high risk (in particular modern, purpose built flats on one floor)

- a heavier scheme for high-risk properties (multi floor HMO, period conversions etc)

This would enable to apportion the enforcement portion of the fees in relation to the estimated risk of each scheme, thereby lowering the fees for the properties in the low-risk scheme.

Objections

My detailed objections leading to these suggestions are :

1) Proportionality

My understanding, from the consultation documents and public documents of the council, is that the main driver for introducing the scheme is repeated issues in period house conversion, and in particular some specific, deprived sub-areas of Finsbury Ward. However, as formulated the scheme, all of Finsbury Ward is in scope, and all section 254 HMOs, unrelated to the actual risk.

The council should use its expert knowledge and granular data to target types of properties and streets that are actually at risk. Such granular exists, as evidenced by the figures used in the consultation document.

In particular, [REDACTED] is not in scope in the graph in section 8.79. This should be therefore reflected in the licensing scheme.

2) Lack of review of the failures of the existing licensing scheme

Per the council's estimates, the licensing scheme for Caledonian/Holloway road issued licences for only half of the estimated number of properties that should have had one.

In May 2019, the council stated there could be 566 properties that need licensing under the mandatory HMO licensing scheme and a further 542 HMOs that need licensing on Caledonian Road and Holloway Road under the additional licensing scheme. This compares with, per the consultation paragraph 4.40, 350 properties licensed under the mandatory HMO licensing scheme and 245 properties licensed under the additional licensing scheme.

If these numbers are correct, this would indicate a major failure of the scheme, with presumably properties on the higher end of risk not being registered, while the burden of the scheme has fallen on the landlords who registered.

Expanding massively the scheme to 20x+ its size, without having reflected on and resolved the issues in the pilot scheme, will result in low compliance, high level of distraction for the council staff, and actually prevent resources and senior manager focus from being deployed on actually dealing with high risk issues

3) Biased statistics for the additional licensing scheme

Per section 8.153/8.155, you need to justify an additional licensing.

You quote a high percentage of enforcement actions on the 865 known HMO to justify the extension of the additional licensing.

However, this is necessarily a biased sample, since it will comprise only high-risk units :

- The mandatory licensing HMOs
- The selective scheme of Caledonian/Holloway (which was justified on the grounds of a higher proportions of issues in these areas)
- HMOs that came to your review through complaints.

This compares with the much larger number of total section 254 HMO in the borough.

Per section 8.39 you have inferred from the council tax data that there are at least 4000 section 254 HMO with 3 or more unrelated occupants across the borough. This figure doesn't include flatshares with 2 unrelated people sharing, which could easily triple that number.

On this basis, the statistics used to extend the additional licensing seem unsound.



Consultation

<https://www.islington.gov.uk/~media/sharepoint-lists/public-records/consumeraffairs/publicity/publicconsultation/20192020/2019080120190805consultationselectiveandadditionallicensing.pdf>

FAQ

<https://www.islington.gov.uk/~media/sharepoint-lists/public-records/consumeraffairs/publicity/publicconsultation/20192020/2019080120190805faqconsultationonpropertylicensing.pdf>

Salter, Ed

From: [REDACTED]
Sent: 10 September 2019 14:42
To: licensing, property
Subject: additional licensing islington

Follow Up Flag: Follow up
Flag Status: Flagged

Hi,

I am aware there is current ongoing consultation on additional licensing scheme in the Islington Borough.

Will licensing need to be secured for properties already under tenancy agreement if/when the licensing comes into affect?

On another note we are three friends (a couple and a friend) currently looking for a 2 bed flat in london and the additional licensing schemes are proving to be very prohibitive to our search. The cost surveys and checks needed to secure the licence means smaller independent landlords simply can't afford them and so choose to only rent to two people. We just viewed the perfect flat in islington however the landlord is unsure if she can let to us due to the impending decision following consultation.

Thanks

[REDACTED]

03 November 2019

Dear Sir or Madam,

PROPERTY LICENSING - RESPONSE TO PROPOSAL FOR CONSULTATION OF AUGUST 2019

I currently let a modern townhouse in Highbury with one double bedroom and two single bedrooms. And whilst I might let it to a family, my current preference is for sharers, and it is so let at present.

The property is maintained and managed by me to what I believe is a very high standard, and I believe that all of the existing statutory requirements are complied with. The tenants are very happy to be there, and I think consider themselves fortunate to have found such nice accommodation, and that it is available to them at a price that they consider to be reasonable in the current market conditions.

It is with dismay that I read that your proposed licensing would appear to apply to a letting of the house to a group of 3 or 4 sharers who have decided to live together and rent and occupy a house jointly as a family would do, but are not a single household within the meaning of section 258 Housing Act 2004 (i.e. are not related, married or cohabiting). I could of course let it only to a family, but I wonder what you think the social benefit of that would be, bearing in mind that young people starting out in life in London need accommodation as well as families do, and why you think that sharers need to be protected by the proposed licensing regime when a family living in the same house would not (the house not being in your proposed selective licensing area).

I will offer you comments on the following areas of the proposal, and I hope you will take them to heart. From my point of view, it represents another layer of regulation and complexity, supported by a fierce penalty regime, probably a very considerable expense by way of application fee, and by and large much of it is either not applicable to my property, there being no common parts in a joint letting of the whole a group living as a family, or representing duplication and complication of existing regulatory requirements. It would be very easy for me to sell my property to an owner occupier, and this proposal together with other recent changes in the regulatory and legislative environment could well be the straw that breaks the camel's back. And if you would like to visit the property, you will see that it is quite the opposite of the sort of accommodation that you are concerned to improve.

My general impression of the licensing proposal is that in order to ensure that reasonable standards are maintained in a house let as a whole to sharers jointly where the property is not in the proposed selective licensing area, it would be better to have a separate, simpler and less expensive scheme of regulation for the letting to joint tenants of a house to be occupied in exactly the same way as it would be by a family, with no separate demises and no common parts. I do not believe it is appropriate to treat such a letting in the same way as the very different situation where there are separate demises and common parts. This distinction is neatly addressed in the The Regulatory Reform (Fire Safety) Order 2005, which by virtue of Article 6 (1) does not apply to domestic premises (i.e. premises occupied as a

private dwelling (including any garden, yard, garage, outhouse, or other appurtenance of such premises which is not used in common by the occupants of more than one such dwelling) consisting of or comprised in a house which is occupied as a single private dwelling. Thus the Order would apply to a house divided between tenants, but not to a house let as a whole to sharers (unless the appurtenances of the house are used in common by the occupants of more than one private dwelling).

Whilst you are obliged to have a licensing scheme where the number of sharers is 5 or more, there is no apparent reason why it should be extended to houses where the number of sharers is less than 5 and the house is not situated in your proposed selective licensing area.

I will address below more specifically the following subjects: 1. the cost of the application; 2. your argument made for the purposes of s56 of the Housing Act 2004 for extending the scheme to any house outside your proposed selective licensing area that is let and occupied as a single dwelling by 3 or 4 sharers; and 3. some technical problems with the proposed scheme in its application to a house let as a whole to sharers jointly, many of which revolve around the fact that the scheme is designed for flats and properties that have been divided into and let in parts rather than for a house let and occupied as a single dwelling by sharers.

The cost of licensing

The application fee set out in Appendix 2 is £288 per letting, and it is stated that a letting includes “bedrooms in a shared house ... which is occupied by more than one household (even if there is only one tenancy agreement for all tenants). If this is a rather oblique and obscure way of saying that you intend to charge £288 per bedroom, I think the fee is excessive. It would amount to £864 for a service that seems unlikely to take up more than 2 or 3 man hours even if it involves an inspection of the property. If on the other hand it is meant literally, and the letting includes all of the bedrooms where the property is let jointly, which is in fact the case when the property is let jointly, then perhaps the fee is just about tolerable, provided that it does indeed involve an inspection and is not just a paper exercise on the part of the Council. It is very curious that the wording of schedule Appendix 2 is so unclear.

If the licensing scheme is brought into force, the Council acquires a statutory monopoly of licensing properties in the areas affected, and it is obviously wrong for that to be exploited by the Council. Whilst the revenue from licensing is said to be ring-fenced, it is still exploitation of the statutory monopoly if the monopoly is used to support inefficiency, or if resources paid for by the licensing scheme are applied to other purposes as well as to the relevant licensing, or if the fees are structured to burden one group of landlords to the advantage of another.

S56 Housing Act 2004 and your argument for extending the scheme to any house outside your proposed selective licensing area that is let and occupied as a single dwelling by sharers

Your proposal misrepresents the requirements of s56. At paragraph 4.46 you state (my underlining):

For an Additional Licensing scheme to be designated, the Housing Act 2004 requires that a significant proportion of the HMOs of the description to be included 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 HMO or for members of the public. The council has established that, of all the known 865 3 person HMOs in the borough, 25.9% of them were found to have issues that required enforcement action. This is a significant indication of ineffective management in this sector. Evidence shows, that whilst numbers of HMOs are greater in some Wards than others, they are distributed widely across the borough (between 4% and 10% per Ward) and so a borough-wide scheme is an appropriate measure.

This is curiously obscure, and in particular the words underlined obscure the fact that the legislation requires that a significant proportion of the HMOs of the description specified in the designation in the area to be designated are being managed sufficiently ineffectively etc.

Section 56 provides (my underlining):

Designation of areas subject to additional licensing

(1) A local housing authority may designate either— (a) the area of their district, or (b) an area in their district, as subject to additional licensing in relation to a description of HMOs specified in the designation, if the requirements of this section are met.

(2) The authority 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 to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public

The question is therefore not whether 25.9% of all the known 865 HMOs in the borough required enforcement action, but whether there is evidence that the properties to be added to the current mandatory scheme that are outside the proposed selective licensing area - houses let and occupied by sharers as single dwelling – are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either to the occupiers or to members of the public. I should like to know what evidence you have of this. I wonder how many, if any, of the 865 HMOs are houses let and occupied by 3 or 4 sharers as single dwellings, and how many of them are being managed so ineffectively as to give rise or to be likely to give rise to such problems. It would be reasonable to expect the Council to state what basis it has for considering that a proportion of such HMOs are being so managed, and it must be a statutory requirement that there is a reasonable basis for the Council to form that opinion. The need to have a genuine reason for imposing licensing on such HMOs is not obviated by the statement in para 4.41 of the Proposal, where it says:

Landlords can often avoid the need to licence by reducing occupancy to below 5 persons, whilst the fundamental issues of poor management remain the same. Bringing in a scheme that will require all HMOs, regardless of size and numbers of occupants will ensure that we protect all residents of what is the highest risk and often poorest quality housing.

The idea that houses let to and occupied by with 3 or 4 sharers as a single dwelling must be subjected to licensing because they do not fall within the compulsory scheme and thereby “avoid” its provisions is a tendentious way of saying that you wish to extend the licensing to such HMOs because they are not subject to compulsory licensing. That is not a substantive reason for extending licensing to houses let to and occupied by 3 or 4 sharers as a single dwelling and is exactly what section 56 is intended to protect landlords from.

The property I let is so far from being so managed, and so different from the type of property that many of the conditions are aimed at – flats and properties divided into flats and bedsits – that I doubt whether there is justification for the scheme being applied to property of that type – houses outside the selective licensing area let and occupied by 3 or 4 sharers as single dwellings. If there were such justification, why is the selective licensing scheme not applicable to the whole of Islington, to protect houses let to families as well as to 3 or 4 sharers?

Particular problems

Very many of the conditions set out in Appendix 5 are not appropriate to a house let to and occupied by 3 or 4 sharers as a single dwelling, which suggests that there is no good reason for such properties to be included in the proposed licensing scheme, and no justification for subjecting the landlords to the cost of applying for such licensing.

I refer to the paragraphs in Appendix 5

Para 2.1 – Some of the information in the tenancy agreement is private and it is not apparent that the Council has any legitimate reason to require it. Nor is it clear what a “statement of terms” means. There should be provision for redaction of financial information.

Para 2.2 – The law currently allows for deposits to be protected either by placing them in a deposit scheme in the sense of payment to a deposit holder, or for the deposit to be in a deposit scheme by reason of the provision of a guarantee by an authorised scheme. The Council should not seek to amend the law by requiring deposits to be paid to a deposit holder and has no reason to do so. The condition should be amended to make this clear.

Para 2.3 – References obtained on letting are normally obtained from referencing agencies, contain financial information, and may contain no written record of any enquiry of any previous landlord. This is sensitive confidential information, protected from unauthorised disclosure, and there is no reason why the Council should have it.

Para 2.5 – Such arrangements may be required in some types of property, but apart from usual leasehold provisions relating to creating or adopting nuisances it is difficult to see what arrangements to prevent or reduce antisocial behaviour could be appropriate in respect of houses outside the selective licensing area let and occupied by 3 or 4 sharers as single dwellings.

Para 2.6 – I expect my tenants to put the waste in the dustbin, like any other household, and to contact the Council if they have any bulky waste to dispose of,

and it is not appropriate to impose requirements suitable to a block of flats rather than a single dwelling house.

Para 3, 1.1 to 1.4 – It should be made clear that the duties to “ensure” that installations and appliances are safe do not exceed the statutory duties. The imposition of absolute duties may not be appropriate, and a landlord who has conscientiously done everything reasonably or statutorily required of him should not be held to be in breach of duty. And PAT testing is not legally required and is not applicable to all electrical appliances.

Para 3, 1.6 – this is not appropriate where the Regulatory Reform (Fire Safety) Order 2005 does not apply, and it does not apply to a house that is a domestic property let as a single dwelling, as explained above.

Para 3, 1.11 – any requirement for periodical certification of all firefighting equipment, which would include a fire blanket or a carbon dioxide extinguisher, (neither of which requires periodical servicing), is unnecessary and will discourage the provision of such equipment except where it is legally required.

Para 3, 1.15 – There is no reason why the landlord of a house let as a single dwelling should have to provide this information.

Para 3.18 to 3.19 – there is no need for this in respect of a house let as a single dwelling.

Para 3.20 – The landlord is not able to do this.

Para 3.21 – this is for the Council to do.

Para 4 – There are no common parts in a house let as a single dwelling. What may be sensible in a foyer of a block of flats is not appropriate in a single dwelling house – tenants do not want these things fastened to the wall in their living space. Also, PAT testing does not apply to all electrical appliances, and as the name suggests relates only to portable appliances. And there is no requirement to have an automatic fire alarm system or an emergency lighting system in a house that is a domestic property let as a single dwelling.

Yours faithfully,

Consultation on Property Licensing in Islington

Closing date: 3 November 2019

Islington Council is proposing to introduce two separate property licensing schemes.

Please tell us what you think about our proposals by completing this short survey which should take about 5 minutes to complete.

Please return completed questionnaire to property.licensing@islington.gov.uk or Residential Environmental Health, Public Protection, 222 Upper Street, Islington, London, N1 1XR

For more detailed information please read the Consultation Proposal and FAQs on our website www.islington/licensingconsultation

1. What is your interest in this consultation?

- Private Landlord or Managing Agent with properties in Islington
- Private Tenant living in Finsbury Park
- Private Tenant living elsewhere in Islington
- Owner occupier or other resident in Islington
- Other interested party

If Other, please state:

2. Please enter your postcode

N14

ISLINGTON CUSTOMER CENTRE
222 UPPER STREET

29 AUG 2019

Page 211 RECEIVED WITH THANKS

3. Do you think the council should prioritise taking action against the following issues within privately rented properties?

- Rogue/problem landlords
- Poor internal repair
- Inadequate fire safety e.g. no working fire alarms
- Poorly managed properties e.g. dirty/unsafe communal areas, no management arrangements
- Inadequate heating
- Dampness
- Inadequate outside storage for rubbish
- Overcrowding
- Rubbish/fly- tipping
- Problem tenants e.g. non-payment of rent
- Anti-social behaviour/petty crime
- Noise and disturbance
- Scruffy/poor external property appearance
- Other

If other, please state:

4. Whilst we recognise that there are many well managed rented properties in Islington do you agree that all landlords/managing agents have a responsibility to have satisfactory management arrangements in place for the properties they rent out?

Yes

No

5. Which of the following issues do you think a borough wide HMO Additional Licensing Scheme should address?

Improve the condition and safety of privately rented properties

Protect the health and wellbeing of tenants

Reduce antisocial behaviour associated with HMOs

Make it easier to identify and take targeted action against bad landlords

Assist poorly performing landlords to raise standards

Support good landlords who treat their tenants fairly

Help tenants identify who is responsible for the condition of their home

6. Which of the following issues do you think a selective licensing scheme covering all privately rented properties in Finsbury Park should address?

Improve the condition and safety of privately rented properties

Protect the health and wellbeing of tenants

Reduce antisocial behaviour associated with privately rented properties

Make it easier to identify and take targeted action against bad landlords

Assist poorly performing landlords to raise standards

Support good landlords who treat their tenants fairly

Help tenants identify who is responsible for the condition of their home

7. The proposed licence conditions are designed to improve standards and management. To what extent do you agree or disagree with the following statements regarding the proposed conditions.

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
The number of persons allowed to occupy the property should be controlled	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A suitable number of amenities should be provided (toilet, bathroom, kitchen facilities)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The provision and type of heating should be to a satisfactory standard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The means of escape from fire and fire precautions should be to a satisfactory standard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minimum room sizes must be in place for bedrooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The landlord should provide tenants details of the arrangements for storage and collection of recycling and waste	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The landlord must provide sufficient containers for the correct storage and disposal of recycling and waste	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. Do you think the proposed licence fees are:

- Too low
- About right
- Too high
- Don't know/no opinion

9. Do you agree that accredited landlords should pay a discounted licence fee?

- Yes
- No
- Don't know/no opinion

10. Please use the box below if you have any other comments about the proposed fee and discount**11. To what extent do you agree or disagree with the proposed borough-wide HMO Additional Licensing Scheme?**

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Disagree

12. To what extent do you agree or disagree with the proposed privately rented property Selective Licensing Scheme for Finsbury Park?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly Disagree

13. Do you think Islington Council should, in the future, investigate the potential for a borough-wide selective landlord licensing scheme on similar terms/conditions as the Finsbury Park scheme currently being proposed?

- Yes – I support the Council investigating a borough-wide selective landlord licensing scheme”
- No – but the Council should investigate more selective landlord licensing schemes in specific areas”
- No – I do not support the Council investigating a borough-wide selective landlord licensing scheme”

14. Please use the space below to provide any additional comments regarding either the proposed borough-wide HMO Additional Licensing scheme or Selective Licensing scheme for Finsbury Park.

Please continue on another sheet of paper if necessary

Thank you for completing this survey. All responses will be taken into consideration before the schemes are finalised.

If you wish to receive details of the outcome of the consultation, please provide your name and email address below. We will not identify any individual in the results or share personal details with any third parties. Any personal information you have given us will be held securely for Council purposes. To find out more please visit www.islington.gov.uk/fairprocessing.

Name

Email

Consultation on Property Licensing in Islington

Closing date: 3 November 2019

Islington Council is proposing to introduce two separate property licensing schemes.

Please tell us what you think about our proposals by completing this short survey which should take about 5 minutes to complete.

Please return completed questionnaire to property.licensing@islington.gov.uk or Residential Environmental Health, Public Protection, 222 Upper Street, Islington, London, N1 1XR

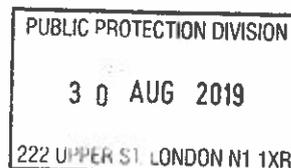
For more detailed information please read the Consultation Proposal and FAQs on our website www.islington/licensingconsultation

1. What is your interest in this consultation?

- Private Landlord or Managing Agent with properties in Islington
- Private Tenant living in Finsbury Park
- Private Tenant living elsewhere in Islington
- Owner occupier or other resident in Islington
- Other interested party

If Other, please state:

2. Please enter your postcode



3. Do you think the council should prioritise taking action against the following issues within privately rented properties?

- Rogue/problem landlords
- Poor internal repair
- Inadequate fire safety e.g. no working fire alarms
- Poorly managed properties e.g. dirty/unsafe communal areas, no management arrangements
- Inadequate heating
- Dampness
- Inadequate outside storage for rubbish
- Overcrowding
- Rubbish/fly- tipping
- Problem tenants e.g. non-payment of rent
- Anti-social behaviour/petty crime
- Noise and disturbance
- Scruffy/poor external property appearance
- Other

If other, please state:

4. Whilst we recognise that there are many well managed rented properties in Islington do you agree that all landlords/managing agents have a responsibility to have satisfactory management arrangements in place for the properties they rent out?

Yes

No

5. Which of the following issues do you think a borough wide HMO Additional Licensing Scheme should address?

- Improve the condition and safety of privately rented properties
- Protect the health and wellbeing of tenants
- Reduce antisocial behaviour associated with HMOs
- Make it easier to identify and take targeted action against bad landlords
- Assist poorly performing landlords to raise standards
- Support good landlords who treat their tenants fairly
- Help tenants identify who is responsible for the condition of their home

6. Which of the following issues do you think a selective licensing scheme covering all privately rented properties in Finsbury Park should address?

- Improve the condition and safety of privately rented properties
- Protect the health and wellbeing of tenants
- Reduce antisocial behaviour associated with privately rented properties
- Make it easier to identify and take targeted action against bad landlords
- Assist poorly performing landlords to raise standards
- Support good landlords who treat their tenants fairly
- Help tenants identify who is responsible for the condition of their home

7. The proposed licence conditions are designed to improve standards and management. To what extent do you agree or disagree with the following statements regarding the proposed conditions.

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
The number of persons allowed to occupy the property should be controlled	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A suitable number of amenities should be provided (toilet, bathroom, kitchen facilities)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The provision and type of heating should be to a satisfactory standard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The means of escape from fire and fire precautions should be to a satisfactory standard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Minimum room sizes must be in place for bedrooms	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The landlord should provide tenants details of the arrangements for storage and collection of recycling and waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The landlord must provide sufficient containers for the correct storage and disposal of recycling and waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. Do you think the proposed licence fees are:

- Too low
- About right
- Too high
- Don't know/no opinion

9. Do you agree that accredited landlords should pay a discounted licence fee?

- Yes
- No
- Don't know/no opinion

10. Please use the box below if you have any other comments about the proposed fee and discount

No

11. To what extent do you agree or disagree with the proposed borough-wide HMO Additional Licensing Scheme?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Disagree

12. To what extent do you agree or disagree with the proposed privately rented property Selective Licensing Scheme for Finsbury Park?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly Disagree

13. Do you think Islington Council should, in the future, investigate the potential for a borough-wide selective landlord licensing scheme on similar terms/conditions as the Finsbury Park scheme currently being proposed?

- Yes – I support the Council investigating a borough-wide selective landlord licensing scheme”
- No – but the Council should investigate more selective landlord licensing schemes in specific areas”
- No – I do not support the Council investigating a borough-wide selective landlord licensing scheme”

14. Please use the space below to provide any additional comments regarding either the proposed borough-wide HMO Additional Licensing scheme or Selective Licensing scheme for Finsbury Park.

Please continue on another sheet of paper if necessary

Thank you for completing this survey. All responses will be taken into consideration before the schemes are finalised.

If you wish to receive details of the outcome of the consultation, please provide your name and email address below. We will not identify any individual in the results or share personal details with any third parties. Any personal information you have given us will be held securely for Council purposes. To find out more please visit www.islington.gov.uk/fairprocessing.

Name

Email

Licensing Proposals for Privately Rented Properties in Islington

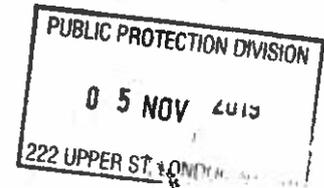
Islington Council is proposing to introduce two separate property licensing schemes

Please tell us what you think about our proposals by completing this short survey which should take about 5 minutes to complete

For more detailed information please read the Consultation Proposal and FAQs on our website www.islington.gov.uk/licensingconsultation

1. What is your interest in this consultation? *

- Private Landlord or Managing Agent with properties in Islington
- Private Tenant living in Finsbury Park
- Private Tenant living elsewhere in Islington
- Owner occupier or other resident in Islington
- Other interested party, please specify



2. Please enter your postcode

3. Do you think the council should prioritise taking action against the following issues within privately rented properties? (Tick as many that apply) *

- Rogue/problem landlords
- Poor internal repair
- Inadequate fire safety e.g. no working fire alarms
- Poorly managed properties e.g. dirty/unsafe communal areas, no management arrangements
- Inadequate heating
- Dampness
- Inadequate outside storage for refuse
- Overcrowding
- Rubbish/fly- tipping

- Problem tenants e.g. non payment of rent
- Anti-social behaviour/petty crime
- Noise and disturbance
- Scruffy/poor external property appearance
- Other, please state

4. Whilst we recognise that there are many well managed rented properties in Islington do you agree that all landlords/managing agents have a responsibility to have satisfactory management arrangements in place for the properties they rent out? *

- Yes
- No
- Don't know/no opinion

5. Which of the following issues do you think a borough wide HMO licensing scheme should address? *

- Improve the condition and safety of privately rented properties
- Protect the health and wellbeing of tenants
- Reduce antisocial behaviour associated with privately rented properties
- Make it easier to identify and take targeted action against bad landlords
- Assist poorly performing landlords to raise standards
- Support good landlords who treat their tenants fairly
- Help tenants identify who is responsible for the condition of their home

6. Which of the following issues do you think a selective licensing scheme for Finsbury Park should address?

- Improve the condition and safety of privately rented properties
- Protect the health and wellbeing of tenants
- Reduce antisocial behaviour associated with privately rented properties
- Make it easier to identify and take targeted action against bad landlords
- Assist poorly performing landlords to raise standards
- Support good landlords who treat their tenants fairly
- Help tenants identify who is responsible for the condition of their home

7. The proposed licence conditions are designed to improve standards and management. To what extent do you agree or disagree with the following statements regarding the proposed conditions. *

Agree

Disagree

	Strongly agree		Neither agree nor disagree		Strongly Disagree
The number of persons allowed to occupy the property should be controlled	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
A suitable number of amenities should be provided (toilet, bathroom, kitchen facilities)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The provision and type of heating should be to a satisfactory standard	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The means of escape from fire and fire precautions should be to a satisfactory standard	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Minimum room sizes must be in place for bedrooms	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
The landlord should provide tenants details of the arrangements for storage and collection of recycling and waste	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
The landlord must provide sufficient containers for the correct storage and disposal of recycling and waste	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

8. Do you think the proposed licence fees are: *

- Too low
- About right
- Too high
- Don't know/no opinion

9. Do you agree that accredited landlords should be able to pay a discounted licence fee? *

- Yes
- No

Don't know/no opinion

10. Please use the box below if you have any other comments about the proposed fees and discounts

11. To what extent do you agree or disagree with the proposed borough-wide HMO Licensing Scheme?

- Strongly agree
 Agree
 Neither agree nor disagree
 Disagree
 Strongly disagree

12. To what extent do you agree or disagree with the proposed privately rented property licensing scheme for Finsbury Park?

- Strongly agree
 Agree
 Neither agree nor disagree
 Disagree
 Strongly disagree

13. Do you think Islington Council should, in the future, investigate the potential for a borough-wide selective landlord licensing scheme on similar terms/conditions as the Finsbury Park scheme currently being proposed?

- Yes – I support the Council investigating a borough-wide selective landlord licensing scheme
 No – but the Council should investigate more selective landlord licensing schemes in specific areas
 No – I do not support the Council investigating a borough-wide selective landlord licensing scheme

14. Please use the space below to provide any additional comments regarding either the proposed borough-wide HMO Licensing scheme or Selective Licensing scheme for Finsbury Park.

We feel the scheme should not be brought in across the whole borough in one fell swoop, instead targeting areas, and landlords, where problems pre-exist, such as Finsbury Park. Although we appreciate that only good can come out of licensing, we feel that good landlords are being targeted unfairly.

Thank you for completing this survey. All responses will be taken into consideration before the schemes are finalised.

15. If you wish to receive details of the outcome of the consultation, please provide your name and email address below. We will not identify any individual in the results or share personal details with any third parties. Any personal information you have given us will be held securely for Council purposes. To find out more please visit www.islington.gov.uk/fairprocessing.

Contact details

Name

Email

Salter, Ed

From: [REDACTED]
Sent: 17 August 2019 18:45
To: [REDACTED]
Subject: Proposed Property Licensing in London Borough of Islington - For the attention of Diarmid Ward, Emily Thornberry and Islington Council

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Diarmid,

My flatmate and very old friend, [REDACTED], is a member of the Labour Party and recently received an email about private renting and the possible introduction of an HMO licensing scheme in Islington.

We are very aware of London boroughs who demand licensed HMOs for 3 or more people who aren't related because it gave us great difficulty in finding a place to live as 3 people from what HMO licensing would consider to be '3 households' in a 2 bedroom flat. Those 'households' would be **myself (1) and my partner, Ross (1, as we are not married) and my very good friend Simon (1)**. Even if my partner and I were married, we still would be considered two households and therefore come under HMO licensing.

In fact, in some London boroughs letting agents told us it would be a waste of our time even looking, because landlords would not be willing to get a license when they could easily fill a 2 bedroom flat with 2 people, despite the horrifically over-priced rent. Islington Council did not have such rules which gave us an opportunity to create a home in an ex-council flat in a mixed block - Bevin Court.

Given you can have any number of people living in a flat without an HMO license, PROVIDED they are all in the same family, this type of licensing doesn't really solve the problem of overcrowding or landlords not looking after properties. Mandatory licensing for all landlords irrespective of how many people are living in the property would be a less discriminatory practice.

We are three hard-working, professional people who happen to be in the older millennial bracket (late 20s / early 30s), looking to ease the excessive rent burden placed on this generation by sharing a property that is within reasonable commutable distance to the different locations where we all work. We have no choice but to rent privately since council housing is bursting at the seams and we would hardly be eligible for it anyway. What bringing in HMO licensing borough wide would do is to restrict our ability to live in the borough of Islington, unless a landlord is willing to stump up the fee for the license, and what landlord would be willing to do so, if they can charge a fortune for their Islington flat with just two people in it - two people who then have to spend a significant amount of their income on rent, which means their ability to save for their own futures decreases massively.

With HMO licensing what you actually do is ghettoise a borough into those rich enough to afford excessive London rents and those poor enough to be deserving of council services. You can see it in Camden.

While I believe every person should be protected from bad housing, you cannot protect the most vulnerable in society by making other people a victim of such bad policies.

Millennials and Gen Z are half the world's population according to Deloitte's Global Millennial Survey 2019. We have no job security, we cannot get onto the housing ladder, our ability to start families of our own is near impossible given the cost of raising children, and we don't know whether it is even worth it in case the world is underwater or on fire by the year 2050. We are surviving as best we can in a city like

London, creating families that don't necessarily fit into the traditional model. HMO licensing such as the one you and Labour propose would make life near impossible for my family, and countless others.

I am a rare creature in the fact that I was born and bred in London. If you deprive me of the city of my birth by making it impossible for me to afford then Labour will be losing my vote, as well as [REDACTED] and likely [REDACTED] membership.

I will not be filling in the survey as the questions presented are leading and biased. But I will be attending the drop in sessions in October to share my views.

A few questions in the meantime, answers to which I am requesting under the Freedom of Information Act 2000:

- 1 - What protections would there in the proposed licensing to stop our landlord from evicting us and getting 2 people in to share this flat?
- 2 - How many HMOs do you estimate are in the borough of Islington?
- 3 - How many HMOs did you estimate were covered by the pilot scheme in the Caledonian Road and Holloway Road area?
- 4 - How many requests for a license did you actually receive from either landlords or their letting agents within those areas?
- 5 - How many of those requests, collectively, were granted?

We would like to understand, approximately, how many properties we could theoretically rent under the current borough of Islington policy, and how many properties would be available to us should the HMO licensing go ahead as proposed.

I look forward to your response to my concerns.

[REDACTED]

[REDACTED]

Salter, Ed

From: licensing, property
Sent: 03 October 2019 11:22
To: licensing, property
Subject: FW: I was pleased to...

complete your online feedback questionnaire, but feel moved to let the council know that my experience of being a tenant for a housing association, in Islington has been very unsatisfactory.

-----Original Message-----

From: [REDACTED]
Sent: 19 August 2019 22:18
To: licensing, property <property.licensing@islington.gov.uk>
Subject: I was pleased to complete your online feedback questionnaire, but feel moved to let the council know that my experience of being a tenant for a housing association, in Islington has been very unsatisfactory.

I wrote to diarmaid.ward@islington.gov.uk, in July and still haven't received a reply, unfortunately.

However, I was raising the issue of the housing association, ([REDACTED]) to whom I am a tenant of an HMO, Not auctioning essential repairs, imposing charges for gardening and cleaning of communal areas; None of which, is ever done, leaving a couple of tenants to have the responsibility of collecting money for bills, including council tax, in an HMO, of six tenants. Having remonstrated for years, on this subject, with the housing association, a tenant attempted to claim council tax benefit and was told she should not be able to do so, as the council tax was being paid through two tenants' private account for the house. After a council tax inspection, Peter Bedford is now imposing 20% of the cost of the band G property's council tax, onto tenants, with the excuse of managing payments, saying that they have to employ someone especially for the purpose of just one property. Although I have had multiple tenancy agreements offering cleaning and gardening of communal areas, the garden is a wild, unkempt jungle for foxes, pigeons both nest and defecate, all over the front of the house; vermin ranging from rodents, to cockroaches and moths breed in the communal areas of the house, spilling into private rooms. Food is trodden into and not cleaned up from communal carpets. Damp and black mould run riot, as tenants fear putting any heating on, but keep the water boiler going day and night, exacerbating the damp problems. My ceiling is so damaged, I cannot sleep in it, as the water tank above, appears to leak straight into my ceiling and the box room, next door to it. I continue to pay full rent and service charges for my room and no improvement to living conditions, appear to be part of the practical experience of living in the property. This flies in the face of the image of Peter Bedford, as a caring and responsible housing association.

I therefore feel that the council needs to be made aware that it is not the sole preserve of private landlords, but also some rogue social landlords, who seem to enjoy communication by emails alone, but have no interest in the genuine maintenance and good management of properties.

Peter Bedford housing association prefers to leave the management of the financial side, to a couple of tenants who end up shouldering an unacceptable burden of responsibility, for strangers, who happen to rent the same property. This has led to some really serious bullying and very disturbing behaviour from a man who has resided in the property for over twenty years and who has a serious personality disorder which affects other tenants adversely, over a very long time, erupting as each new set of people come to rent the property. I, myself, have been assaulted by this man and verbally and physically harassed on a number of occasions, but no action by the housing association is ever taken and he remains in the property, being offered a tenancy agreement, after This man drew together a cabal of tenants, with their own interests in the property; To illegally attempt to evict a tenant, themselves.

A complaint was made, by the tenant they had attempted to evict and myself and others were asked to be witnesses, for Kieran Gillen, a tenancy relations housing officer, of the time, for Islington council, who was then assigned to investigate both the behaviour of tenants and the housing association, in relation to the attempted eviction of a tenant by a group of disaffected tenants, with an axe to grind.

Summary of the Council's consideration of representations submitted during the consultation

Section 1 Introduction

The Council is required to consider any representations made during the consultation period.

There were 280 responses to the online feedback questionnaire and 30 written and verbal responses to the consultation. The responses are attached as Appendix B.

Overall 67% respondents agreed with the proposal to introduce additional licensing for all HMOs however there was a stark difference in opinion between landlords and tenants with 23% private landlords and managing agents in favour of licensing whereas for tenants it was 77%.

In response to the question seeking views on selective licensing overall 64% of respondents supported the proposal however only 16% private landlords and managing agents were in favour whereas for tenants living in Finsbury Park it was 82%.

A summary of the council's consideration of written representations and comments submitted on line are summarised in section 2. A number of feedback themes have emerged and the frequency has been summarised in section 3.

Where respondents have provided feedback or comments similar or identical to others we have tried to avoid repeating our response. Likewise, where issues raised in the consultation were addressed in the consultation document we have not repeated this information in section 2.

As a result of consultation feedback we are proposing to make a number of changes to the proposed licensing schemes if the councils resolves to designate an additional borough wide HMO licensing scheme and/or a selective licensing scheme covering Finsbury Park ward. These proposed changes are listed in section 4.

Section 2 Council's response to consultation feedback

Submission	Consultation Feedback	Council's Response
Organisation representing professional letting agents	Discretionary licensing is not an effective way of promoting high quality accommodation. Schemes are often poorly resourced and consequently become an administrative exercise that penalise compliant landlords and allows rogue	Our discretionary licensing proposals will lead to more enforcement and more targeted enforcement. As mentioned in paragraph 8.7 of the selective licensing review the proposed scheme will allow the council to do

	<p>landlords to continue to operate under the radar. Enforcement remains low where the schemes operate doing little to improve the minority of sub-standard properties in the private rented sector.</p>	<p>more targeted enforcement using our data warehouse to identify unlicensed properties. Landlords who do not licence their properties are more likely to be avoiding addressing poor property conditions. Without discretionary licensing the council can't use our data and target our enforcement as effectively.</p> <p>Our existing discretionary scheme resulted in 288 directly related property inspections that identified 109 category 1 hazards and 294 category 2 hazards. 47 enforcement notices were served and the remainder of hazards identified were remedied via HMO licence conditions. These statistics mentioned along with the data provided in the consultation report shows targeted enforcement works achieving important improvements to accommodation in the sector.</p> <p>Our scheme seeks to avoid penalising compliant landlords through offering a discount to accredited landlords and employing a risk based programme of enforcement activity. As well as a reduced fee for accredited landlords, compliant landlords benefit from a 'levelling of the playing field' effect. This is achieved through monitoring and enforcement and the subsequent raising of the standards in the private sector the scheme intends.</p> <p>Our scheme will have adequate resources, the council have committed to increased staffing levels and investing in a streamlined IT solution for processing applications allowing the council to focus resources on effective regulation of the sector through targeted enforcement and driving up property standards.</p>
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	<p>Many licensing schemes fail due to the lack of adequate resources needed to undertake the necessary enforcement activity. The fee to apply for a property licence cannot exceed the cost to process the application, this means that the cost of enforcing the schemes must come from elsewhere. Councils have often indicated that the schemes cost more to operate than the funding generated from licence fees, such as in Blackpool.</p> <p>Licensing schemes heavily focus on the administration involved, often directing staff away from enforcement to process applications. Councils have indicated that processing a single application can take between 15 minutes and one hour. This can be incredibly time consuming and costly when thousands of properties require licensing.</p> <p>Often, the rogue landlords that the schemes are created to target continue to operate under the radar. Already compliant landlords pay their licensing fees, funding the administration of the scheme while more than often those providing poor housing ignore their legal requirements.</p> <p>The Housing and Planning Act 2016 allows civil penalty fines levied for offences in the private rented sector to be retained by the Local Authority</p>	<p>Fees are allowed to cover the cost of enforcement as well the cost of processing the application. A part 1 fee is taken initially for processing the application followed by a part 2 fee being taken. Income from or existing discretionary licensing scheme has covered the cost of processing, monitoring and enforcement.</p> <p>Licensing schemes are an important tool in targeted enforcement enabling more effective enforcement. Time spent on administration will be minimised through investment in IT solutions for processing applications.</p> <p>The council has access to data that helps identify which properties are likely to fall within the scope of the scheme. We have been successful in using data to identify landlords who have been avoiding mandatory and existing discretionary licensing scheme and we intend to build on this if new licensing schemes are designated.</p> <p>We agree that effective enforcement is essential to a successful licensing scheme</p> <p>Civil penalty notices are an enforcement tool that can be utilised alongside discretionary property licensing schemes. To</p>
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	<p>for further enforcement. Research conducted by the Housing, Communities and Local Government Committee in April 2018 highlighted that Local Authorities on the whole rarely issue landlords and agents with penalties. Existing licensing schemes have demonstrated that only a small number of prosecutions ever occur, with 50 per cent of all prosecutions in 2016-17 coming from Newham Borough Council out of 33 boroughs with discretionary licensing across all of England.</p> <p>Consequently, the council would argue that the issue does not lie with existing legislation, rather the lack of enforcement. Local Authorities pinpoint lacking enforcement as a product of stretched resources. Although this should have been remedied with the introduction of the Housing and Planning Act 2016, many Local Authorities do not exercise their powers to bring additional resources into enforcement of the private rented sector.</p> <p>ARLA PropertyMark believe that instead of introducing further discretionary property licensing, local authorities should adopt a</p>	<p>date the council has issued 25 civil penalty fines and we will continue to use these powers to achieve our objective of providing a well regulated private rented sector.</p> <p>We have a targeted and proportionate approach to enforcement. Our current model is predominantly reactive which means that we rely on tenants to have the knowledge and confidence to report poor housing standards in the private rented sector to the council.</p> <p>Licensing provides a clear and transparent mechanism for regulating the private rented sector, identifying and taking a light touch approach towards good landlords who provide well maintained property so that the council can focus enforcement on non-compliant landlords. Broadening the scope of discretionary licensing will enable the council to use data to identify properties managed by landlords not complying with the law and subsequently more likely to have poor property conditions. The council can carry out inspections without giving notice to landlords where the council suspect an offence (such as operating an unlicensed HMO) is being committed.</p> <p>Collaborative working has been an integral part of our approach to tackling issues in the private rented sector for a number of</p>
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	<p>collaborative approach with letting agents, landlords and professional bodies to tackle issues within the private rented sector. This approach recognises and rewards landlords and agents that already adhere to good practice and enables local authorities to target their resources on effective intelligence-led enforcement.</p>	<p>years and we will continue to do so if irrespective of the proposal to extend licensing to other privately rented accommodation. The council recognises there are many landlords and letting agents that adhere to good practices. However, discretionary licensing is a necessary tool to target resources effectively to identify and tackle poorly managed properties and improve conditions in our highest risk areas of the private rented sector.</p>
<p>Organisation representing landlords</p>	<p>Totally opposed to any landlord licensing due to perceived adverse impact such schemes have on landlords, tenants and the housing market overall.</p> <p>It is impossible for landlords to address ASB concerns in their properties.</p> <p>Landlords will often evict a troublesome tenant as they fear risking an unintentional breach of the ASB conditions on a selective licence.</p> <p>Property licensing will increase homelessness and cause disruption to vulnerable persons.</p>	<p>We believe that discretionary licensing schemes are an effective method of improving conditions and management in privately rented Properties. A recent selective licensing review found that selective licensing schemes are effective provided they are properly resourced, targeted and joined up to other wider council initiatives.</p> <p>We have consulted with a number of other London boroughs with existing discretionary licensing schemes and the consensus has been that landlords have not expressed concern about being able to comply with ASB conditions on their licences.</p> <p>This is useful feedback. Our proposed conditions provide a staged approach for landlords to follow to help address ASB from tenants and visitors on the wider community. None of the London boroughs consulted have reported this to be an issue however we have noted this concern.</p> <p>Whilst we appreciate that this is a significant concern there appears to be no evidence to support this assertion. Clearly homelessness has increased in the past few years, but evidence suggests wider economic, health and welfare</p>

	<p>Believe that compliant landlords will apply for licences and pass on the costs to the tenants via increased rents. Cites Nottingham as an example where city wide Selective Licensing allegedly has led to huge increase in rents.</p> <p>Rogue landlord/agents will ignore the new requirements.</p> <p>High levels of non-compliance within discretionary licensing schemes (in recent Safeguard survey) and believe there is little evidence that standards are raised.</p> <p>Need to make reference to tacit consent and processing times on its website and applications (The Provision of Services Regulations 2009; Regulation 19)</p>	<p>factors are key drivers and that it is not possible to single out the introduction of selective licensing schemes as a causal factor.</p> <p>The responses from other London boroughs suggest any rental increases as a result of the introduction of discretionary licensing schemes have been negligible. As an illustration the licence fee for 1 bedroom in a licensable HMO would be £288 and the licence fee for selective licence would be £500. Over 5 years this amounts to £58 and £100 per year respectively. Economic pressures and low supply/high demand have been cited as having a much greater effect on rents.</p> <p>We will continue to make use of targeted, intelligence led investigations against landlords and agents who do not apply for licences supported by the use of robust enforcement powers (prosecutions and civil penalty notices.)</p> <p>A recent review commissioned by the Ministry of Housing, Communities and Local Government on the use and effectiveness of selective licensing found selective licensing to be effective provided certain conditions were met.</p> <p>Furthermore, compliance rates for properties within the private rented sector in Islington under the existing Additional licensing scheme compare favourably to other London boroughs.</p> <p>We are committed to publishing processing times on our website and on all relevant literature and making it clear that tacit consent does apply.</p>
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	<p>Suggests the council have not taken into consideration the amount of informal action that councils and landlords engage in.</p> <p>With licensing schemes, the focus is often on processing and not enforcement.</p> <p>Prosecutions are taken for landlords/agents not licensing as opposed to for poor standards and conditions.</p> <p>The council already has the tools to deal with poor housing.</p> <p>Licensing schemes are bureaucratic.</p> <p>The consultation document referred to decent homes standards in as opposed to the housing health and safety rating standard.</p>	<p>Whilst the council recognises and appreciates the work carried out by landlords and agents following council interventions it was recognises that there are many properties in the private rented sector which go under the radar and are in need of intervention. This is addressed in an earlier response above. If the licensing schemes are approved the council commits to minimising resources used to process applications by investing in automated application processing software and directing resources towards monitoring and enforcement and dealing with unlicensed and rogue landlords.</p> <p>Our enforcement policy is to take a targeted and proportionate approach to enforcement with the most serious offences that expose tenants to health and safety risks resulting in prosecutions.</p> <p>Whilst we have a wide range of enforcement tools our current model of operation is predominantly reactive This approach leaves many tenants exposed to poor conditions and management out of fear of complaining or lack of awareness of their rights. The introduction of the licensing schemes aims to address this imbalance.</p> <p>The council intends to invest in new on line application software which will simplify the application process for landlords and agents.</p> <p>The council's property licensing consultation included data from the English Housing Survey (EHS) which recorded data against the decent homes standard. Although this standard is not used by local authorities regulating the private rented sector the EHS, as a</p>
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	<p>Supportive of self-regulation i.e. compliant landlords and agents may join a co-registration scheme which deals with complaints and standards whilst the council continues to deal with the landlords/agents who do not apply.</p> <p>Wants a council tax registration process to identify which properties are within the private rented sector.</p>	<p>government commissioned national survey, provides a highly reliable source of data.</p> <p>We do not believe a co-registration scheme is a viable option due to the potential for bias; conflict of interest; being resource intensive and deflecting resources away from identifying and tackling poor housing conditions.</p> <p>A council tax registration system would require legislation to become mandatory. Central Government has provided councils with the opportunity to introduce discretionary licensing schemes which have the potential to achieve the same objective.</p>
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	<p>Supports existing scheme (Holloway and Caledonian Roads) - fair and balanced approach. Suggests targeted and evidence based approach, not borough wide and supportive of selective licensing as just one ward.</p> <p>Set up a stakeholder group to include interested parties, including agents, to share info and discuss issues.</p> <p>Wants clarity on whether the council will inspect Selective Licensing properties. (Section 4 of the Selective Licensing of Houses (Additional Conditions) (England) Order 2015)</p>	<p>As evidenced in our consultation document proposing a borough wide HMO licensing and selective licensing in Finsbury Park is a targeted and evidence based approach</p> <p>We are in the process of reviewing our Landlords Forum and welcome the suggestion to realign our approach to meet the needs of a wider group of interested parties and agents.</p> <p>We will inspect all selective licenced properties at least once during the 5-year licence period.</p>
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<p>Organisation accrediting lettings and managing agents</p>	<p>Concerned that some converted buildings may be safe but are treated as S257 HMOs as they were converted pre 1992. Suggests that for pre 1/6/1992 conversions the council should get an expert opinion to prove that the conversion does not meet Building Regulation standards. Suggest this would be difficult to prove and therefore evidence of a breach would be difficult to get. Concerned that for some converted buildings the mix of tenures varies with time taking the building in and out of being a S257 unintentionally. Suggest that the council only licence S257s where there is one freehold or where the building is poorly converted and all flats are rented. Suggests the council only cover where number of flats exceeds the number of storey's in the building.</p> <p>Would like the application process to be efficient and streamlined? Would like the IT to be ready before the launch of the schemes. and landlords/agents test any new licence application system prior to launch.</p> <p>Likes the discounts the council propose but suggests extending to other accreditation schemes or where the managing agent is</p>	<p>This is very helpful feedback and we recognise the wide range of issues regarding the regulation of s257 HMOs. Going forward we have decided to amend our proposal to only include s257 HMOs in the licensing scheme which are tenanted under and under one ownership. Tenant properties in S257 HMOS in Finsbury Park wards would require a selective licensing We believe that this is a proportionate risk based approach to using regulation to safeguard tenants living in this type of accommodation</p> <p>An efficient on line application process will be available before the launch of the scheme. The on line application software is already used by landlords operating in other London Boroughs</p> <p>Discounts will be applied to any landlord or agent who is a member of any recognised accreditation scheme.</p>
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	<p>Cites Section 4 of the Selective Licensing of Houses (Additional Conditions) (England) Order 2015 which requires the council to undertake a significant number of HHSRS inspections.</p> <p>Suggests the introduction of an early bird discount to boost the number of applications received.</p> <p>Opposed to the council issuing 1 year licences to landlords/agents who do not apply within 3 months of the launch of the scheme. Believes this is not enough time to reach all agents and landlords.</p> <p>Provide an effective communication strategy before the launch of the scheme particularly outside of borough.</p> <p>Refers to low levels of compliance within discretionary licensing schemes reported in their own survey.</p> <p>One set of conditions for additional and selective does not work. as some conditions are geared to HMOs</p> <p>Issues and comments regarding specific licence conditions?</p> <p>Flexibility to either display documentation or have it in a pack.</p> <p>Provide clear standards are not set in stone and there will be a degree of flexibility case by case.</p> <p>Vary bedroom sizes where there is living room and kitchen and what size the living room should be.</p> <p>FD30 on a kitchen is too high and exceeds the LACORS guidelines for low numbers of sharers.</p>	<p>Properties with a selective licence will be inspected at least once during the 5-year licence period for compliance with licence conditions and the housing health and safety rating standard.</p> <p>We have considered an early bird discount scheme but this measure has not achieved the intended objective in other schemes</p> <p>We have reviewed our proposals and we will not be pursuing this approach. One year licences will only be issued in exceptional circumstances where there is a history of poor property management</p> <p>We agree that there should be an effective communications strategy before the launch of any licensing scheme</p> <p>The report provided interesting reading and has helped to inform our implementation plan should the licensing schemes go ahead.</p> <p>We agree we are now proposing separate conditions for HMO and Selective Licensing</p> <p>We have reviewed these comments and amended the conditions accordingly.</p> <p>This is option was specified in the proposed conditions</p> <p>We agree and our conditions and standards have been amended accordingly</p> <p>There is scope to amend the standards on a case by case basis</p> <p>We agree and our HMO standards have been amended to reflect LACORS standards</p>
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	<p>It is unusual to insist on a separate WC and bathroom where there are 5 tenants (Says this is normally where 6 or more.)</p> <p>The council cannot dictate on Selective Licensing numbers per room and who goes where only total number permitted.</p> <p>The council referred to the Decent Homes standard please remove.</p> <p>The council don't consider properties where the kitchens are let unfurnished i.e. no white goods.</p> <p>Service standards to be provided on times and processing.</p> <p>The scheme needs to be properly resourced with effective enforcement of rogue landlords/agents.</p> <p>Compliant landlords/agents will apply and the rogue landlords/agents will evade licensing requirements if there is no enforcement.</p> <p>Wants the council to engage with landlords and agents to improve private rented sector.</p>	<p>Schedule 3 section 2(1) of the Licensing of HMOs (Miscellaneous Provisions) (England) regulations 2006 requires the provision of a separate WC and wash hand basin for every 5 sharers and at least one bathroom (which may contain a toilet)</p> <p>We agree and the selective licensing conditions will only provide a permitted number of persons for the whole property based on the room standards.</p> <p>This issue is a duplicate comment and addressed elsewhere in this section.</p> <p>Following consideration of the responses received, the council have removed the proposed standards for Selective licensing (with the exception of minimum room sizes) referred to in Appendix 4 in the Consultation document.</p> <p>This is a duplicate comment and has been addressed elsewhere in this section</p> <p>This is a duplicate comment and has been addressed elsewhere in this section</p> <p>This is a duplicate comment and has been addressed elsewhere in this section</p> <p>Islington council will always try to work with landlords and agents to improve the condition and management of properties within the private rented sector.</p>
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Landlord	<p>The council have not shown that the problems within HMOs relate to small HMOs (3-4 persons sharing but effectively living like a single family) and therefore the council justify including this type of HMO within the proposed scheme.</p> <p>Making smaller shared house properties licensable to stop landlords reducing numbers to "avoid" licensing and its requirements is not an adequate reason to extend licensing to this type of property.</p> <p>Questions why a group of 3-4 sharers needs more protection than a single family.</p> <p>Believes the Regulatory Reform (Fire Safety) Order 2005 does not apply to a group of 3-4 sharers.</p> <p>Feels the council are not clear in stating the fee is per letting.</p> <p>The proposed fee is excessive for the perceived amount of time it takes to process and inspect, the proposed schemes represent over-regulation and the penalties are too high.</p>	<p>The evidence to support the proposal to introduce a borough wide additional licencing scheme is contained in the consultation document.</p> <p>The recommendation to licence smaller HMOs is based on significant levels of poor property management and disrepair in this sector. Some landlords may look for opportunities to avoid licensing but this is not a factor proposing a licensing scheme</p> <p>The level of risk to the health and safety of tenants living in an HMO I HMO is greater than in a single family property. Local authorities been given legal powers to reduce these risks through licensing</p> <p>HMOs (as set out in Section 258 of the Housing Act 2004) includes a group of persons sharing who are not related to each other. Therefore, a property with a group of sharers (even if they are under 1 tenancy) does not meet the definition of a single private dwelling and therefore the RR(FS) Order 2005 applies.</p> <p>We have amended our fees policy to refer to bedrooms rather than lettings.</p> <p>These issues have been raised by other respondents and are addressed elsewhere in this section.</p> <p>Licensing helps private tenants living in poor conditions who do seek assistance from the council out of fear of retaliatory action from the landlord or lack of awareness of their rights.</p>
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	<p>Does not want fees to be used to support inefficiency, or be used for purposes other than property licensing.</p> <p>Concerned that some of the information in the tenancy agreement and references is private and the council does not have a legitimate reason to request this.</p> <p>Concerned over the inclusion of ASB conditions, waste conditions, maintenance requirements for gas and electrical installations, provision of signage and paperwork in common parts, the wording of the condition on protecting tenancy deposits and the level of fire protection required within premises.</p> <p>Believes conditions requiring the regular servicing of fire safety equipment is unnecessary and will discourage its provision.</p>	<p>Licensing fees are ring fenced and therefore cannot be used for any other purpose than property licensing. Details of how we intend to operate the scheme are addressed elsewhere in this section.</p> <p>Any information requested through licensing meets the requirements of data protection legislation.</p> <p>We have made a number of changes to the proposed licence conditions to reflect the feedback received including providing separate conditions for selective and additional HMO licences.</p> <p>Where fire safety measures are provided they should adequately maintained</p>
Tenant	<p>The proposals to licence 3 and 4 person HMOs will restrict the supply of suitable properties for 3 people looking to share.</p> <p>These proposals are discriminatory as a single family property can have any number of occupiers as well as disrepair without requiring a licence whereas properties of more than one household with the same number of occupiers require a licence.</p> <p>Younger generations of hard working people can't rent socially (ineligible) but now have less places</p>	<p>There no anecdotal evidence from other local authorities that additional licensing schemes restrict the supply of properties suitable for 3 and 4 persons.</p> <p>The council's current proposal is to licence all privately rented properties in the Finsbury Park ward only. This proposal is based on the current evidence of conditions in the private sector being particularly of concern in this ward.</p> <p>As HMOs are evenly spread across the borough it is expected the new scheme will deliver further significant improvements to 3 and 4-person HMO accommodation.</p> <p>The council shares your concerns and is committed to increasing the supply of good quality affordable</p>

	<p>available within a reasonable commute due to additional licensing and if they rent as a couple or 2 people it is really expensive meaning they can't then save to buy. Fears this will lead to polarisation (rich private rented sector landlords and tenants and poor social renters with no middle ground.)</p>	<p>housing in Islington. It believes that licensing schemes covering privately rented properties will help to achieve this objective.</p>
Landlord	<p>Would like to see purpose built blocks constructed after a certain date excluded from property licensing.</p> <p>Selective Licensing to be applied in a 'granular' as opposed to 'blanket' manner.</p> <p>Additional Licensing to be 'hard' for multi floor, period conversion and 'light' for purpose built 3 persons (with fees varied to reflect this.) Wants the council to take a targeted approach to licensing based on where the poor conversions and deprivation is. Believes the council have evidence to do this.</p> <p>The council should address the unlicensed mandatory HMOs and HMOs covered by the existing Additional licensing scheme first before massively expanding. Says that resources will not be directed where they need to be and that the</p>	<p>Common parts within all purpose-built blocks are exempt from property licensing as they fall outside the definition of an HMO (S257 of the Housing Act 2004 only covers buildings that have been converted into flats.) The flats themselves are not necessarily constructed with a particular tenure in mind (e.g. owner occupied, privately rented or social sector) and can easily be switched. Therefore, the criteria for inclusion within the designation for additional licensing has been based on the number of occupiers (3 or more) and the fact that they are unrelated and sharing facilities.</p> <p>As explained in the consultation document the proposal to designate a selective licensing scheme in Finsbury Park ward is an evidence based decision.</p> <p>The Housing Act 2004 does not permit Local Authorities to make this type of distinction when designating licensing schemes</p> <p>We agree with these views. The existing additional licensing scheme is due to end in September 2020 our proposal is to extend the benefits of licensing HMOs to all parts of the borough</p>

	<p>properties where an application was not received are likely to be the higher risk ones.</p> <p>The statistic used to justify the introduction of a borough wide Additional licensing scheme are unsound and based on a biased sample (the HMOs that the council have had involvement with include licensed HMOs both mandatory and under the existing Additional licensing scheme and HMOs where a complaint has been received.)</p>	<p>as well as all privately rented property in Finsbury Park The council takes a robust approach to dealing with unlicensed mandatory HMOs.</p> <p>Thank you for your comments but the evidence, and feedback from tenants and stakeholders, indicates that a extending additional licensing of HMOs to all areas of the borough is justified</p>
Licence holder	<p>It is already costly being a landlord and proposes being able to pay the licence fee in instalments.</p> <p>The council provides a paid service where they can help landlords meet standards (via a consultation fee.)</p> <p>Suggests a scheme where landlords can access competent trades people</p> <p>Would like to see the council give incentives to landlords for licensing e.g. fast track council tenants needing family accommodation.</p>	<p>We have kept the cost of applying for a licence at 2018 levels. We also propose to introduce the payment of fees in two instalments – part 1 fee will be paid on application and part 2 will become payable when the council is ready to issue the draft licence.</p> <p>We currently, and will continue to offer a paid for assisted application process.</p> <p>We also provide free advice on complying with legislation and standards by email, phone and on site to agents and landlords on request.</p> <p>We recommend landlords use existing schemes such as Check a Trade, Rated People and Trading Standards-run Buy with Confidence.</p> <p>Our Housing Needs Service welcomes working with landlords that are will to provide housing for families on the housing waiting list.</p> <p>The selective licensing conditions requires licence holders to request</p>

	<p>HMO tenants in smaller house shares have tended to behave in a responsible manner and would like to know the council's position on referencing for tenants.</p> <p>Thinks the council will end up with corporate landlords being predominant due to tax changes making it harder on smaller landlords.</p>	<p>references for new tenants. There is no equivalent condition for properties subject to HMO licensing.</p> <p>This issue is beyond the scope of the licensing scheme as the housing market is affected by many additional factors.</p>
Landlord	<p>The council already has the tools to tackle poor housing managing and conditions.</p> <p>Property licensing will alienate the good landlords whilst failing to address the criminal landlords who won't come forward and apply for licences.</p> <p>Compliant landlords will apply for licences and pass on the costs to the tenants via increased rents.</p> <p>Questions the evidence that the existing Additional licensing scheme (Holloway and Caledonian Roads) has improved conditions.</p> <p>Sceptical about how the council will improve living conditions via licensing and believes some money will go to other council depts. as opposed to dealing with high risk properties.</p> <p>The council doesn't use information available to it now and licensing won't make a difference.</p>	<p>These comments have been raised by other respondents and are addressed elsewhere in this section.</p> <p>Under the existing Additional licences covering Holloway Road and Caledonian Road the council have identified 109 Category 1 hazards and 294 Category 2 hazards, served 47 enforcement notices and made use of licence conditions to resolve numerous other management and disrepair issues.</p> <p>Income generated from licensing is ring fenced and by law it must be spent on monitoring and implementing the licensing scheme.</p> <p>The issue of using data effectively and the benefits of licensing have been addressed in the consultation document and summarised elsewhere in this section.</p>
Landlord	<p>Supports proposals for additional licensing as there are many bad landlords but believes the proposals are unfair as 'good' and 'bad' landlords will all be treated the</p>	<p>This issue has been addressed elsewhere in this section however t to summarise the intention is offer discounted licence fees for accredited landlords, lighter touch approach to inspecting and</p>

	<p>same. Wants recognition for the compliant landlords.</p> <p>Understands the need for Selective Licensing due to the number of complaints and prevalence of bad landlords, however queries the logic of inspecting well run properties in high end flats.</p> <p>Suggests Selective Licensing should be applied where the council have received a complaint and free (or greatly discounted) voluntarily registration should be made available with those who do not register being subject to licensing and charged the full fee.</p> <p>Opposed to Selective Licensing -will target the good and lead to loss of supply, queries why necessary and suggests the council look closely at what tenure the complaint in Finsbury Park relate to e.g. LBI freehold or not.</p> <p>Asked if a couple could be accommodated in a marginally undersized bedroom if it meant the loss of a living room.</p> <p>Proposed that landlord pays a fee and if property is good no further action is taken but if it is not then action is taken.</p>	<p>monitoring premises operated by landlords who do the right thing and treat tenants fairly. A strong enforcement approach will be reserved for landlords who provide poor housing conditions and rogue landlords.</p> <p>Inspections will be prioritised on the basis of risk and the will be a light touch approach to inspecting well run high end flats</p> <p>The council will continue to offer discounts to accredited landlords and the non-compliant landlords are more likely to receive a reduced term licence and enforcement action to help ensure an advantage to being compliant.</p> <p>The experience of other local authorities is that there is no evidence to suggest that the supply of accommodation for 3 persons has reduced following the introduction of borough wide Additional licensing schemes A recent selective licensing review found that selective licensing schemes are effective provided they are properly resourced, targeted and joined up to other wider council initiative.</p> <p>We will consider each application on its merits and may vary the standard if there are reason to do so e.g. sufficiently large living room, sufficient amenities and storage facilities elsewhere.</p> <p>This is the procedure that the council follows for property licensing.</p>
Landlord	Publish details of Finsbury Park having highest number of complaints from renters.	This information is contained within the council's Consultation document.

	<p>Enforcement action to be targeted and risk based.</p> <p>Selective Licensing improves standards but leads to increases in rent and homelessness.</p> <p>Concern over ASB conditions (says landlord has no control over/no ability to improve/no ability to provide a remedy for these)</p> <p>Concern over landlords failing to meet the Fit and Proper test.</p> <p>Would like to see more understanding of the causes of ASB in Finsbury Park (i.e.is it due to the station, football, neglect, the Andover estate, being on boundaries.) Does not believe it is due to properties being in Private Rented Sector. Believes most crime and ASB in Finsbury Park occur outside the station and on the housing estates and that Selective Licensing won't address this.</p>	<p>As stated above enforcement action will be targeted and risk based</p> <p>This issue has been raised by other landlords and considered above</p> <p>This issue has been raised by other landlords and considered above</p> <p>Where a landlord fails to meet the 'fit and proper' criteria they may nominate another person to be the licence holder</p> <p>The council works with numerous stakeholders and neighbouring boroughs to identify and tackle antisocial behaviour in Finsbury Park ward. Ensuring that landlords have adequate arrangements in place for responding to any antisocial behaviour by private tenants and their visitors will contribute to the overall strategy for Finsbury Park</p>
Local agent	<p>Claims the fees are too high.</p> <p>Is it ok to accept applications from agents when the property owner holds the money for the repairs?</p>	<p>The proposed licence fees are average for London boroughs.</p> <p>We can accept an applications from the agent provided declarations signed by both the agent and the property owner are provided.</p>
Landlord /agent	<p>Expressed concern that the compliant landlords will be paying for the enforcement against non-compliant landlords.</p> <p>What happens where a licence holder decides they want to vary a property licence from Selective to Additional</p>	<p>Monitoring and enforcing compliance with licensing is meet by licence fees. Other enforcement activity, including prosecutions against rogue landlords is funded separately by the council</p> <p>If a licence holder decides they want to do this, then the council will vary the licence and charge a fee that is the equivalent of the</p>

	<p>NLA members should qualify for the discount that LLAS currently receive.</p> <p>The use of word 'letting' in connection with fees and HMO licences is misleading.</p> <p>Wanted to know whether the council will be able to deal with a possible increase in ASB complaints from members of the public once they become aware that the council can address ASB through property licensing.</p> <p>Wanted to know if the council could overlook reference requirement on selective licences for council tenants (as the landlord is already taking the risk by taking persons in receipt of benefit payment)</p> <p>Wanted to know if Housing Benefits payment covering rent be stopped for unlicensed HMOs to encourage compliance?</p> <p>Wanted to know what the maximum time between payment of Part I and Part II of a property licence would be</p>	<p>difference between cost of an Additional and Selective licence.</p> <p>We agree and the discounted fee will be extended to make it available to members of all recognised accreditation schemes including NLA</p> <p>We agree term and we propose to amend the approach and charge HMO licence fees on the number of bedrooms provided by the landlord.</p> <p>We have considered this comment and we are confident that we have the ability to handle an increase in calls and complaints concerning ASB in Finsbury Park</p> <p>Schedule 4 of the Housing Act requires selective licenses to include conditions requiring the licence holder to require references from persons who wish to occupy the property. The council will however consider a deviation from this requirement provided they are satisfied that the landlord/agent has the appropriate level of expertise and management skills.</p> <p>As long as there is an ongoing liability to pay rent, Housing Benefit entitlement would continue to be paid and cannot be stopped due to the property being unlicensed.</p> <p>Part I of the licence fee is paid upon application and Part II is taken prior to the issue of the draft licence (i.e. at the point when the council determines that it can accept the application.)</p>
Landlord	Wants to know if licensing needs to be secured for properties already	Should property licensing come into force then all properties within

	under a tenancy agreement if/when property licensing comes into effect.	the criteria of the declaration will need to be licensed.
Housing Association tenant	Reports widespread issues with disrepair and poor management within housing association properties.	Housing association tenants should report any issues with disrepair their properties to the Housing association itself in the first instance. Should this fail to resolve the issue then the issue can be reported to ward councillors, the local MP and/or the Housing ombudsman.
Landlord	Opposed to proposal as they believe they will need to apply for a new licence prior to the expiry of his existing licence in 2022	The existing Additional licensing scheme comes to an end on 1/9/2020. All licences that have been issued under this scheme will continue until their expiry date. Upon expiry of these licences, an application for a new licence (under the proposed new scheme) will be required.
Landlord	<p>Concern over bedroom sizes (whether certain bedrooms can be used.) Ex-council flat 2 small rooms, 2 large ones). Feels it would be unfair if they can't use the smaller rooms when an identical flat in its original use (as a council flat) can be used.</p> <p>Concerned that a lot of bedrooms within ex-council properties will be too small due to their design and age of construction.</p> <p>Believes it is unfair to have lower room sizes for selective licences (single households) than additional licences (HMOs)</p>	<p>The council is aware of a number of ex local authority flats that were originally intended to accommodate a family (with the smaller rooms being used as children's bedrooms) are now let as HMOs. The council is of the view that smaller bedrooms are not suitable for use in an HMO as an adult sharing facilities is likely to need more space than a child and may not have access (or feel comfortable) storing their possessions in the common areas such as the living room.</p> <p>The council recognise that this will be the case in many properties from a certain era and tenure but overcrowding is also an issue within the private rented sector which carries risks to health and wellbeing.</p> <p>In response to consultation feedback we have removed the room size standards for selectively licence properties and the legal minimum requirements will apply. We believe that higher standards for room sizes over and</p>

	Concerned that the council issue licence for 3 persons but they still have to pay service charge for 4 this would be unfair and landlords may refuse to pay.	above the legal minimum can be justified for HMOs. This is beyond the scope of the schemes.
Voluntary organisation (tenants)	Wanted to know if and when the council inspects properties and whether it acts on complaints when deciding what to licence, permitted numbers and level of risk. Camden council issue a temporary licence prior to the full licence. Conditions in properties covered by HMO exemptions (due to being flats within purpose built blocks) are bad e.g. Andover estate.	We undertake a risk based approach to planned licence property inspections. We also respond to complaints. The decision on whether to licence a property and the permitted numbers of occupants is based on amenities and space standards. Disrepair will be addressed as part of the inspection process. This is a legal requirement and the same process operates in Islington. The additional licensing designation includes HMOs currently exempt from licensing and will close this loophole.
Landlord	ASB, crime and housing problems are within the social sector not the private sector. Accepting of property licensing but is concerned that the council might ignore the problem in the social sector.	Evidence and feedback from stakeholders, partners and residents suggest that ASB, crime and housing problems are prevalent across all tenures. We have arrangements in place for social housing providers and the council to work together on a wide range of issues facing tenants in the social sector

Section 3 Themes emerging from consultation questionnaire

Questions 10 and 14 of the on line feedback form invited comments from respondents. This section summarises emerging themes and the number of times a specific theme was raised.

The comments submitted in questions 10 and 14 have been considered and the council response is covered in section 2 above.

Question 10 – Comments on proposed fees

Theme	Times mentioned
The fees are too high/Property licensing is a money making scheme/way of covering council costs/stealth tax/should be covered by council tax	24
The introduction of Property licensing schemes will lead to an increase in rents	14
Supportive of council intervention/broadly supportive (some concerns e.g. time and cost of evicting tenants who are in arrears and/or causing major damage, landlords must receive a service for paying the fee)	11
Discounted fees should be made available (e.g. to members of all recognised accreditation schemes, to landlords if they comply or offer the council regular access to their property, on the basis of the number of properties a landlord owns)	9
Property licensing doesn't work/won't resolve the issue of bad landlords and problem tenants (e.g. non-compliant landlords won't apply, housing conditions won't be improved)	5
The introduction of Property licensing schemes will lead to a decrease in the supply of rental properties (due to increased operating costs for landlords)	4
Fees should be set high to improve conditions, fund robust enforcement against poor conditions and non-compliance and to deter landlords from purchasing lots of properties	4
The council has and should use existing legislation to deal with poor housing and conditions	4
Non-compliant landlords won't apply and won't be dealt with	4
Would like to see the introduction of rental controls/caps	3
Communication from agents is poor	2
Properties should be licensed when landlords fail to carry out repairs	2
RSLs should be licensed	2
The introduction of Property licensing will lead to an increase in homelessness	2
Landlords will have to pay a fee every time a new tenant moves in	2
Opposed to Property licensing (believes it is unreasonable, not justified, should not include S257s)	2
Licence conditions are sometimes unreasonable and impractical in some cases (cites where work needed to external structure of a leasehold flat or property is in Conservation area)	2
Accreditation schemes are a waste of time and accredited landlords don't merit a reduction in fees as membership is based on payment of a fee and not professionalism or expertise	2
Bad landlords should be fined/punished and good landlords treated fairly	2
Conditions within single occupancy properties can be just as bad as within HMOs therefore all properties should be licensed	1
Although minimum room size are reasonable the nature of Islington's housing stock might cause some issues	1
A nationalised database of all rented property (with access for landlords and tenants) and consequences for non-compliance with certain requirements would be better than Property licensing	1
Property licensing should only be applied where an area is deemed to have a problem	1

Critical of existing Additional licensing scheme (cites confusing over which properties were covered, application form, lack of staffing/resources, lack of planning)	1
Will the amount of Housing Benefit paid to private landlords in Finsbury Park be increased to cover any increases in operating costs arising from Property licensing?	1
Offering discounts to accredited landlords is discriminatory and therefore unlawful	1
Licensing is unnecessary as tenants can take own legal action against landlords	1
3 Tenants is too low a starting point (it encourages tenants to not name people on tenancy agreements and will lead to evictions to avoid licensing)	1
The council need to address disrepair and management issues within their own stock first before making private landlords do this	1
Good landlords will end up paying for other peoples bad property management	1
Property licensing should be targeted and not Borough wide	1
The council should charge tenants a fee to support them in taking action against bad landlords as opposed to charging landlords to licence their properties	1
A voluntary registration scheme should be made available to landlords with no policing of privately rented properties in the scheme by councils	1
The council lacks the resources or expertise to adequately address the disrepair and management issues in the sector	1
The council's property licensing standards are too high	1
The council's fee structure and processing timetable are not clear	1

Question 14: Comments regarding either the proposed borough-wide HMO Licensing scheme or Selective Licensing scheme for Finsbury Park.

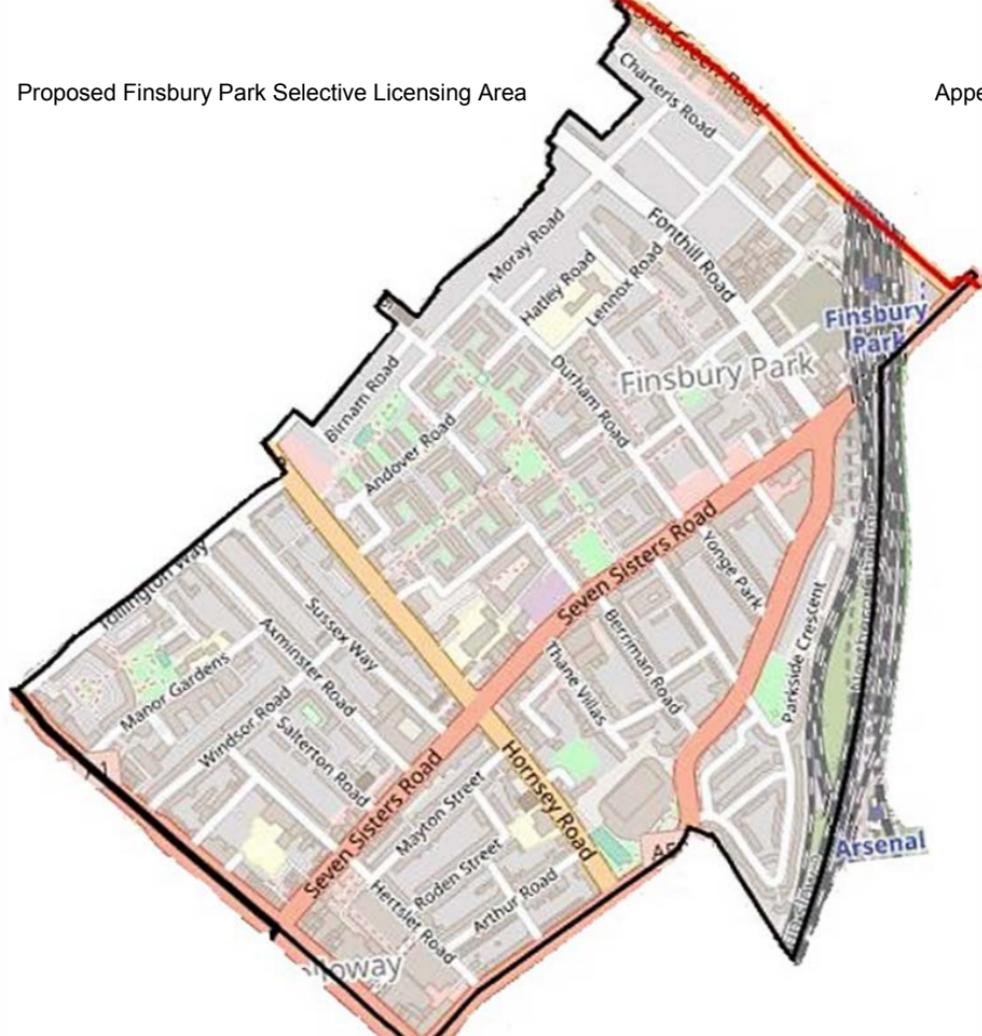
Theme	Times mentioned
Supportive of council intervention/broadly supportive but have some concerns (e.g. enforcement should be targeted to areas with ASB issues, problems with housing conditions, areas where the bad conditions need to be identified etc.)	26
The introduction of Property licensing schemes will lead to an increase in rents	19
The council has and should use existing legislation to deal with bad landlords/ ASB and housing issues	13
The introduction of Property licensing schemes will lead to a decrease in the supply of rental properties (via landlords selling or rooms being deemed undersized)	12
Property licensing is a money making scheme/way of funding council enforcement activities	11
Property licensing will tax/penalise/unfairly treat the compliant landlords/agents	10
Opposed to ASB conditions (cites right to quiet enjoyment, lack of ability of landlord to monitor or change the tenant's behaviour and to gain access, eviction of problem tenants shifts the issue elsewhere)	9
Property licensing doesn't work/won't resolve the issue of bad landlords and problem tenants (e.g. non-compliant landlords won't apply)	9
Certain conditions on property licences are problematic (e.g. excessive, prescriptive, intrusive, costly difficult to comply with, unrealistic)	8
Proposes exemption from Property Licensing for certain properties (new build, S257 HMOs, properties recently converted from commercial or industrial usage, agent managed properties, friends sharing under a single tenancy, adequately sized rooms for the number of occupiers)	7
Property licensing wastes resources (time is spent processing applications and prosecuting landlords for failing to licence as opposed to enforcing and prosecuting against bad conditions)	7
All tenants deserve fairness (e.g. universal access to basic standards of accommodation, minimum room sizes, stability, longer tenancy agreements, awareness of their rights and who to complain to, confidence to report bad conditions)	7
5 is reasonable threshold number for licensing but 3 is too low and will affect friends and couples being able to find properties to rent	6
There currently are no reasons to justify the introduction of Property licensing schemes/the schemes will serve no purpose/have limited benefit	5
The non-compliant landlords need targeting	5
Would like to see the introduction of rental controls/caps	4
The council need to address disrepair and management issues within their own stock first before making private landlords do this	4
Supportive of Borough wide selective licensing but only where certain things are taken into account	3
Property licensing will lead to an increase in evictions and homelessness (affecting women and vulnerable groups disproportionately)	3

ASB and crime are due to other factors/groups of people (as opposed to tenants in the private rented sector)	3
Property licensing will harm properties aesthetically (e.g. emergency lighting, fire doors, signage etc. will make properties feel less like a home)	2
Property licensing should be done on a case by case basis	2
Identity checks should be carried out to establish who the rogue landlords are	2
Criminal activity and ASB is high in Finsbury Park due to it being a transport hub as well as certain unscrupulous landlords and high proportions of properties in a poor condition	2
There is no evidence that Selective licensing can reduce ASB	2
The same standards should apply to HMOs and single occupancy properties alike	2
Landlords need to be made accountable (e.g. Code of conduct for landlords)	2
Landlords will underreport the numbers of tenants on licence applications	1
There is no mention of energy efficiency (Property licensing offers an opportunity to ensure landlords comply with Minimum Energy Efficiency Standards)	1
A nationalised database of all rented property (with access for landlords and tenants) and consequences for non-compliance with certain requirements would be better than Property licensing	1
Critical of existing Additional licensing scheme (cites confusion over which properties were covered, application form, lack of staffing/resources, lack of planning)	1
The council needs to make it clear whether tacit consent applies and that the fees consist of 2 components	1

Section 4 Summary of changes made as a result of consultation feedback

Consultation feedback	Changes that will be made if the licensing schemes are approved
The council need to make reference to tacit consent and processing times on its website and applications (The Provision of Services Regulations 2009; Regulation 19)	We will publishing clear processing times on our website and we will make it clear that tacit consent applies.
A Property licensing stakeholder group should be set up to include interested parties including landlord and agents to share information and discuss issues	We are in the process of reviewing our Landlords Forum and we will take up this suggestion to realign our approach to meet the needs of a wider group of interested parties and agents.
The discounts the council has proposed for ATLAS members are good but should be extended to landlords and agents who are members of other accreditation schemes	The discounted fee will have been extended to make it available to members of any recognised accreditation scheme such as ARLA, NLA, RLA etc. Furthermore, members of equivalent regional accreditation scheme (outside of London) also qualify. For more information please see https://www.anuk.org.uk/schemes-near-you#
Issuing 1 year licences to landlords/agents who do not apply within 3 months of the launch of the scheme is unfair as this is not enough time to reach all agents and landlords	We will not be pursuing this approach. A one year licences will only be issued in exceptional circumstances, for example where there is a history of poor property management and we are not confident that the current licence holder has the ability to maintain standards over a 5 year licence period.
One set of conditions for additional and selective does not work. as some conditions are geared to HMOs	We are recommending one set of conditions for HMO licences and a separate set of conditions for selective licences.
Having a FD30 fire door on a kitchen is too high and exceeds the LACORS guidelines for low numbers of sharers.	This requirement has been removed
The council haven't considered properties where the kitchens are let unfurnished in the proposed Selective licensing standards i.e. no white goods have been provided	The proposed standards for properties subject to selective licensing have been withdrawn and we are not introducing revised standards.
The word 'letting' in connection with fees and HMO licences is misleading	We have amended our proposal and s254 HMO licence fees will be based on the number of bedrooms in the HMO.
Landlords will need to apply for a new licence prior to the expiry of their current licences under the existing Additional licensing scheme in place on Holloway Road and Caledonian Road	We have amended our proposal and the existing additional 5-year licensing scheme covering HMOs in Caledonian Road and Holloway Road will not be revoked and it will end on 1 September 2020 as originally planned.

	<p>All licences that have been issued under this scheme will continue until their expiry date and our enforcement policy will be amended to reflect this.</p> <p>Upon expiry of these licences, an application for a new licence (under the proposed new scheme) will be required.</p>
Licence Conditions and HMO standards	We have reviewed the licence conditions and HMO standards and made changes in response to consultation feedback
S257 HMOs	The proposal has been amended to only licence s257 HMOs that are tenanted and under the same ownership
Compliance and Monitoring	All licence properties will be inspected at least once during the 5-year licence period. Inspections will be prioritised on the basis of risk assessment.



HMO Licence Conditions

Housing Act 2004 Section 67

1 Permitted Occupation

A new resident must not be permitted to occupy the house or any part of the house if that occupation:

- exceeds the maximum permitted number of persons for the house as detailed in the schedule of permitted occupation below
- exceeds the maximum permitted number of households for the house as detailed in the schedule of permitted occupation below
- exceeds the maximum permitted number of persons for any letting as detailed in the schedule of permitted occupation below
- A new resident means a person who was not an occupier of the house and/or the specific room at the date of the issue of the licence

2 Tenancy management

2.1 Provide all tenants with a written statement of the terms on which they occupy the property and the arrangements in place to deal with repairs and emergency issues.

2.2 Protect any deposit taken under an assured short-hold tenancy by placing it in a statutory tenancy deposit scheme. Provide the tenant the prescribed information about the scheme being used at the time the deposit is taken.

2.3 Provide suitable emergency (including out of hours' response).and management arrangements

2.4 When requested provide the Council, in writing, details of the tenancy management arrangements that have been, or are to be, made to prevent or reduce anti-social behaviour by persons occupying or visiting the property.

2.5 Conduct an inspection of the property at least every 6 months to identify any problems relating to the condition and management of the property and check that common parts and external areas are free from waste. Keep a written record of the inspection specifying:

- the name of person conducting inspection
- date and time of inspection
- issues identified
- action taken

2.6 Take prompt action to address antisocial behaviour arising from the conduct of occupants or visitors to the property by complying with the following requirements:

- On receipt of a complaint of anti-social behaviour concerning a visitor or occupant of the property do not ignore nor fail to take action and take appropriate action to monitor the allegation.
- Inform the occupants in writing about any allegation of antisocial behaviour within 14 days of receipt and consequences of its continuation.
- Where the antisocial behaviour continues after 28 days from receipt of the complaint, visit the property within 7 days and issue a warning letter advising the behaviour is not acceptable, that they are responsible for the conduct of all occupants and visitors, the impact on the local community and the consequences of its continuation.
- Take formal steps under the written statement of terms for occupation if after 14 days of giving the warning letter the anti-social behaviour is unresolved
- Notify the appropriate authorities of antisocial behaviour suspected to involve criminal activity
- Keep a written record of any meetings, telephone conversations or investigations and copies of correspondence regarding antisocial behaviour for 3 years.
- Attend any case conferences or multiagency meetings arranged by the Council or Police upon request.

3 Property Management

3.1 Take appropriate steps to remedy any disrepair reported by occupants.

3.2 Take immediate action to deal with any pest problem or infestation at the property and ensure that a treatment program is carried out to eradicate the pest infestation. Records shall be kept of such treatment programs

3.3 Any gas installation and gas appliance shall be kept in a safe condition at all times. All work on gas appliances must be carried out by a Gas Safe registered engineer.

3.4. A current valid gas safety certificate from a Gas Safe registered engineer obtained within the last 12 months, or a Gas Safe Installation Certificate if the boiler was installed in the last 12 months shall be provided to the council annually

3.5 The electrical installation in the property shall be maintained in a safe condition. Where requested by the council provide, within 28 days, an electrical installation report issued by a competent person within the last 5 years.

-
- 3.6 All electrical appliances made available by the licence holder shall be kept in a safe condition. Where requested by the council provide, within 28 day, a written declarations to the safety of such appliances
- 3.7 All furniture made available by the licence holder shall be kept in a safe condition. Where requested by the council, provide within 28 days, a written declaration as to the safety such furniture. All upholstered furniture, covers, fillings, cushions and pillows shall comply with current fire safety requirements.
- 3.8 Appropriate fire precaution facilities and equipment must be in place to protect the safety of the people on the premises and in the immediate vicinity. .
- 3.9 Install and maintain in good working order appropriate smoke alarms in the property in accordance with the LACORS Housing Fire Safety Guidance.
- 3.10 A smoke alarm shall be installed on each storey of the house (which includes half-landings) on which there is a room used wholly or partly as living accommodation.
- 3.11 Each smoke alarm installed in any room in the house shall be kept in proper working order.
- 3.12 Where requested by the council, provide a written declaration confirming the positioning and condition of smoke alarms
- 3.13 Maintain in good working order any fire-precaution facilities and equipment.
- 3.14 Where requested by the council provide within 28 days a copy of all inspection reports and test certificates for any automatic fire alarm system, emergency lighting and firefighting equipment provided in the property
- 3.15 Install a carbon monoxide alarm in any room in the property used wholly or partly as living accommodation (including a hall, landing bathroom or WC) and contains a solid fuel burning combustion appliance.
- 3.16 Any carbon monoxide alarm installed in any room in the property shall be kept in proper working order
- 3.17 Where requested by the council provide written statement, within 28 days, confirming the positioning and condition of any carbon monoxide alarms
- 3.18 Provide and maintain adequate security measures to prevent access by intruders and ensure that:
- The access to the property, such as locks, latches and entry systems are maintained in good working order at all times.
 - The front door of the property is fitted with a mortice lock (thumb turn) or equivalent, to a five lever security level.
 - Where window locks are fitted, the keys are provided to the relevant occupants.

- Where a burglar alarm is fitted to the property, the occupants are informed in writing about the circumstances under which the code for the alarm can be changed, and are given details on how this can be arranged.
 - Where previous occupants have not returned keys, the relevant locks will be changed prior to new occupants moving in.
- 3.19 Within 7 days of the start of occupation provide written information to all occupants on the arrangements for the storage and disposal of household recycling and waste. This information must be provided in a clear and easy to understand format which occupants can refer to
- 3.20 No refuse shall be kept in the front or rear garden other than in an approved storage container for that purpose. Old furniture, bedding, or rubbish from the property must not be left immediately outside the property nor on private land.
- 3.21 Carry out regular checks to ensure that occupants are complying with the storage, recycling and disposal of waste arrangements and warn occupants if they, or their visitors, are not using the waste and recycling facilities provided or are leaving waste outside the property.
- 3.22 Provide adequate facilities for storing, recycling and disposing waste for the number of occupants so that bags or loose refuse or waste for recycling are not stored outside the property. Ensure that these containers provide for the adequate separation of recyclable, garden (where applicable), food and residual waste.

4 Documents to be displayed

- 4.1 Either provide to all tenants at the start of the tenancy or display in the common parts of the property:
- a copy of the licence to which these conditions apply
 - a notice with the name, address and emergency contact number of the licence holder or managing agent for the property
 - a copy of the current gas safety certificate
 - a copy of a valid electrical inspection condition report
 - a copy of a valid portable appliance test certificate (PAT) covering all electrical appliances supplied within the HMO
 - a copy of a valid test certificate for the automatic fire alarm system (dated within the last 12 months)
 - a copy of a valid test certificate for the emergency lighting system (dated within the last 12 months)
 - an appropriate Energy Performance Certificate (EPC)

Note: Landlords cannot grant a new tenancy after 1 April 2018 where the EPC is band F or G. After 1 April 2020 landlords must not continue to let a let property where the EPC is band F or G.

5 Financial Management

5.1 No person other than the licence holder or the agent named on the licence may collect or receive rental monies from the occupants of the property. The licence holder and/or agent may pass on the rental monies to any third parties as required.

5.2 Where rents are collected or received from occupants, payment must be recorded and all occupants receive a receipt for the payment, unless the occupant is an assured shorthold tenant and pays their rent via bank standing order or direct debit. The licence holder must keep a copy of all such records and receipts and must provide the council with a copy of the same within 28 days of any request to inspect them.

6 Material change of circumstances

6.1 The Licence Holder must inform the Authority within 21 working days of any material changes in their own circumstances and, within 21 days of becoming aware of them, of any known and material change in the circumstances of any person managing or involved in the management of the property, such as details of

- unspent convictions not previously disclosed to the Authority that may be relevant to the Licence Holder or the property manager or the status of either of them as a 'fit and proper person', including in particular a conviction in respect of any offence involving fraud or dishonesty, violence, drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003.
- finding by a court or tribunal against the Licence Holder and/or the property manager that he or she has practiced unlawful discrimination.
- a contravention on the part of the Licence Holder or property manager relating to housing, public health, environmental health, or landlord and tenant law, which has led to civil or criminal proceedings and a judgment or finding being made against him or her.
- information about any property the Licence Holder or property manager owns or manages, or has owned or managed:
 - i. which has been made subject to a control order under section 379 of the Housing Act 1985, in the five years preceding the date of the application; or

- ii. which has been the subject of any enforcement action described under Part 1 sections 5(2) or 7(2) of the Housing Act 2004, concerning Category 1 and Category 2 housing condition hazards; or
- iii. in relation to which a local housing authority has either refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence.
- iv. which has been the subject of an interim or final management order under the Housing Act 2004

7 General Requirements

7.1 Provide, maintain and keep in good working order the facilities and equipment specified in the Standards for HMOs.

7.2 Where requested in writing provide written copies of any information or records required by these conditions to the council within 28 days of the date of the request.

7.3 Inform the Council's Residential Environmental Health Team in writing of any proposed changes to the construction, layout or amenity provision of the house that would affect the licence or licence conditions.

7.4 Arrange for access to be granted at any reasonable time and must not obstruct Council officers carrying out their statutory duties including the surveying of the property to ensure compliance with licence conditions and any relevant legislation.

7.5 When requested provide the council the names and numbers of individuals/households accommodated in the property, specifying the rooms they occupy within the property and the number of individuals in each household.

7.6 When requested provide the council with a plan of the property showing the location and size of all rooms (in square meters), including kitchen, bathroom and toilet facilities. The plan shall be provided to the Council within 28 days on demand.

7.7 When requested provide the council with a copy of the tenancy agreement

7.8 Inform the Council of any change in ownership or management of the house.

7.9 Whilst any alteration or construction works are in progress, the work is carried out to ensure the safety to all persons occupying or visiting the premises.

7.10 Ensure that on completion of any works, the property shall be left in a clean tidy condition and free from builders' debris.

8 Deviation from the Licence Conditions

8.1 Any landlord who wishes to provide accommodation that requires a licence but that does not meet the licence conditions may apply in writing for a deviation

from the licence conditions. The request will be considered and the landlord informed of the decision in writing.

Islington Council

Residential Environmental Health Team

222 Upper Street London N1 1XR

Phone: 020 7527 3083

Email: Residential.Envh@islington.gov.uk

Selective Licence Conditions

Housing Act 2004 Section 90

1 Permitted Occupation

A new resident must not be permitted to occupy the house or any part of the house if that occupation:

- exceeds the maximum permitted number of persons for the house as detailed in the schedule of permitted occupation below
- exceeds the maximum permitted number of households for the house as detailed in the schedule of permitted occupation below
- exceeds the maximum permitted number of persons for any letting as detailed in the schedule of permitted occupation below
- A new resident means a person who was not an occupier of the house and/or the specific room at the date of the issue of the licence

2 Tenancy management

2.1 Provide all tenants with a written statement of the terms on which they occupy the property and the arrangements in place to deal with repairs and emergency issues.

2.2 Protect any deposit taken under an assured short-hold tenancy by placing it in a statutory tenancy deposit scheme. Provide the tenant the prescribed information about the scheme being used at the time the deposit is taken.

2.3 Obtain references from prospective tenants before entering into any tenancy agreement with them. No new occupants shall be allowed to occupy the accommodation if they are unable to provide a reference. The licence holder must retain all references obtained for occupants for the duration of this licence.

2.4 Provide suitable emergency (including out of hours' response) and management arrangements

2.5 When requested provide the Council, in writing, details of the tenancy management arrangements that have been, or are to be, made to prevent or reduce anti-social behaviour by persons occupying or visiting the property.

2.6 Conduct an inspection of the property at least every 6 months to identify any problems relating to the condition and management of the property and check that common parts and external areas are free from waste. Keep a written record of the inspection specifying:

- the name of person conducting inspection
- date and time of inspection
- issues identified
- action taken

2.7 Take prompt action to address antisocial behaviour arising from the conduct of occupants or visitors to the property by complying with the following requirements:

- On receipt of a complaint of anti-social behaviour concerning a visitor or occupant of the property do not ignore nor fail to take action and take appropriate action to monitor the allegation.
- Inform the occupants in writing about any allegation of antisocial behaviour within 14 days of receipt and consequences of its continuation.
- Where the antisocial behaviour continues after 28 days from receipt of the complaint, visit the property within 7 days and issue a warning letter advising the behaviour is not acceptable, that they are responsible for the conduct of all occupants and visitors, the impact on the local community and the consequences of its continuation.
- Take formal steps under the written statement of terms for occupation if after 14 days of giving the warning letter the anti-social behaviour is unresolved
- Notify the appropriate authorities of antisocial behaviour suspected to involve criminal activity
- Keep a written record of any meetings, telephone conversations or investigations and copies of correspondence regarding antisocial behaviour for 3 years.
- Attend any case conferences or multiagency meetings arranged by the Council or Police upon request.

3 Property Management

3.1 Take appropriate steps to remedy any disrepair reported by occupants.

3.2 Take immediate action to deal with any pest problem or infestation at the property and ensure that a treatment program is carried out to eradicate the pest infestation. Records shall be kept of such treatment programs

3.3 Any gas installation and gas appliance shall be kept in a safe condition at all times. All work on gas appliances must be carried out by a Gas Safe registered engineer.

- 3.4. A current valid gas safety certificate from a Gas Safe registered engineer obtained within the last 12 months, or a Gas Safe Installation Certificate if the boiler was installed in the last 12 months shall be provided to the council annually
- 3.5 The electrical installation in the property shall be maintained in a safe condition. Where requested by the council provide, within 28 days, an electrical installation report issued by a competent person within the last 5 years.
- 3.6 All electrical appliances made available by the licence holder shall be kept in a safe condition. Where requested by the council provide, within 28 day, a written declaration to the safety of such appliances
- 3.7 All furniture made available by the licence holder shall be kept in a safe condition. Where requested by the council, provide within 28 days, a written declaration as to the safety such furniture. All upholstered furniture, covers, fillings, cushions and pillows shall comply with current fire safety requirements.
- 3.8 A smoke alarm shall be installed on each storey of the house (which includes half-landings) on which there is a room used wholly or partly as living accommodation.
- 3.9 Each smoke alarm installed in any room in the house shall be kept in proper working order.
- 3.10 Where requested by the council, provide a written declaration confirming the positioning and condition of smoke alarms
- 3.11 Install a carbon monoxide alarm in any room in the property used wholly or partly as living accommodation (including a hall, landing bathroom or WC) and contains a solid fuel burning combustion appliance.
- 3.12 Any carbon monoxide alarm installed in any room in the property shall be kept in proper working order
- 3.13 Where requested by the council provide written statement, within 28 days, confirming the positioning and condition of any carbon monoxide alarms
- 3.14 Provide and maintain adequate security measures to prevent access by intruders and ensure that:
- The access to the property, such as locks, latches and entry systems are maintained in good working order at all times.
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 - Where window locks are fitted, the keys are provided to the relevant occupants.

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 - Where previous occupants have not returned keys, the relevant locks will be changed prior to new occupants moving in.
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- 3.17 Carry out regular checks to ensure that occupants are complying with the storage, recycling and disposal of waste arrangements and warn occupants if they, or their visitors, are not using the waste and recycling facilities provided or are leaving waste outside the property.
- 3.18 Provide adequate facilities for storing, recycling and disposing waste for the number of occupants so that bags or loose refuse or waste for recycling are not stored outside the property. Ensure that these containers provide for the adequate separation of recyclable, garden (where applicable), food and residual waste.

4 Documents to be displayed

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- a copy of the licence to which these conditions apply
 - a notice with the name, address and emergency contact number of the licence holder or managing agent for the property
 - a copy of the current gas safety certificate
 - a copy of a valid electrical inspection condition report
 - a copy of a valid portable appliance test certificate (PAT) covering all electrical appliances supplied within the HMO
 - a copy of a valid test certificate for the automatic fire alarm system (dated within the last 12 months)
 - a copy of a valid test certificate for the emergency lighting system (dated within the last 12 months)
 - an appropriate Energy Performance Certificate (EPC)

Note: Landlords cannot grant a new tenancy after 1 April 2018 where the EPC is band F or G. After 1 April 2020 landlords must not continue to let a let property where the EPC is band F or G.

5 Financial Management

5.1 No person other than the licence holder or the agent named on the licence may collect or receive rental monies from the occupants of the property. The licence holder and/or agent may pass on the rental monies to any third parties as required.

5.2 Where rents are collected or received from occupants, payment must be recorded and all occupants receive a receipt for the payment, unless the occupant is an assured shorthold tenant and pays their rent via bank standing order or direct debit. The licence holder must keep a copy of all such records and receipts and must provide the council with a copy of the same within 28 days of any request to inspect them.

6 Material change of circumstances

6.1 The Licence Holder must inform the Authority within 21 working days of any material changes in their own circumstances and, within 21 days of becoming aware of them, of any known and material change in the circumstances of any person managing or involved in the management of the property, such as details of

- unspent convictions not previously disclosed to the Authority that may be relevant to the Licence Holder or the property manager or the status of either of them as a 'fit and proper person', including in particular a conviction in respect of any offence involving fraud or dishonesty, violence, drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003.
- finding by a court or tribunal against the Licence Holder and/or the property manager that he or she has practiced unlawful discrimination.
- a contravention on the part of the Licence Holder or property manager relating to housing, public health, environmental health, or landlord and tenant law, which has led to civil or criminal proceedings and a judgment or finding being made against him or her.
- information about any property the Licence Holder or property manager owns or manages, or has owned or managed:
 - i. which has been made subject to a control order under section 379 of the Housing Act 1985, in the five years preceding the date of the application; or

- ii. which has been the subject of any enforcement action described under Part 1 sections 5(2) or 7(2) of the Housing Act 2004, concerning Category 1 and Category 2 housing condition hazards; or
- iii. in relation to which a local housing authority has either refused to grant a licence under Part 2 or 3 of the Act, or has revoked a licence.
- iv. which has been the subject of an interim or final management order under the Housing Act 2004

7 General Requirements

7.1 Where requested in writing provide written copies of any information or records required by these conditions to the council within 28 days of the date of the request.

7.2 Arrange for access to be granted at any reasonable time and must not obstruct Council officers carrying out their statutory duties including the surveying of the property to ensure compliance with licence conditions and any relevant legislation.

7.3 When requested provide the council the names and numbers of individuals accommodated in the property

7.4 When requested provide the council with a plan of the property showing the location and size of all rooms (in square meters), including kitchen, bathroom and wc facilities. The plan shall be provided to the Council within 28 days on demand.

7.5 When requested provide the council within 28 days a copy of the tenancy agreement

7.6 Inform the Council of any change in ownership or management of the house.

7.7 Whilst any alteration or construction works are in progress, the work is carried out to ensure the safety to all persons occupying or visiting the premises.

7.8 Ensure that on completion of any works, the property shall be left in a clean tidy condition and free from builders' debris.

8 Deviation from the Licence Conditions

8.1 Any landlord who wishes to provide accommodation that requires a licence but that does not meet the licence conditions may apply in writing for a deviation from the licence conditions. The request will be considered and the landlord informed of the decision in writing.

Islington Council
Residential Environmental Health Team
222 Upper Street London N1 1XR

Phone: 020 7527 3083
Email: Residential.Envh@islington.gov.uk



Standards for Houses in Multiple Occupation (HMO)

Housing Act 2004

1. Purpose

- 1.1. This document describes the standards that Islington Council will use to assess the suitability for occupation of an HMO's. It reflects the requirements specified in The Licensing and Management of HMO's and Other Houses (Miscellaneous Provision) (England) Regulations 2006 and The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018.
- 1.2. Islington Council may decide that the house is not reasonably suitable for occupation by a particular maximum number of households or persons even if it does meet prescribed standards for occupation by that number of households or persons.
- 1.3. Any landlord who wishes to provide accommodation that does not meet the standards may apply in writing for a deviation from the standard to the address in section 7 below.

2. Minimum Room Sizes

- 2.1. Islington Council has had regard to the legal minimum room standards specified in the Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018 and determined that the room sizes described in this document will be applied to all HMOs in the borough.
- 2.2. The minimum floor areas for sleeping and living accommodation are listed in the table below. These minimum sizes will only be acceptable if the room is large enough to accommodate essential furniture and facilities and to enable their safe use.

Maximum number of occupants in a room with shared kitchen facilities in a separate room	
8m ²	1 person of any age
11m ²	2 persons of any age in one household

Maximum number of occupants in a room containing kitchen facilities	
12m ²	1 person of any age
15m ²	2 persons of any age in one household

- 2.3. General requirements for room sizes:

- The minimum acceptable room size does not include any area taken up by bathroom facilities.
- No more than two people can share a bedroom.
- A child is considered a person regardless of age.
- Shared sleeping accommodation is only considered suitable for adults who are married, cohabitees, consenting friends or relatives.
- No two persons of the opposite sex and over the age of twelve can sleep in the same room, unless they are married or cohabitees.
- Floor to ceiling height to be a minimum of 2.3m over 75% floor area. Any floor area where ceiling height is less than 1.5m shall be disregarded. Where bunk beds are used, there shall be a minimum floor to ceiling height of 2.5m.
- When measuring the size of a room floor areas under fitted cupboards, kitchen units and other furniture are included. The space occupied by chimney breasts or lobbies is excluded.

3.0 Kitchens

3.1 The size and layout of shared kitchens should enable those sharing facilities to store, prepare and cook food safely. The minimum sizes of kitchens are specified in the table below:

Number of sharers	Minimum size of Kitchen
Up to 3	5.5 m ²
4-5	7.5 m ²
6-7	9.5 m ²
8-10	11.5 m ²

3.2 A separate kitchen with kitchen facilities will be required for every 5 residents sharing. No more than two sets of kitchen facilities can be provided in one room

3.3 The kitchen must be equipped with the following equipment, which must be fit for purpose:

Kitchen Facility	Number of Sharers	Minimum Standard
Cooker	Exclusive use	An oven and grill or combination 900-watt microwave oven and two inset hotplates fitted in an integrated worktop or a conventional cooker with integrated hobs.

		A portable hob or worktop oven with integral hotplates is not acceptable.
	Up to 5	Four-ring hob, oven and grill and an additional microwave oven. A splashback above any cooker without an integral splashback Cookers must be positioned as far away from the room door as practicable. No furniture, bedding, curtains etc. shall be located within 600 mm of cooking appliances
Sink/Drainer	Up to 5	One full-size sink/drainer set on base unit, provided with a constant supply of hot and cold water. A 300 mm approximate splashback fitted above the sink and drainer worktop, sealed with waterproof mastic to the work surface
Worktops	Exclusive use	A fixed impervious worktop measuring 1000 mm x 600 mm
	Up to 5	A fixed impervious worktops measuring 1500 mm x 600 mm
Electrical Sockets	Up to 5	One dedicated suitably located electrical socket for each fixed appliance and four sockets (in either double or single combinations) above the worktop.
Floor and wall covering	All kitchen areas	All finishes are to be non-absorbent and readily cleansable including the floor covering which will must be provided under all appliances and must extend at least 1000 mm unde the appliances.
Cupboards for the storage of food,, kitchen and cooking utensils	Per occupant	A single kitchen base unit W600 x H1000 x D600 or a double wall unit W1000 x H800 x D300mm The base unit below the sink/drainer is not acceptable for food storage. Kitchen units must be securely fixed to a wall
Refrigerator	Exclusive use	An A rated 100 litre fridge with freezer compartment
	Up to 5	An A rated 200 litre fridge with an adequate freezer compartment (or where the freezer compartment is not adequate a separate freezer)

Refuse and recycling facilities	All rooms containing kitchens	Suitably located containers for the storage of waste and recyclable material. that are sufficient for the number of occupants
Extractor fans	All rooms containing kitchens	A mechanical extractor must be provided, ducted to the open air, with the outlet positioned away from any adjacent windows
Fire blankets	All rooms containing kitchens	A fire blanket to be provided in the kitchen within reach of the cooker
Fire doors	All rooms containing kitchens	A 30-minute fire door of fire resistant construction with intumescent strips and smoke seals and an overhead type door closer must be installed to all rooms with containing kitchen facilities

4.0 Washing facilities

4.1 Where exclusive use of bath/shower room and toilet facilities are not provided the sharing arrangements should be as follows:

1-4 sharing occupiers	1 bath/shower 1 toilet 1 wash hand basin The toilet can be located within the bath/shower room
5 sharing occupiers	1 bath/shower 1 toilet 1 wash hand basin The toilet and wash hand basin must be provided in a separate room to the bath/shower room
For every 5 sharing occupiers	1 baths/showers 1 toilet 1 wash hand basin The toilet and wash hand basin must be provided in rooms separate to the bath/shower room
Where there are 5 or more occupiers of an HMO	Provide a wash hand basin with appropriate splash back in every unit of accommodation. Wash-hand basins in bedrooms are not required in shared houses or where listed building requirements prohibit it.

- 4.2 Baths, showers, wash hand basins should be provided with an adequate supply of hot and cold water
- 4.3 Baths, showers, toilets and wash hand basins but be an adequate size and fit for purpose.
- 4.4 A tiled splash-back shall be provided to every wash hand basin with a minimum height 200 mm sealed with waterproof mastic to the basin. A tiled shower surrounds shall be provided to a minimum height of 1800 mm
- 4.5 An adequate, screen, door or impervious shower curtain to be provided to all showers.
- 4.6 Bathroom and toilets must be of an adequate size and layout with a minimum clear area outside the bath/shower of 700 mm x 700 mm for drying and changing.
- 4.7 Bathrooms must be suitably and adequately heated and ventilated.
- 4.8 Fixed heating appliances to achieve a recommended temperature of 22°C.
- 4.9 If there is no openable window to the bathroom a quiet running humidistat controlled mechanical ventilation to be provided.
- 4.10 Bathrooms and toilets must be suitable located in relation to the living accommodation and ideally within one floor of the living accommodation they serve.
- 4.11 The walls and floors to any bathrooms and toilet to be non-absorbent and readily cleansable.

5.0 Heating

- 5.1 Each unit of accommodation must be provided with an adequate means of fixed space heating which is economic to run and controlled by the occupier.
- 5.2 A suitable heating system will usually be a full central heating system, with a programmable A-E rated boiler and thermostatic radiator valves
- 5.3 Where central heating cannot be installed, modern fan assisted electric storage heaters may be an acceptable alternative, providing there is efficient wall insulation present e.g. dry lining or cavity wall insulation, loft insulation.

6.0 Fire safety

- 6.1 Appropriate fire precautions, facilities and equipment must be provided of such a type, number and location as considered necessary
- 6.2 The HMO must be provided with appropriate smoke detection and alarm system. As a minimum, interlinked mains wired smoke alarms (with battery back-up) must be kept maintained in proper working order and installed to:
 - each landing level of any staircase
 - the circulation space inside any flat or house
- 6.3 Each kitchen should be provided with a heat detector linked to the alarm system

7.0 For more information, contact Residential Environmental Health by:

Email residential.envh@islington.gov.uk

Phone 020 7527 3083

Post Residential Environmental Health, 222 Upper Street, London N1 1XR

PROPOSED LICENCE FEES

2020-2021

The licence fee is composed of two parts:

- Part 1 covers the costs of processing the application and will be payable on application
- Part 2 covers the costs of running and enforcing the licensing scheme and will be payable when the council has confirmed that the application requirements have been met and the licence can be issued. In practice this means that applicants will be requested to pay the Part 2 fee once the draft licence is ready to be issued.

In the event of the application for a licence being refused the Part 1 fee will not be refunded.

If there is a change of licence holder, it is not possible to transfer the licence and a new application will need to be submitted.

Fees for Additional HMO Licensing Scheme: S254 HMOs

Application fee	Part I: £162.00 per bedroom*	*A bedroom includes: a. bedsit rooms b. bedrooms in a shared house or flat which is occupied by more than one household (even if there is only one tenancy agreement for all tenants) c. self-contained flats in single household occupation within the HMO
	Part II: £126.00 per bedroom*	
	Total: £288.00 per bedroom *	
Application fee for Accredited** licence holder or manager	Part I: £138.00 per bedroom *	**Accredited under a recognised scheme such as the London Landlords Accreditation Scheme (LLAS), RLA, NLA, ARLA and regional schemes. For more information see https://www.anuk.org.uk/schemes-near-you#
	Part II: £107.00 per bedroom *	
	Total: £245.00 per bedroom *	
Assisted application	Additional £352.00 per HMO	Added to the above for assistance with measuring rooms, producing plans and completing the application form.
Minor amendments	Included	Change of Address (for licence holder or manager)

Change of Manager (if no change of licence holder) ***	Included	***Licence holder changing nominated manager (manager has to complete a Fit & Proper Person declaration)
Variation of licence (if no change of licence holder) ****	Included	****Material change to the licence such as new facilities installed and licence can be varied for a greater number of occupants
Revocation of licence / no longer licensable / numbers of occupants reduced by conditions on licence	No refund	Once application submitted for specified number of lettings, costs have been incurred in processing application, draft and/or full licence
Student Accommodation: - Application fee for large student accommodation developments	£33.00 per bed space	This fee only applies to licensable large scale purpose built or converted student accommodation where the provider has signed up to the ANUK/Unipol Code of Practice.

Fees for Additional HMO Licensing Scheme: Converted buildings containing self-contained flats-

Application fee	Part I: £394.00 per building*	<p>*Any building converted into self-contained flats where:</p> <ul style="list-style-type: none"> The conversion work did not comply with the Building Regulations 1991 (or later regulations if applicable) and it still does not comply; <u>and</u> None of the flats are owner-occupied by freeholders or long leaseholders (21 years or more) <p>(these are known 's257' HMOs)</p>
	Part II: £309.00 per building*	
	Total: £703.00 per building*	
Application fee for Accredited** licence holder or manager	Part I: £335.00 per building*	<p>**Accredited under a recognised scheme such as the London Landlords Accreditation Scheme (LLAS), RLA, NLA, ARLA and regional schemes.</p> <p>For more information see https://www.anuk.org.uk/schemes-near-you#</p>
	Part II: £262.00 per building*	
	Total: £597.00 per building	
Assisted application	Additional £181.00 per building	Additional cost of assistance with completing the application form in respect of a converted building (s257 HMO).
Minor amendments	Included above	Change of Address (for licence holder or manager)
Change of Manager (if no change of licence holder) ***	Included	***Licence holder changing nominated manager (manager has to complete a Fit & Proper Person declaration)
Variation of licence (if no change of licence holder) ****	Included	****Material change to the licence such as new facilities installed and licence can be varied for a greater number of occupants
Revocation of licence / no longer licensable / numbers of occupants reduced by conditions on licence	No refund	Once application submitted for specified number of lettings, costs have been incurred in processing application, draft and/or full licence

Fees for Selective Licensing Scheme

Application fee	Part I: £281.00 per house*	<p>* Licensing of houses applies where the whole house is occupied either—</p> <p>(i) under a single tenancy or licence that is not an exempt tenancy or licence</p> <p>(ii) under two or more tenancies or licences in respect of different dwellings contained in it, none of which is an exempt tenancy or licence</p> <p>Exemptions apply to tenancies or licences granted by non-profit registered providers of social housing, profit-registered providers of social housing or provided by a Registered Social Landlord.</p>
	Part II: £219.00 per house*	
	Total: £500 per house*	
Application fee for Accredited** licence holder or manager	Part I: £239.00 per house*	<p>**Accredited under a recognised scheme such as the London Landlords Accreditation Scheme (LLAS), RLA, NLA, ARLA and regional schemes.</p> <p>For more information see https://www.anuk.org.uk/schemes-near-you#</p>
	Part II: £186.00 per house*	
	Total: £425.00 per house*	
Assisted application	Additional £167.00 per house*	Added to the above for assistance with measuring rooms, producing plans and completing the application form.
Minor amendments	Included above	Change of Address (for licence holder or manager)
Change of Manager (if no change of licence holder) ***	Included	***Licence holder changing nominated manager (manager has to complete a Fit & Proper Person declaration)
Variation of licence (if no change of licence holder)****	Included	****Material change to the licence such as new facilities installed and licence can be varied for a greater number of occupants
Revocation of licence / no longer licensable / numbers of occupants reduced by conditions on licence	No refund	Once application submitted for specified number of lettings, costs have been incurred in processing application, draft and/or full licence

Resident Impact Assessment

Property Licensing

Service Area: E&R

1. What are the intended outcomes of this policy, function etc?

The Property Licensing Scheme is intended to improve conditions for tenants renting private accommodation including flats, houses and shared houses by introducing:

- a borough wide Additional Licensing scheme for houses in multiple occupation
- a Selective Licensing scheme for all rented accommodation in Finsbury Park Ward

If the schemes are implemented landlords would have to for a licence and comply with requirements concerning the management, use and occupation of their rented property.

2. Resident Profile

The majority of people directly impacted by this policy are:

- landlords providing private rented accommodation in the borough
- residents living in HMOs occupied by 3 or 4 unrelated tenants sharing kitchen and/or bathroom facilities
- residents living in privately rented accommodation in Finsbury Park

Approximate 26% residents live in private sector accommodation in Islington

On average, households in the private rented sector spend 34% (including Housing Benefit) of their income on rent. Social renters spend, on average, 28%.

Evidence suggests that in at least 25% properties covered by the proposed schemes require improvement in terms of property and management standards.

The service user profile is likely to reflect the borough profile.

		Borough profile	Service User profile
		Total: 206,285	Total: 12,000
Gender	Female	51%	
	Male	49%	
Age	Under 16	32,825	
	16-24	29,418	
	25-44	87,177	
	45-64	38,669	
	65+	18,036	
Disability	Disabled	16%	
	Non-disabled	84%	
Sexual orientatio	LGBT	No data	
	Heterosexual/straight	No data	
Race	BME	52%	
	White	48%	
Religion or belief	Christian	40%	
	Muslim	10%	
	Other	4.5%	
	No religion	30%	
	Religion not stated	17%	

3. Equality impacts

- The proposal will have positive impacts on all residents (with protected characteristics) living in privately rented accommodation covered by the proposed licensing schemes. Property licensing enables the council to improve private rented accommodation by setting standards for management, condition and occupation, to proactively identify and systematically tackle unsatisfactory rented accommodation and not rely on tenants to have the confidence and ability to complain to the council to get poor landlords to treat them fairly.
- The Property Licensing scheme is not likely to be discriminatory for people with any of the protected characteristics
- The proposal will have neutral impact on good relations between communities and the rest of the population of Islington
- The proposal is a strategic decision where inequalities associated with socio-economic disadvantage can be reduced.

4. Safeguarding and Human Rights impacts

a) Safeguarding risks and Human Rights breaches

There are no safeguarding and human rights risks associated with this proposal.

Licensed applications with representations against draft licences will be determined in accordance with the requirements of the Housing Act 2004.

5. Action

Action	Responsible person or team	Deadline
No additional action required		

Please send the completed RIA to equalites@islington.gov.uk and also make it publicly available online along with the relevant policy or service change.

This Resident Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

Staff member completing this form:

Head of Service or higher:

Signed: Janice Gibbons

Signed: 

Date 19/12/2019

Date: 24/12/2019

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Report of: Executive Member for Inclusive Economy and Jobs

Meeting of	Date	Ward
Executive	19 March 2020	All

Delete as appropriate	Non-exempt
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Business Rates Retail Relief and Pub Relief schemes for 1st April 2020 – 31st March 2021 and subsequent financial years

- a) Retail Relief for qualifying premises and**
- b) Pub Relief for qualifying premises**

1. Synopsis

- 1.1 The purpose of this report is to adopt a policy to award Retail Relief and Pub Relief in accordance with the values, criteria and guidance set out by the Government using the Council's Discretionary Rate Relief powers in Section 47 of the Local Government Finance Act 1988 (as amended).

2. Recommendations

- 2.1 It is RECOMMENDED that:

(a) To agree to award Retail Relief to qualifying businesses. The value of this relief to be set at the value the government will reimburse the Council for in any particular financial year.

(b) To apply Retail Relief in accordance with and to the qualifying businesses the government identifies in its guidance. Such guidance is typically provided by the Ministry of Housing, Communities & Local Government (MHCLG) in the "Business

Rates Information Letters” they publish. For reference a copy of the guidance in respect of the financial year 2020/2021 is contained in Appendix C of this report.

(c) To approve the Islington Retail Relief Scheme as set out in Appendix A.

2.2 (a) To agree to award Pub Relief to qualifying businesses. The value of this relief to be set at the value the government will reimburse the Council for in any particular financial year.

(b) To apply Pub Relief in accordance with and to the qualifying businesses the government identifies in its guidance. Such guidance is typically provided by the Ministry of Housing, Communities & Local Government (MHCLG) in the “Business Rates Information Letters” they publish. For reference a copy of the guidance in respect of the financial year 2020/2021 is contained in Appendix D of this report.

(c) To approve the Islington Pub Relief Scheme as set out in Appendix B.

2.3 To note that the value and qualifying criteria for both Retail Relief and Pub Relief Schemes may vary in future so that the Council’s schemes exactly match the value and criteria set out by and reimbursed by the Government in respect of any financial year.

2.4 To authorise the Director of Financial Operations and Customer Services to make any necessary changes to the Islington Retail Relief Scheme and / or the Islington Pub Relief Scheme to give effect to any revised guidance on retail rate and / or pub relief issued by the Government.

3 Background

3.1 On 27th January 2020, the Government announced changes to the current Retail Relief criteria, raising the value of the relief from 33% to 50% and extending the range of businesses in the scope of this relief.

3.2 On 27th January 2020, the Government has re-introduced Pub Relief.

3.3 Retail Relief and Pub Relief provide significant financial support for qualifying businesses. Approximately 1,850 Islington businesses and 100 pubs are expected to benefit by £9.6M and £100k respectively.

3.4 These reliefs may be awarded by the Council in accordance with the Discretionary Rate Relief powers as contained in section 47 of the Local Government Finance Act 1988 (as amended).

3.5 If the Council agrees to award these reliefs in accordance with the Government’s guidance, the Government will fully reimburse the council for the cost of the discretionary relief (using a grant under section 31 of the Local Government Act 2003).

- 3.6 The Islington Retail Relief Scheme proposed in this report (in Appendix A) mirrors in all respects the Government's guidance.
- 3.7 The Islington Pub Relief Scheme proposed in this report (in Appendix B) is based on and mirrors in all respects the Government's guidance.

4 Implications

4.1 Financial Implications:

The gross cost to the Council of granting these reliefs, in terms of forgone retained business rates income, will be fully funded by central government grant. The government grant income will be paid on an estimated basis with a further reconciliation payment after the end of the relevant financial year to reflect the final amount of relief awarded. This means that there is no overall net cost to the Council

4.2 Legal Implications:

The Council has discretion to grant rate relief under section 47 of the Local Government Finance Act 1988. In exercising that discretion, the Council must have regard to guidance issued by the Secretary of State. That guidance establishes a set of arrangements for the provision of rate relief for retailers and pubs where their rateable value is below a certain amount. It is entirely lawful and reasonable for the Council to follow the guidance. There is a good reason for the relief arrangements and, given that the relief granted will be reimbursed, there is no cost to local council taxpayers.

- 4.3 The De Minimis Regulations (1407/2013) on the provision of State Aid apply to the award of rate relief. Accordingly, if the business rate payer would exceed the state aid limit by accepting the rate relief they must inform the council. A declaration will be provided to them for this purpose.

4.4 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

Not applicable.

4.5 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding

- 4.6 The broad purpose of this duty is to integrate considerations of equality into day business and keep them under review in decision making, the design of policies and the delivery of services.

- 4.7 There is no cost to the local taxpayer, so no burden is created elsewhere in the borough. The reliefs proposed are designed to phase the level of support with the level of the new burden created by the external revaluation process.
- 4.8 A Resident Impact Assessment screening has been completed (Appendix E). The policy supports all types of businesses in Islington such as companies, partnerships and sole traders and therefore is unlikely to directly impact on the protected characteristics.

5 Conclusion and Reason for Recommendations

- 5.1 By adopting a Retail Relief scheme and a Pub Relief scheme for businesses the Council is reducing the financial burden on local businesses within its area.

Background papers: None

Appendices:

Appendix A: Islington's Retail Relief Scheme
Appendix B: Islington's Pub Relief Scheme
Appendix C: Government's retail discount guidance
Appendix D: Government's pub discount guidance
Appendix E: Resident Impact Assessment
Appendix F: Business Rates Information Letter (BRIL) 1/2020

Final Report Clearance

Signed by



Councillor Asima Shaikh
Executive Member for Inclusive Economy and Jobs

11 March 2020

Date

Report Author:

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Appendix A

Islington Retail Relief Scheme

6.1 The Islington Retail Relief Scheme will award Retail Relief to qualifying businesses equivalent to one half of their daily rates charge in respect of the financial year 2020/21 on the conditions that:

(a) The hereditament has a rateable value of less than £51,000 and

(b) It is occupied and it is being used and is wholly or mainly being used as a shop, restaurant, cafe or drinking establishment.

6.2 It is considered shops, restaurants, cafes and drinking establishments to mean:

(a) Hereditaments that are being used for the sale of goods to visiting members of the public:

Shops (such as: florist, bakers, butchers, grocers, greengrocers, jewellers, opticians, stationers, off licence, chemists, newsagents, hardware stores, charity, supermarkets etc)

Post offices

Show & display rooms (such as: furnishing, double glazing, garage doors, kitchen / bathroom, carpet, cars & caravans etc)

Second hand car lots

Markets

Petrol Stations

Garden Centres

Art Galleries (where art is for sale / hire)

OR

(b) Hereditaments that are being used for the provision of the following services to visiting members of the public:

Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)

Shoe repairs/ key cutting

Travel agents

Ticket offices e.g. for theatre

Dry cleaners

Launderettes

PC/ TV/ domestic appliance repair

Funeral directors

Photo processing

DVD/ video rentals

Tool hire

Car hire

OR

(c) Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

OR

(d) Hereditaments that are being used as cinemas

OR

(e) Hereditaments that are being used as live music venues:

– live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).

– Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).

– There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music.

Although we would expect this would be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003.

6.3 The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied retail uses that exist. There will also be mixed uses. However, it is intended to be a guide as to the types of uses that the Council considers for this purpose to be retail.

6.4 The Council can determine whether types of property (hereditaments) not

listed are broadly similar in nature to those in 6.2 above and, if so, to consider them eligible for the Retail Relief. Conversely, properties that are not broadly similar in nature to those listed above will not be eligible for the Retail Relief.

- 6.5 To qualify for the Retail Relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment, cinemas or live music venues. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.
- 6.6 In accordance with the Government's guidance on awarding a retail discount (Appendix C), the Council considers the following not to be "retail premises" and they will not be eligible for Retail Relief under the scheme:
- (a) Hereditaments that are being used for the provision of the following services to visiting members of the public:
- Financial services (e.g. banks, building societies, cash points, bureau de change, payday lenders, betting shops, pawn brokers, amusement arcades)
 - Other services (e.g. estate agents, letting agents, employment agencies)
 - Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
 - Professional services (e.g. solicitors, accountants, insurance agents/financial advisers, tutors)
 - Post office sorting office
- (b) Hereditaments that are not reasonably accessible to visiting members of the public
- 6.7 The Council can determine whether particular properties (hereditaments) not listed are broadly similar in nature to those in 6.6(a) above and, if so, to consider them ineligible for Retail Relief.
- 6.8 Retail Relief will normally be awarded pro-actively by the Council using information it already holds about the rateable value and nature of the business. However an application form will be available to businesses for those who consider themselves to qualify but were not initially awarded Retail Relief by the Council. The decision on any award is delegated to the Director of Financial Operations and Customer Services who in turn can authorise officers in this service directorate to take such decisions on his behalf..
- 6.9 Every business awarded Retail Relief will be informed of the criteria and told to inform the Council if they do not meet these criteria. State Aid (De Minimis Regulations) will apply when granting Retail Relief and ratepayers will be required to declare any State Aid either at the application stage or after the award is made if it is made proactively.
- 6.10 An appeal against a refusal to award on the grounds of whether it is occupied and is being wholly or mainly being used as a shop, restaurant, cafe or drinking establishment can be made to the Council within one month of the Council's

notification to the rate payer of this refusal. Any appeal will be considered by the Executive Member for Inclusive Economy and Jobs within a reasonable time period of its submission. The Executive Member for Inclusive Economy and Jobs has the scope to adjust the lists in paragraphs 6.2 and 6.5 above at any stage if, in their opinion, it would be in the public interest for them to do so and/or it is in line with the Council's previously stated objective(s) on strategic issues of importance.

- 6.11 Retail Relief will be calculated in the same format as Business Rate charges and apportioned accordingly if the occupation, other reliefs or rateable value of a premises, changes. Any award will be credited to the business rates account that is maintained by the Council.
- 6.12 Any award made in error, or applied for by the ratepayer or his representative fraudulently, may be recovered by the Council

Appendix B

Islington Pub Relief Scheme

- 7.1 (a) In the financial year 1 April 2020 to 31 March 2021 the Council will award Pub Relief of up to £1,000 to qualifying public houses in occupation of premises which have a Rateable Value of less than £100,000
- (b) this is to be applied in accordance with the guidance provided by the Ministry of Housing, Communities and Local Government (MHCLG) in their "Business Rates Information Letter (1/2020) which is contained in Appendix D of this report.
- 7.2 In order to be eligible to receive Pub Relief, It is considered that pubs should:
- be open to the general public
 - allow free entry other than when occasional entertainment is provided
 - allow drinking without requiring food to be consumed
 - permit drinks to be purchased at a bar
- 7.3 In accordance with the Government's guidance on awarding Pub Relief (Appendix D) , the Council considers the following not to be "pubs" and they will not be eligible for Pub Relief under the scheme:
- restaurants
 - cafes
 - nightclubs
 - hotels
 - snack bars
 - guesthouses
 - boarding houses
 - sporting venues
 - music venues
 - festival sites
 - theatres
 - museums
 - exhibition halls
 - cinemas
 - concert halls
 - casinos
- 7.4 The Council can determine whether particular properties (hereditaments) not listed are broadly similar in nature to those in 7.3 above and, if so, to consider them ineligible for Pub Relief
- 7.5 Pub Relief will normally be awarded pro-actively by the Council using information it already holds about the rateable value and nature of the business. However, an application form will be available to businesses for those who consider themselves to qualify but were not initially awarded Pub Relief by the Council. The decision on any award is delegated to the Director of Financial Operations

and Customer Services who in turn can authorise any officer in this service directorate to take decisions on his behalf .

- 7.6 Pub relief will be applied to bills after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, including Retail Relief.
- 7.7 Every business awarded Pub Relief will be informed of the criteria and told to inform the Council if they do not meet these criteria. State Aid (De Minimis Regulations) will apply when granting Pub Relief and ratepayers will be required to declare any State Aid either at the application stage or after the award is made if it is made proactively.
- 7.8 An appeal against a refusal to award on the grounds of whether it is occupied and is being wholly or mainly being used as a pub can be made to the Council within one month of the Council's notification to the rate payer of this refusal. Any appeal will be considered by the Executive Member for Inclusive Economy and Jobs within a reasonable time period of its submission.
- 79 Pub Relief will be calculated in the same format as Business Rate charges and apportioned accordingly if the occupation, other reliefs or rateable value of a premises, changes. Any award will be credited to the business rates account that is maintained by the Council.
- 7.10 Any award made in error, or applied for by the ratepayer or his representative fraudulently, may be recovered by the Council



Ministry of Housing,
Communities &
Local Government

Business Rates

Retail Discount 2020/21 – Local Authority Guidance



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January 2020

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About this guidance

This guidance is intended to support local authorities in administering the business rates Retail Discount announced in a Written Ministerial Statement on 27 January 2020. This guidance applies to England only.

1. This guidance sets out the criteria which central government considers for this purpose to be retail and eligible for this discount. The guidance does not replace existing legislation.
2. Enquiries on this measure should be addressed to:
ndr@communities.gov.uk

Introduction

3. The Government recognises that changing consumer behaviour presents a significant challenge for retailers in our town centres and is taking action to help the high street evolve.
4. The Government announced in the Budget on 29 October 2018 that it would provide a Business Rates Retail Discount, to apply in the years 2019/20 and 2020/21. In a Written Ministerial Statement on 27 January 2020 the Government announced that it would extend the value of the Retail Discount from one third of the bill to 50% in 2020/21. This relief will apply to occupied retail properties with a rateable value of less than £51,000 in the year 2020/21. Where an authority applies a locally funded relief under section 47 this is must be applied after the Retail Discount and, where appropriate, the 2020/21 pubs discount.
5. This document provides guidance to authorities about the operation and delivery of the policy. The Government expects that local authorities will include details of the relief to be provided to eligible ratepayers for 2020/21 in their bills for the beginning of that year.

Retail Discount

How will the relief be provided?

6. As this is a measure for 2020/21 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988 (as amended), to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The

Government expects local government to apply and grant relief to qualifying ratepayers from the start of the 2020/21 billing cycle.

7. Central government will reimburse billing authorities and those major precepting authorities for the actual cost to them under the rates retention scheme of the relief that falls within the definitions in this guidance. However, authorities should continue to complete their NNDR1 for 2020/21 based on the previous one third discount scheme - local authorities will then be asked to provide a further and separate estimate of their likely total cost for providing the 50% relief in 2020/21.¹ Central government will provide payments to authorities to cover the local share, as per the usual process.
8. Local authorities will also be asked to provide outturn data on the actual total cost for providing the relief, as per the usual process, via the National Non-Domestic Rate 3 (NNDR3) forms for 2020/21. Any required reconciliations will then be conducted at these points.²

Which properties will benefit from relief?

9. Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes, drinking establishments, cinemas and live music venues.
10. We consider shops, restaurants, cafes, drinking establishments, cinemas and live music venues to mean:
 - i. **Hereditaments that are being used for the sale of goods to visiting members of the public:**
 - Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
 - Charity shops
 - Opticians
 - Post offices
 - Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
 - Car/caravan show rooms
 - Second hand car lots
 - Markets
 - Petrol stations
 - Garden centres
 - Art galleries (where art is for sale/hire)

¹ Should authorities have calculated the value of retail discount on a 50% basis, they do not need to recalculate this. However they must ensure that the department is notified that the figures have been calculated on that basis when submitting their NNDR1 form.

² As required in the NNDR3 guidance notes, the former categories of discretionary relief prior to the Localism Act (i.e. charitable/CASC/rural etc. top up and not for profit) should be applied first in the sequence of discretionary reliefs and, therefore, before the retail discount.

ii. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)
- Shoe repairs/key cutting
- Travel agents
- Ticket offices e.g. for theatre
- Dry cleaners
- Launderettes
- PC/TV/domestic appliance repair
- Funeral directors
- Photo processing
- Tool hire
- Car hire

iii. Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:

- Restaurants
- Takeaways
- Sandwich shops
- Coffee shops
- Pubs
- Bars

iv. Hereditaments which are being used as cinemas

v. Hereditaments that are being used as live music venues:

- live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country Planning (Use Classes) Order 1987 (as amended).
- Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event).
- There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music.

Although we would expect this would be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance issued in April 2018 under section 182 of the Licensing Act 2003.³

11. To qualify for the relief the hereditament should be wholly or mainly being used as shops, restaurants, cafes, drinking establishments, cinemas and live music venues. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.
12. The list set out above is not intended to be exhaustive as it would be impossible to list the many and varied retail uses that exist. There will also be mixed uses. However, it is intended to be a guide for authorities as to the types of uses that the Government considers for this purpose to be retail. Authorities should determine for themselves whether particular properties not listed are broadly similar in nature to those above and, if so, to consider them eligible for the relief. Conversely, properties that are not broadly similar in nature to those listed above should not be eligible for the relief.
13. The list below sets out the types of uses that the Government does not consider to be retail use for the purpose of this relief. Again, it is for local authorities to determine for themselves whether particular properties are broadly similar in nature to those below and, if so, to consider them not eligible for the relief under their local scheme.

i. Hereditaments that are being used for the provision of the following services to visiting members of the public:

- Financial services (e.g. banks, building societies, cash points, bureaux de change, payday lenders, betting shops, pawn brokers)
- Other services (e.g. estate agents, letting agents, employment agencies)
- Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
- Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
- Post office sorting offices

ii. Hereditaments that are not reasonably accessible to visiting members of the public

14. Generally speaking, the government also does not consider other assembly or leisure uses beyond those listed at paragraph 11 to be retail uses for the purpose of the discount. For example, theatres and museums are outside the scope of the scheme, as are nightclubs. Hereditaments used for sport or physical recreation (e.g. gyms) are also outside the scope of the discount. Where there is doubt, the local

³ The statutory guidance can be accessed here: <https://www.gov.uk/government/publications/explanatory-memorandum-revised-guidance-issued-under-s-182-of-licensing-act-2003>

authority should exercise their discretion with reference to the above and knowledge of their local tax base.

How much relief will be available?

15. The total amount of government-funded relief available for each property for 2020/21 under this scheme is 50% of the bill, after mandatory reliefs and, with the exception of the 2020/21 pubs discount, other discretionary reliefs funded by section 31 grants have been applied, excluding those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants.⁴ The 2020/21 pubs discount should be applied after the retail discount. There is no relief available under this scheme for properties with a rateable value of £51,000 or more. Of course, councils may use their discretionary powers to offer further discounts outside this scheme. However, where an authority applies a locally funded relief under section 47 this is must also be applied after the Retail Discount.
16. The eligibility for the relief and the relief itself will be assessed and calculated on a daily basis. The following formula should be used to determine the amount of relief to be granted for a chargeable day for particular hereditament in the financial year 2019/20:

Amount of relief to be granted =

$$\frac{V}{2} \text{ where}$$

V is the daily charge for the hereditament for the chargeable day after the application of any mandatory relief and any other discretionary reliefs, excluding the pubs discount and those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants.⁵

17. This should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.
18. Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid De Minimis limits.

State Aid

⁴ As required in the NNDR3 guidance notes, the former categories of discretionary relief prior to the localism act (i.e. charitable/CASC/rural etc. top up and not for profit) should be applied first in the sequence of discretionary reliefs and, therefore, before the retail discount.

⁵ As required in the NNDR3 guidance notes, the former categories of discretionary relief prior to the localism act (i.e. charitable/CASC/rural etc. top up and not for profit) should be applied first in the sequence of discretionary reliefs and, therefore, before the retail discount.

19. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State aid. However, Retail Relief will be State aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013)⁶.
20. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2))⁷ and the requirement to convert the aid into Euros.⁸
21. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State aid is not relevant to the De Minimis calculation). Annex B of this guidance contains a sample De Minimis declaration which local authorities may wish to use, to discharge this responsibility. Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance.⁹
22. Whilst the UK is scheduled to leave the EU on 31 January 2020, the Withdrawal Agreement negotiated by the Government and the EU provides that during an implementation period State aid rules will continue to apply as now and will be subject to control by the EU Commission as at present. Local authorities should therefore continue to apply State aid rules, including De Minimis, to the relief for during the implementation period.

Splits, mergers, and changes to existing hereditaments

23. The relief should be applied on a day to day basis using the formula set out above. A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, should be considered afresh for the relief on that day.

⁶ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

⁷ The 'New SME Definition user guide and model declaration' provides further guidance: http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf

⁸ http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm

⁹ Detailed State Aid guidance can also be found at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

Annex A: Calculation examples for 2020/21

The retail discount (one third) is always calculated after mandatory relief and other discretionary reliefs funded by section 31 grant. The multiplier used here is provisional.

Example 1: An occupied shop with a rateable value of £40,000

Gross rates (before any reliefs) = £40,000 x 0.499	= £19,960
Retail discount (50%):	= -£9,980
Rates due (after retail discount):	= £9,980

Example 2: An occupied charity shop with a rateable value of £40,000

Gross rates (before any reliefs) = £40,000 x 0.512	= £20,480
Net rates after charity relief:	= <u>£4,096</u>
Retail discount (50%):	= -£2,048
Rates due (after charity relief and retail discount):	= £2,048

Example 3: An occupied shop with a rateable value of £13,500 eligible for Small Business Rate Relief (SBRR)

Gross rates (before any reliefs) = £13,500 x 0.490	= £6,737
Net rates after SBRR (50%):	= <u>£3,368</u>
Retail discount (50%):	= -£1,684
Rates due (after SBRR and retail discount):	= £1,684

Example 4: An occupied shop with a rateable value of £10,000 eligible for Small Business Rate Relief (SBRR)

Gross rates (before any reliefs) = £10,000 x 0.499	= £4,990
Net rates after SBRR (100%):	= £nil
Rates bill is nil and, therefore, no retail discount applies	

Example 5: An occupied shop with a rateable value of £40,000 eligible for Transitional Relief (TR) and receiving Revaluation Discretionary Relief

Gross rates (before any reliefs) = £40,000 x 0.499	= £19,960
Transitional Relief (say):	= -£1,500
Net rates after Transitional Relief:	= £18,460
Net rates after Revaluation Discretionary Relief (say):	= <u>£15,460</u>
Retail discount (50%):	= -£7,730
Rates due (after TR, revaluation relief and retail discount):	= £7,730

Example 6: An occupied shop with a rateable value of £18,000 previously paying nothing prior to revaluation 2017 and eligible for Supporting Small Businesses Relief (SSB)

Gross rates (before any reliefs) = £18,000 x 0.499	= £8,982
Supporting Small Businesses Relief (say):	= -£6,582

Net rates after SSB:	= £2,400
Retail discount (50%):	= -£1200
Rates due (after SSB and retail discount):	= £1200

Example 7: A shop with a rateable value of £40,000 (example 1) but only occupied until 30 September 2019

Gross rates (before any reliefs) = £40,000 x 0.499	= £19,960
Retail discount (50%):	= -£9,980
Rates due p.a. (after retail discount):	= £9,980
Daily charge while occupied (leap year):	= £27.34 per day
Occupied charge 1/4/20 to 30/9/20 (183 days):	= £4,976
Unoccupied property relief (1/10/19 to 1/1/20):	= £nil
Unoccupied property rates (1/1/20 to 31/3/20),	
£40,000 x 0.512 x 91/365	= £5,106
Rates due for the year (after retail relief):	= £10,082

Example 8: A shop with a rateable value of £40,000 (example 1) with a rateable value increase to £60,000 with effect from 1 October 2019

Gross rates (before any reliefs) = £40,000 x 0.499	= £19,960
Retail discount (50%):	= -£9,980
Rates due p.a. (after retail discount):	= £9,980
Daily charge while occupied (leap year):	= £27.34 per day
Charge 1/4/20 to 30/9/20 (182 days):	= £4,976
Daily charge on standard multiplier (1/10/20 to 31/3/21):	
(£60,000 x 0.512)/365	= £84.16 per day
Charge 1/10/20 to 31/3/21 (183 days):	= £15,402
Rates due for the year (after retail relief):	= £20,378

Annex B: Sample paragraphs that could be included in letters to ratepayers about Retail Discount for 2020/21

In a Written Ministerial Statement on 27 January 2020 the Government announced that eligible retailers will receive a 50% discount on their business rates bills for one year from April 2020.

Relief will be provided to eligible occupied retail properties with a rateable value of less than £51,000 in 2020/21. Your current rates bill includes this Retail Discount.

Awards such as Retail Discount are required to comply with the EU law on State Aid.¹⁰ In this case, this involves returning the attached declaration to this authority if you have received any other *de minimis* State Aid, including any other Retail Discount you are being granted for premises other than the one to which this bill and letter relates, and confirming that the award of Retail Discount does not exceed the €200,000 an undertaking¹¹ can receive under the *de minimis* Regulations EC 1407/2013.

Please complete the declaration and return it to the address above. In terms of declaring previous *de minimis* aid, we are only interested in public support which is *de minimis* aid (State Aid received under other exemptions or public support which is not State Aid does not need to be declared).

If you have not received any other *de minimis* State Aid, including any other Retail Discount you are being granted for premises other than the one to which this bill and letter relates, you do not need to complete or return the declaration.

If you wish to refuse to receive the Retail Discount granted in relation to the premises to which this bill and letter relates, please complete the attached form and return it to the address above. You do not need to complete the declaration. This may be particularly relevant to those premises that are part of a large retail chain, where the cumulative total of Retail Discount received could exceed €200,000.

Under the European Commission rules, you must retain this letter for three years from the date on this letter and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than three years for other purposes). Furthermore, information on this aid must be supplied to any other public authority or agency asking for information on '*de minimis*' aid for the next three years.

¹⁰ Further information on State Aid law can be found at <https://www.gov.uk/state-aid>

¹¹ An undertaking is an entity which is engaged in economic activity. This means that it puts goods or services on a given market. The important thing is what the entity does, not its status. Therefore, a charity or not for profit company can be undertakings if they are involved in economic activities. A single undertaking will normally encompass the business group rather than a single company within a group. Article 2.2 of the *de minimis* Regulations (Commission Regulation EC/ 1407/2013) defines the meaning of 'single undertaking'.

‘De minimis’ declaration

Dear []

NON-DOMESTIC RATES ACCOUNT NUMBER: _____

The value of the non-domestic rates Retail Discount to be provided to [name of undertaking] by [name of local authority] is £ [] (Euros []).

This award shall comply with the EU law on State Aid on the basis that, including this award, [name of undertaking] shall not receive more than €200,000 in total of *De minimis* aid within the current financial year or the previous two financial years). The *de minimis* Regulations 1407/2013 (as published in the Official Journal of the European Union L352 24.12.2013) can be found at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF> .

Amount of <i>de minimis</i> aid	Date of aid	Organisation providing aid	Nature of aid

I confirm that:

1) I am authorised to sign on behalf of _____ [name of undertaking]; and

2) _____ [name of undertaking] shall not exceed its *De minimis* threshold by accepting this Retail Discount.

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

Refusal of Retail Discount form

Name and address of premises	Non-domestic rates account number	Amount of Retail Discount

I confirm that I wish to refuse Retail Discount in relation to the above premises.

I confirm that I am authorised to sign on behalf of _____ [name of undertaking].

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:



Ministry of Housing,
Communities &
Local Government

Business Rates

Pubs Discount 2020/21 – Local Authority Guidance



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About this guidance

1. This guidance is intended to support local authorities in administering the business “Pubs Discount 2020/21” scheme announced in a Written Ministerial Statement on 27 January 2020.
2. The guidance sets out how the scheme should operate and the eligibility criteria that should apply. This Guidance applies to England only.
3. Enquiries on this measure should be addressed to:
ndr@communities.gov.uk

Introduction

4. The Government recognises the important role that pubs play in urban and rural communities across the country. In a Written Ministerial Statement on 27 January 2020, the Financial Secretary to the Treasury announced a £1,000 business rate discount for public houses with a rateable value of less than £100,000 for one year from 1 April 2020.

How will the relief be provided?

5. As this is a measure for 2020-21 only, the Government is not changing the legislation around the reliefs available to properties. Instead the Government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47.
6. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003). The Government expects local government to apply and grant relief to qualifying ratepayers from the start of the 2020/21 billing cycle.
7. Local authorities will be asked to provide an estimate of their likely total cost for providing the relief in a supplementary return for 2020/21. Central government will provide payments to authorities to cover the local share, as per the usual process.
8. Local authorities will also be asked to provide outturn data on the actual total cost for providing the relief, as per the usual process, via the National Non-Domestic Rate 3 (NNDR3) forms for 2020-21. Any required reconciliations will then be conducted at these points.¹

¹ As required in the NNDR3 guidance notes, the former categories of discretionary relief prior to the Localism Act (i.e. charitable/CASC/rural etc. top up and not for profit) should be applied first in the sequence of discretionary reliefs and before the retail discount. This pubs discount should be applied after all other reliefs, including the retail discount, except for locally funded section 47 reliefs.

Eligibility criteria - which properties will benefit from relief?

9. This section describes in principle the Pubs Discount 2020/21 scheme. Local authorities should use this section to determine eligibility for the relief. The scheme will be available to eligible occupied properties with a rateable value of less than £100,000. The majority of pubs are independently owned or managed and will not be part of chains. Where pubs are part of a chain, relief will be available for each eligible property in the chain, subject to meeting State Aid requirements.
10. There is no definitive description of a traditional pub or public house in law which could be readily used by local authorities to determine eligibility. The objective has been to adopt an approach that makes the design and eligibility of the scheme easy to implement by local authorities in a clear and consistent way, is widely accepted by the industry and which is consistent with the Government's policy intention as set out in this section.
11. The Government's policy intention is that eligible pubs should:
- be open to the general public
 - allow free entry other than when occasional entertainment is provided
 - allow drinking without requiring food to be consumed
 - permit drinks to be purchased at a bar.
12. For these purposes, it should exclude:
- restaurants
 - cafes
 - nightclubs
 - hotels
 - snack bars
 - guesthouses
 - boarding houses
 - sporting venues
 - music venues
 - festival sites
 - theatres
 - museums
 - exhibition halls
 - cinemas
 - concert halls
 - casinos
13. The proposed exclusions in the list at paragraph 12 is not intended to be exhaustive and it will be for the local authority to determine those cases where eligibility is unclear. We believe that billing authorities will already have a good understanding of the licensed premises in their areas and will be able to readily form a view on eligibility in the majority of cases. We expect local authorities to deliver the scheme using their knowledge of their business rates base and existing collection practices.

14. Where eligibility is unclear authorities should also consider broader factors in their considerations – i.e., in meeting the stated intent of policy that it demonstrates the characteristics that would lead it to be classified as a pub, for example being owned and operated by a brewery. Additionally, local authorities may also wish to consider other methods of classification, such as the planning system and the use classes order to help them decide whether a property is a pub or not. However, permission for a particular use class will not necessarily mean that the property meets the definition of a pub.

How much relief will be available?

15. The total amount of government-funded relief available in the year 2020/21 under this scheme is £1,000 per eligible property. There is no relief available under this scheme for properties with a rateable value of £100,000 or more. Eligibility for the relief and the relief itself will be assessed and calculated on a daily basis.
16. This relief should be applied to bills after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, including the retail discount, but excluding those where local authorities have used their discretionary relief powers under section 47 which are not funded by section 31 grants.² Of course, councils may use their discretionary powers to offer further discounts outside this scheme. However, where an authority applies a locally funded relief under section 47 this must also be applied after the pubs discount.
17. Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid De Minimis limits.

State Aid

18. State Aid law is the means by which the European Union regulates state funded support to businesses. Providing discretionary relief to ratepayers is likely to amount to State Aid. However, pubs discount will be State Aid compliant where it is provided in accordance with the De Minimis Regulations (1407/2013).³
19. The De Minimis Regulations allow an undertaking to receive up to €200,000 of De Minimis aid in a three-year period (consisting of the current financial year and the two previous financial years). Local authorities should familiarise themselves with the terms of this State Aid exemption, in particular the types of undertaking that are excluded from receiving De Minimis aid (Article 1), the relevant definition of undertaking (Article 2(2))⁴ and the requirement to convert the aid into Euros.⁵

² As required in the NNDR3 guidance notes, the former categories of discretionary relief prior to the Localism Act (i.e. charitable/CASC/rural etc. top up and not for profit) should be applied first in the sequence of discretionary reliefs and before the retail discount. This pubs discount should be applied after all other reliefs, including the retail discount, except for locally funded section 47 reliefs.

³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF>

⁴ The 'New SME Definition user guide and model declaration' provides further guidance: http://ec.europa.eu/enterprise/policies/sme/files/sme_definition/sme_user_guide_en.pdf

⁵ http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm

20. To administer De Minimis it is necessary for the local authority to establish that the award of aid will not result in the undertaking having received more than €200,000 of De Minimis aid. Note that the threshold only relates to aid provided under the De Minimis Regulations (aid under other exemptions or outside the scope of State Aid is not relevant to the De Minimis calculation). Annex B of this guidance contains a sample De Minimis declaration which local authorities may wish to use, to discharge this responsibility. Where local authorities have further questions about De Minimis or other aspects of State Aid law, they should seek advice from their legal department in the first instance.⁶
21. Whilst the UK is scheduled to leave the EU on 31 January 2020, the Withdrawal Agreement negotiated by the Government and the EU provides that during an implementation period State aid rules will continue to apply as now and will be subject to control by the EU Commission as at present. Local authorities should therefore continue to apply State aid rules, including De Minimis, to the relief during the implementation period.

Splits, mergers, and changes to existing hereditaments

22. The pubs discount should be applied on a day-to-day basis using the formula set out above. A new hereditament created as a result of a split or merger during the financial year, or where there is a change of use, should be considered afresh for the relief on that day.

⁶ Detailed State Aid guidance can also be found at:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15277/National_State_Aid_Law_Requirements.pdf

Annex A: Calculation examples for 2020/21

The retail discount (one third) is always calculated after mandatory relief and other discretionary reliefs funded by section 31 grant. The multiplier used here is provisional.

Example 1: An occupied pub with a rateable value of £40,000

Gross rates (before any reliefs) = £40,000 x 0.499 = £19,960
Retail discount (50%):= -£9,980
Pubs discount (-£1,000):= -£1,000
Rates due (after retail discount and pub discount): = £8,980

Example 2: An occupied pub with a rateable value of £70,000

Gross rates (before any reliefs) = £70,000 x 0.512= £35,840
Pub discount (-£1,000):= -£1,000
Rates due (after pub discount):= £34,840

Annex B: Sample paragraphs that could be included in letters to ratepayers about Pubs Discount for 2020/21

In a Written Ministerial Statement on 27 January 2020 the Government announced that eligible pubs will receive a £1,000 discount on their business rates bills for one year from April 2020.

Relief will be provided to eligible occupied pubs with a rateable value of less than £100,000 in 2020/21. Your current rates bill includes this pubs discount.

Awards such as pubs discount are required to comply with the EU law on State Aid.⁷ In this case, this involves returning the attached declaration to this authority if you have received any other *de minimis* State Aid, including any other pub relief you are being granted for premises other than the one to which this bill and letter relates, and confirming that the award of pub relief does not exceed the €200,000 an undertaking⁸ can receive under the *de minimis* Regulations EC 1407/2013.

Please complete the declaration and return it to the address above. In terms of declaring previous *de minimis* aid, we are only interested in public support which is *de minimis* aid (State Aid received under other exemptions or public support which is not State Aid does not need to be declared).

If you have not received any other *de minimis* State Aid, including any other pubs discount you are being granted for premises other than the one to which this bill and letter relates, you do not need to complete or return the declaration.

If you wish to refuse to receive the pubs discount granted in relation to the premises to which this bill and letter relates, please complete the attached form and return it to the address above. You do not need to complete the declaration. This may be particularly relevant to those premises that are part of a large pub chain, where the cumulative total of pubs discount received could exceed €200,000.

Under the European Commission rules, you must retain this letter for three years from the date on this letter and produce it on any request by the UK public authorities or the European Commission. (You may need to keep this letter longer than three years for other purposes). Furthermore, information on this aid must be supplied to any other public authority or agency asking for information on '*de minimis*' aid for the next three years.

⁷ Further information on State Aid law can be found at <https://www.gov.uk/state-aid>

⁸ An undertaking is an entity which is engaged in economic activity. This means that it puts goods or services on a given market. The important thing is what the entity does, not its status. Therefore, a charity or not for profit company can be undertakings if they are involved in economic activities. A single undertaking will normally encompass the business group rather than a single company within a group. Article 2.2 of the *de minimis* Regulations (Commission Regulation EC/ 1407/2013) defines the meaning of 'single undertaking'.

‘De minimis’ declaration

Dear []

NON-DOMESTIC RATES ACCOUNT NUMBER: _____

The value of the non-domestic rates pubs discount to be provided to [name of undertaking] by [name of local authority] is £ [] (Euros []).

This award shall comply with the EU law on State Aid on the basis that, including this award, [name of undertaking] shall not receive more than €200,000 in total of *De minimis* aid within the current financial year or the previous two financial years). The *de minimis* Regulations 1407/2013 (as published in the Official Journal of the European Union L352 24.12.2013) can be found at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:EN:PDF> .

Amount of <i>de minimis</i> aid	Date of aid	Organisation providing aid	Nature of aid

I confirm that:

1) I am authorised to sign on behalf of _____ [name of undertaking]; and

2) _____ [name of undertaking] shall not exceed its *De minimis* threshold by accepting this pubs discount.

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

Refusal of Pubs Discount form

Name and address of premises	Non-domestic rates account number	Amount of Pubs Discount

I confirm that I wish to refuse pubs discount in relation to the above premises.

I confirm that I am authorised to sign on behalf of _____ [name of undertaking].

SIGNATURE:

NAME:

POSITION:

BUSINESS:

ADDRESS:

DATE:

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Ministry of Housing,
Communities &
Local Government

Non-Domestic Rates
Team
LGF – Local Taxation
SE Quarter - 2nd Floor
Fry Building
2 Marsham Street
London SW1P 4DF

27 January 2020

ndr@communities.gov.uk

Chief Finance Officers of English Billing Authorities

FOR THE ATTENTION OF THE BUSINESS RATES SECTION

Dear Chief Finance Officer

Business Rates Information Letter (1/2020): Rate Reliefs and Provisional 2020-21 Business Rates Multipliers

This is the first business rates information letter to be issued by the Ministry of Housing, Communities and Local Government this year. Previous letters are available on the internet at:

<https://www.gov.uk/government/collections/business-rates-information-letters>

or for archived letters:

<http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/localgovernment/localgovernmentfinance/businessrates/busratesinformationletters/>.

This letter covers:

- **Provisional 2020-21 Business Rates Multipliers**
- **Changes to Rate Reliefs and Discounts for 2020/21**
- **New Burdens**
- **Rural Rate Relief**
- **Explanatory Notes: Amendments to the Council Tax and Non-Domestic Rating Demand Notice (England) Regulations 2003**

Provisional Non-Domestic Rating Multipliers for 2020/2021

Under Schedule 7 to the Local Government Finance Act 1988 (as amended) there are two multipliers. The small business non-domestic rating multiplier which is used for those properties with a rateable value below £51,000; and the non-domestic rating multiplier, paid by properties with a rateable value above this.

The small business non-domestic multiplier is determined in accordance with Schedule 7 to the 1988 Act. These rules require that the small business multiplier in 2020/21 is based on the 2019/20 multiplier adjusted in accordance with the Retail Prices Index for September 2019 unless HM Treasury exercises its power to provide for a lower increase by order.

At Autumn Budget 2017 the Government confirmed that the adjustment of business rates would in future be based on the main measure of inflation (currently the Consumer Prices Index) rather than the Retail Prices Index from April 2018. Treasury has laid an order in Parliament to provide for this arrangement to continue for 2021/21.

This results in a provisional small business non-domestic rating multiplier of **49.9p** (0.499). The provisional non-domestic rating multiplier is **51.2p** (0.512).

In accordance with Schedule 7 to the 1988 Act, the multipliers will be confirmed after the Local Government Finance Report for 2020-21 has been approved by the House of Commons.

Changes to Rate Reliefs and Discounts for 2020/21

On Monday 27 January 2020, the Financial Secretary to the Treasury made a Written Ministerial Statement announcing additional business rates measures that will apply from 1 April 2020. The text of the statement is reproduced below.

“The Government will increase the retail discount from one-third to 50 per cent, extend that discount to cinemas and music venues, extend the duration of the local newspapers office space discount, and introduce an additional discount for pubs.

The increase in the level of the retail discount from one-third to 50 per cent will apply in 2020/21 for eligible retail businesses occupying a property with a rateable value less than £51,000.

The extension of the retail discount is to those eligible music venues and cinemas with a rateable value of less than £51,000.

The extension of the £1,500 business rates discount for office space occupied by local newspapers will apply for an additional 5 years until 31 March 2025.

The pubs discount will provide a £1,000 discount to eligible pubs with a rateable value of less than £100,000 in 2020/21. This is in addition to the retail discount and will apply after the retail discount.

All reliefs are subject to state aid rules and apply in England only. The Government confirms that it will fully fund local authorities for awarding these reliefs and provide new burdens funding to local authorities for administrative and IT costs.

Local authorities should start preparations to include these changes now, and act promptly to ensure eligible business receive the increased support in their rates bills at the start of the financial year.

The Government expects local authorities to ensure these changes are applied for the start of the 2020/21 billing period. The Government will publish amended guidance for the retail discount reflecting these changes as well as refreshed pubs relief guidance for local authorities.

The Barnett formula will be applied in the usual way. Consequentials for the devolved administrations will be confirmed at the Budget.”

The definition of retail properties eligible for the relief was set out in guidance published by MHCLG last year. The same definition of retail properties will apply for the relief in 2020/21, and the scheme will additionally now apply to cinemas and live music venues. A definition of live music venues is included in updated guidance available at:

www.gov.uk/government/publications/business-rates-retail-discount-guidance.

Guidance on the operation of the pubs discount for 2020/21 is available at:

www.gov.uk/government/publications/business-rates-pubs-discount-2020-to-2021-local-authority-guidance

The £1,500 discount for local newspapers' office space continue to apply in the financial years 2020/21 to 2024/25. Guidance on local newspaper discount can be found at:

www.gov.uk/government/consultations/the-case-for-a-business-rates-relief-for-local-newspapers.

New Burdens

MHCLG recognises that implementing the new pub discount and retail discount schemes will place some additional burden on billing authorities. In accordance with the New Burdens doctrine and following practice in previous years, the Department will conduct an assessment of the expected reasonable additional costs of new software and staffing/administration and provide funding to meet these costs. The Department will engage with relevant stakeholders as part of this assessment.

Rural Rate Relief

The 2016 Autumn Statement confirmed the doubling of rural rate relief from 50% to 100% from 1st April 2017. Local authorities are expected to continue to use their local discount powers to grant 100% rural rate relief to eligible ratepayers.

Local authorities will be compensated in full for their loss of income as a result of this measure. This compensation will be paid by section 31 grant and calculated on the basis of individual council NNDR returns under the rates retention scheme.

Explanatory Notes: Amendments to the Council Tax and Non-Domestic Rating Demand Notice (England) Regulations 2003

The Department will shortly be amending the Council Tax and Non-Domestic Rating (Demand Notices) (England) Regulations 2003 to provide revised text for explanatory notes, to reflect relevant policy changes.

We are conscious that authorities will be keen to finalise billing arrangements and therefore attached at **Annex A** to this letter is the revised draft text of the explanatory notes that we intend to include in amending regulations.

You should note that technically the text remains **draft**, but we do not anticipate it changing substantially before the amending regulations are laid in Parliament. The 2003 Regulations allow the text in the explanatory notes provided with demand notices to be in substantially similar terms to that contained in the regulations.

Draft text of 2020-21 Explanatory Notes

GENERAL EXPLANATORY NOTES

Non-Domestic Rates

Non-Domestic Rates, or business rates, collected by local authorities are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1st April 2013, authorities keep a proportion of the business rates paid locally. The money, together with revenue from council taxpayers, locally generated income and grants from central government, is used to pay for the services provided by local authorities in your area. Further information about the business rates system, may be obtained at: www.gov.uk/introduction-to-business-rates and at the website of your local council which is normally shown on your rate bill.

Business Rates Instalments

Payment of business rate bills is automatically set on a 10-monthly cycle. However, the Government has put in place regulations that allow ratepayers to require their local authority to enable payments to be made through 12 monthly instalments. If you wish to take up this offer, you should contact your local authority as soon as possible.

National Non-Domestic Rating Multiplier

The local authority works out the business rates bill for a property by multiplying the rateable value of the property by the appropriate non-domestic multiplier. There are two multipliers: the national non-domestic rating multiplier and the small business non-domestic rating multiplier. The Government sets the multipliers for each financial year, except in the City of London where special arrangements apply.

Ratepayers who occupy a property with a rateable value which does not exceed £50,999 (and who are not entitled to certain other mandatory relief[s] or are liable for unoccupied property rates) will have their bills calculated using the lower small business non-domestic rating multiplier, rather than the national non-domestic rating multiplier.

The multiplier for a financial year is based on the previous year's multiplier adjusted to reflect the Consumer Price Index (CPI) inflation figure for the September prior to the billing year. The current multipliers are shown on the front of your bill.

Rateable Value

Apart from properties that are exempt from business rates, each non-domestic property has a rateable value which is set by the Valuation Office Agency (VOA), an agency of Her Majesty's Revenue and Customs. They compile and maintain a full list of all rateable values, available at www.gov.uk/voa. The rateable value of your property is shown on the front of your bill. This broadly represents the yearly rent the property could have been let for on the open market on a particular date specified in legislation. For the current rating list, this date was set as 1st April 2015.

The Valuation Office Agency may alter the valuation if circumstances change. The ratepayer (and certain others who have an interest in the property) can also check and challenge the valuation shown in the list if they believe it is wrong.

Further information about the grounds on which challenges may be made and the process for doing so can be found on the VOA website: www.gov.uk/guidance/how-to-check-your-rateable-value-is-correct

Revaluations

All non-domestic property rateable values are reassessed at revaluations. The most recent revaluation took effect from 1st April 2017. Revaluations ensure that business rates bills are up-to-date, more accurately reflect current rental values and relative changes in rents. Frequent revaluations ensure the system continues to be responsive to changing economic conditions.

Business Rate Reliefs

Depending on individual circumstances, a ratepayer may be eligible for a rate relief (i.e. a reduction in your business rates bill). There are a range of available reliefs. Some of the permanent reliefs are set out below but temporary reliefs are often introduced by the Government at Budgets. You should contact your local authority for details on the latest availability of business rates reliefs and advice on whether you may qualify. Further detail on reliefs is also provided at www.gov.uk/introduction-to-business-rates or at the website of your local council which is normally shown on your rate bill.

Small Business Rates Relief

If a ratepayer's sole or main property has a rateable value which does not exceed an amount set out in regulations, the ratepayer may receive a percentage reduction in their rates bill for this property of up to a maximum of 100%. The level of reduction will depend on the rateable value of the property – for example eligible properties below a specified lower threshold will receive 100% relief, and you may receive partial tapered relief up to a specified upper threshold. The relevant thresholds for relief are set out in regulations and can be obtained from your local authority or at www.gov.uk/introduction-to-business-rates.

Generally, this percentage reduction (relief) is only available to ratepayers who occupy either—

- (a) one property, or
- (b) one main property and other additional properties providing those additional properties each have a rateable value which does not exceed the limit set in regulations.

The aggregate rateable value of all the properties mentioned in (b), must also not exceed an amount set in regulations. For those businesses that take on an additional property which would normally have meant the loss of small business rate relief, they will be allowed to keep that relief for a fixed additional period. Full details on the relevant limits in relation to second properties and the current period for which a ratepayer may continue to receive relief after taking on an additional property can be obtained from your local authority or at www.gov.uk/introduction-to-business-rates.

Certain changes in circumstances will need to be notified to the local authority by the ratepayer who is in receipt of relief (other changes will be picked up by the local authority). The changes which should be notified are—

- (a) the property falls vacant,
- (b) the ratepayer taking up occupation of an additional property, and
- (c) an increase in the rateable value of a property occupied by the ratepayer in an area other than the area of the local authority which granted the relief.

Charity and Community Amateur Sports Club Relief

Charities and registered Community Amateur Sports Clubs are entitled to 80% relief where the property is occupied by the charity or the club and is wholly or mainly used for the charitable purposes of the charity (or of that and other charities), or for the purposes of the club (or of that and other clubs).

The local authority has discretion to give further relief on the remaining bill. Full details can be obtained from the local authority.

Unoccupied Property Rate Relief

Business rates are generally payable in respect of unoccupied non-domestic property. However, they are generally not payable for the first three months that a property is empty. This is extended to six months in the case of certain other properties (for example industrial premises or listed buildings). Full details on exemptions can be obtained from your local authority or from gov.uk at <https://www.gov.uk/apply-for-business-rate-relief>.

Transitional Rate Relief

At a revaluation, some ratepayers will see reductions or no change in their bill whereas some ratepayers will see increases.

Transitional relief schemes are introduced at each revaluation to help those facing increases. This relief has been funded by limiting the reduction in bills for those who have benefitted from the revaluation. Transitional relief is applied automatically to bills. Further information about transitional arrangements and other reliefs may be obtained from the local authority or the website www.gov.uk/introduction-to-business-rates.

Local Discounts

Local authorities have a general power to grant discretionary local discounts and to give hardship relief in specific circumstances. Full details can be obtained from the local authority.

State Aid

The award of discretionary reliefs is considered likely to amount to State aid. However, it will be state aid compliant where it is provided in accordance with the De Minimis Regulations EC 1407/2013. The De Minimis Regulations allow an undertaking to receive up to EUR 200,000 'de minimis' aid over a rolling three-year period. If you are receiving, or have received, any 'de minimis' aid granted during the current or two previous financial years (from any source), you should inform the local authority immediately with details of the aid received.

Rating Advisers

Ratepayers do not have to be represented in discussions about their rateable value or their rates bill. However, ratepayers who do wish to be represented should be aware that members of the Royal Institution of Chartered Surveyors (RICS - website www.rics.org) and the Institute of Revenues, Rating and Valuation (IRRV - website www.irrv.org.uk) are qualified and are regulated by rules of professional conduct designed to protect the public from misconduct. Before you employ a rating adviser or company you should check that they have the necessary knowledge and expertise, as well as appropriate indemnity insurance. Take great care and, if necessary, seek further advice before entering into any contract.

Information Supplied with Demand Notices

Information relating to the relevant and previous financial years in regard to the gross expenditure of the local authority is available at [website address of local authority where information is published]. A hard copy is available on request by writing to the council or at [telephone number].

EXPLANATORY NOTES – RURAL SETTLEMENT AUTHORITIES ONLY

Rate Relief for Businesses in Rural Areas

Certain types of properties in a rural settlement with a population below 3,000 may be entitled to relief. The property must be the only general store, the only post office or a food shop and have a rateable value of less than £8,500, or the only public house or the only petrol station and have a rateable value of less than £12,500. The property has to be occupied. An eligible ratepayer is entitled to relief at 100% of the full charge (50% being mandatory relief and 50% centrally funded discretionary relief).

EXPLANATORY NOTES – BUSINESS RATE SUPPLEMENTS AUTHORITIES ONLY (EXCLUDING COMMON COUNCIL)

Business Rate Supplements

The Business Rate Supplements Act 2009 enables levying authorities - county councils, unitary district councils and, in London, the Greater London Authority - to levy a supplement on the business rate to support additional projects aimed at economic development of the area. This power has also been extended to the mayors of Cambridgeshire and Peterborough, Liverpool City Region, West of England, and West Midlands combined authorities. Business Rate Supplements (BRS) are not applicable to properties with a rateable value of £50,000 or below, and authorities have discretion to increase that threshold. The total maximum BRS which may be levied by a levying authority is 2p per pound of rateable value. Levying authorities have the power to apply such reliefs to the BRS as they think appropriate and, in such cases, must include an explanation of the rules for the application of those reliefs in the final prospectus for the BRS.

The business rate supplement/s as shown on your bill is / are being levied by [insert name of levying authority] in relation to [insert name of project/s to which BRS relates] project/s. Further information may be found in the BRS project prospectus, [title of final prospectus] which you can also obtain from [insert name of levying authority].

EXPLANATORY NOTES – COMMON COUNCIL

Non-Domestic Rates

Non-Domestic Rates, or business rates, collected by local authorities are the way that those who occupy non-domestic property contribute towards the cost of local services. Under the business rates retention arrangements introduced from 1st April 2013, authorities keep a proportion of the business rates paid locally. The money, together with revenue from council tax payers, locally generated income and grants from central government, is used to pay for the services provided by local authorities in your area. Further information about the business rates system, may be obtained at: www.gov.uk/introduction-to-business-rates and at the website of your local council which is normally shown on your rate bill.

Business Rates Instalments

Payment of business rate bills is automatically set on a 10-monthly cycle. However, the Government has put in place regulations that allow ratepayers to require their local authority to enable payments

to be made through 12 monthly instalments. If you wish to take up this offer, you should contact your local authority as soon as possible.

The City of London Rating Multiplier

The local authority works out the business rates bill for a property by multiplying the rateable value of the property by the appropriate non-domestic multiplier. There are two multipliers: the standard non-domestic rating multiplier and the small business non-domestic rating multiplier. Because of its special circumstances—notably its very small resident population—the Common Council of the City of London can set its own rate—or multiplier—and retain part of the proceeds to help pay for the services it provides. It may set this rate, subject to certain constraints, at a higher or lower level than the rate which applies outside the City of London. The City sets the multipliers for each financial year according to formulae set by legislation.

Ratepayers who occupy a property with a rateable value which does not exceed £50,999 (and who are not entitled to certain other mandatory relief[s] or are liable for unoccupied property rates) will have their bills calculated using the lower small business non-domestic rating multiplier, rather than the national non-domestic rating multiplier. The current multipliers are shown on the front of your bill.

Rateable Value

Apart from properties that are exempt from business rates, each non-domestic property has a rateable value which is set by the Valuation Office Agency (VOA), an agency of Her Majesty's Revenue and Customs. They compile and maintain a full list of all rateable values, available at www.gov.uk/voa. The rateable value of your property is shown on the front of your bill. This broadly represents the yearly rent the property could have been let for on the open market on a particular date specified in legislation. For the current rating list, this date was set as 1st April 2015.

The Valuation Office Agency may alter the valuation if circumstances change. The ratepayer (and certain others who have an interest in the property) can also check and challenge the valuation shown in the list if they believe it is wrong.

Further information about the grounds on which challenges may be made and the process for doing so can be found on the VOA website: www.gov.uk/guidance/how-to-check-your-rateable-value-is-correct

Revaluations

All non-domestic property rateable values are reassessed at revaluations. The most recent revaluation took effect from 1st April 2017. Revaluations ensure that business rates bills are up-to-date, more accurately reflect current rental values and relative changes in rents. Frequent revaluations ensure the system continues to be responsive to changing economic conditions.

Business Rate Reliefs

Depending on individual circumstances, a ratepayer may be eligible for a rate relief (i.e. a reduction in your business rates bill). There are a range of available reliefs. Some of the permanent reliefs are set out below but temporary reliefs are often introduced by the Government at Budgets. You should contact your local authority for details on the latest availability of business rates reliefs and advice on whether you may qualify. Further detail on reliefs is also provided at www.gov.uk/introduction-to-business-rates or at the website of your local council which is normally shown on your rate bill.

Small Business Rates Relief

If a ratepayer's sole or main property has a rateable value which does not exceed an amount set out in regulations, the ratepayer may receive a percentage reduction in their rates bill for this property of up to a maximum of 100%. The level of reduction will depend on the rateable value of the property – for example eligible properties below a specified lower threshold will receive 100% relief, and you may receive partial tapered relief up to a specified upper threshold. The relevant thresholds for

relief are set out in regulations and can be obtained from your local authority or at www.gov.uk/introduction-to-business-rates.

Generally, this percentage reduction (relief) is only available to ratepayers who occupy either—

- (a) one property, or
- (b) one main property and other additional properties providing those additional properties each have a rateable value which does not exceed the limit set in regulations.

The aggregate rateable value of all the properties mentioned in (b), must also not exceed an amount set in regulations. For those businesses that take on an additional property which would normally have meant the loss of small business rate relief, they will be allowed to keep that relief for a fixed additional period. Full details on the relevant limits in relation to second properties and the current period for which a ratepayer may continue to receive relief after taking on an additional property can be obtained from your local authority or at www.gov.uk/introduction-to-business-rates.

Certain changes in circumstances will need to be notified to the local authority by the ratepayer who is in receipt of relief (other changes will be picked up by the local authority). The changes which should be notified are—

- (a) the property falls vacant,
- (b) the ratepayer taking up occupational of an additional property, and
- (c) an increase in the rateable value of a property occupied by the ratepayer in an area other than the area of the local authority which granted relief.

Charity and Community Amateur Sports Club Relief

Charities and registered Community Amateur Sports Clubs are entitled to 80% relief where the property is occupied by the charity or the club and is wholly or mainly used for the charitable purposes of the charity (or of that and other charities), or for the purposes of the club (or of that and other clubs).

The local authority has discretion to give further relief on the remaining bill. Full details can be obtained from the local authority.

Unoccupied Property Rate Relief

Business rates are generally payable in respect of unoccupied non-domestic property. However, they are generally not payable for the first three months that a property is empty. This is extended to six months in the case of certain other properties (for example industrial premises or listed buildings). Full details on exemptions can be obtained from your local authority or from gov.uk at <https://www.gov.uk/apply-for-business-rate-relief>.

Transitional Rate Relief

At a revaluation, some ratepayers will see reductions or no change in their bill whereas some ratepayers will see increases.

Transitional relief schemes are introduced at each revaluation to help those facing increases. This relief has been funded by limiting the reduction in bills for those who have benefitted from the revaluation. Transitional relief is applied automatically to bills. Further information about transitional arrangements and other reliefs may be obtained from the local authority or the website www.gov.uk/introduction-to-business-rates.

Local Discounts

Local authorities have a general power to grant discretionary local discounts and to give hardship relief in specific circumstances. Full details can be obtained from the local authority.

Business Rate Supplements

The Business Rate Supplements Act 2009 enables levying authorities - county councils, unitary district councils and, in London, the Greater London Authority - to levy a supplement on the business rate to support additional projects aimed at economic development of the area. This power has also been extended to the mayors of Cambridgeshire and Peterborough, Liverpool City Region, West of England, and West Midlands combined authorities. Business Rate Supplements (BRS) are not applicable to properties with a rateable value of £50,000 or below, and authorities have discretion to increase that threshold. The total maximum BRS which may be levied by a levying authority is 2p per pound of rateable value. Levying authorities have the power to apply such reliefs to the BRS as they think appropriate and, in such cases, must include an explanation of the rules for the application of those reliefs in the final prospectus for the BRS.

The business rate supplement/s as shown on your bill is / are being levied by [insert name of levying authority] in relation to [insert name of project/s to which BRS relates] project/s. Further information may be found in the BRS project prospectus, [title of final prospectus] which you can also obtain from [insert name of levying authority].

State Aid

The award of discretionary reliefs is considered likely to amount to state aid. However, it will be state aid compliant where it is provided in accordance with the De Minimis Regulations EC 1407/2013. The De Minimis Regulations allow an undertaking to receive up to EUR 200,000 'de minimis' aid over a rolling three-year period. If you are receiving, or have received, any 'de minimis' aid granted during the current or two previous financial years (from any source), you should inform the local authority immediately with details of the aid received.”

Rating Advisers

Ratepayers do not have to be represented in discussions about their rateable value or their rates bill. However, ratepayers who do wish to be represented should be aware that members of the Royal Institution of Chartered Surveyors (RICS - website www.rics.org) and the Institute of Revenues, Rating and Valuation (IRRV - website www.irrv.org.uk) are qualified and are regulated by rules of professional conduct designed to protect the public from misconduct. Before you employ a rating adviser or company you should check that they have the necessary knowledge and expertise, as well as appropriate indemnity insurance. Take great care and, if necessary, seek further advice before entering into any contract.

Information Supplied with Demand Notices

Information relating to the relevant and previous financial years in regard to the gross expenditure of the local authority is available at [website address of local authority where information is published]. A hard copy is available on request by writing to the council or at [telephone number].

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Appendix E: Resident Impact Assessment

Title of policy, procedure, function, service activity or financial decision: Business Rates – the grant of Retail and Pub Relief awards for 2020/2021 and any subsequent years

1. What are the intended outcomes of this policy, function etc?

To determine the criteria and circumstances where an award of retail and pub relief to a business paying rates in Islington is awarded.

2. Resident Profile

Who is going to be impacted by this change i.e. residents/service users/tenants? Please complete data for your service users. Please refer to **section 3.3** of the guidance for more information.

		Borough profile	Service User profile
		Total: 206,285	Total: circa 9,000 firms
Gender	Female	51%	<p>There are in the region of 9,000 businesses paying business rates in Islington</p> <p>These business do not in themselves have any of the personal characteristics described in the Equalities Act.</p> <p>The businesses may supply goods and services to the local community and our community will have the characteristics identified.</p>
	Male	49%	
Age	Under 16	32,825	
	16-24	29,418	
	25-44	87,177	
	45-64	38,669	
Disability	65+	18,036	
	Disabled	16%	
Sexual orientation	Non-disabled	84%	
	LGBT	No data	
Race	Heterosexual/straight	No data	
	BME	52%	
Religion or belief	White	48%	
	Christian	40%	
	Muslim	10%	
	Other	4.5%	
	No religion	30%	
	Religion not stated	17%	

3. Equality impacts

With reference to the [guidance](#), please describe what are the equality and socio-economic impacts for residents and what are the opportunities to challenge prejudice or promote understanding?

The effect of this policy is to reduce the business rates burden of the qualifying businesses identified by the Government in its published guidance for Retail Relief and Pub Relief.

These businesses do not in themselves have any of the personal or protected characteristics described in the Equalities Act.

The businesses may supply goods and services to the local community and our community will have the characteristics identified. There is no evidence available to suggest that qualifying businesses are used more or less than any other by persons with protected characteristics but there is no reason to believe that the policy is discriminatory in any way.

The policy is unlikely to have a negative impact on equality of opportunity for people with protected characteristics as it does not impact on their opportunities, for the same reason there is no opportunity for advancing equality of opportunity for people with protected characteristics.

Many pubs play an important role at the heart of their local communities. They provide meeting places, supporting formal and informal social networks, and a focal point for community events. So, the policy is likely to have a positive impact on good relations between communities with protected characteristics and the rest of the population in Islington.

4. Safeguarding and Human Rights impacts

a) Safeguarding risks and Human Rights breaches

Please describe any safeguarding risks for children or vulnerable adults AND any potential human rights breaches that may occur as a result of the proposal? Please refer to **section 4.8** of the [guidance](#) for more information.

There are no safeguarding or Human Rights issues associated with this policy.

If potential safeguarding and human rights risks are identified then **please contact equalities@islington.gov.uk to discuss further:**

5. Action

How will you respond to the impacts that you have identified in sections 3 and 4, or address any gaps in data or information?

For more information on identifying actions that will limit the negative impact of the policy for protected groups see the [guidance](#).

Action	Responsible person or team	Deadline
N/A		

Please send the completed RIA to equalites@islington.gov.uk and also make it publicly available online along with the relevant policy or service change.

This Resident Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

Staff member completing this form:

Andrew Spigarolo



Signed: _____

Date: 11/01/2020

Head of Service or higher:

Martin Bevis

Signed: *Martin Bevis*

Date: 11/01/2020

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Report of: Executive Member for Environment and Transport

Meeting of:	Date	Ward(s)
Executive	19 March 2020	All

Delete as appropriate		Non-exempt
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SUBJECT: Procurement Strategy - Small Works Projects and Building Maintenance Services

1. Synopsis

- 1.1 This report seeks pre-tender approval for the procurement strategy in respect of Small Works Projects and Building Maintenance Projects in accordance with Rule 2.7 of the Council's Procurement Rules. It is not new spend but addresses procurement compliance issues with the way these small contracts are procured.
- 1.2 The Council requires a provision for small works and building maintenance services predominately for the facilities at the Waste Recycling Centre (WRC). Parks service and Leisure sites also require specialist and urgent repairs as well as various maintenance works.
- 1.3 This procurement strategy for small works projects and building maintenance services is intended to be used across all departments within the council including the Inclusive Economy Team.

2. Recommendations

- 2.1 To approve the procurement strategy for small works and building maintenance services as outlined in this report.

2.2 To delegate award of any contract via the YPO Dynamic Purchasing System (DPS) to the Corporate Director Environment and Regeneration in consultation with the appropriate Executive Member.

3. Background.

3.1 Nature of Service:

The Council requires contractors to carry out regular small works including minor construction works and building maintenance services for asset and facilities managers in Environment and Regeneration and other parts of the Council to ensure that key sites, buildings and equipment are maintained to a high standard.

An internal assessment has been completed, including an assessment of spend data and review of existing arrangements to determine future requirements.

3.2 Estimated Value:

The contracts will mainly be funded by revenue funds, however, there may be small projects provided through capital funds. The value of works and repairs will fluctuate depending on the need/demand. Based on previous year's requirements and looking forward, it is anticipated that the annual spend for each service is as follows:

Depots and Special Projects – £1,500,000

Parks Service – £500,000

Leisure Service - £150,000

Other Council Departments – potentially up to £1,500,000

The aggregated value over a four-year period is estimated to be up to £14,600,000

This strategy proposes that each contract will be awarded via a dynamic purchasing system (DPS) which will be set up and managed by a third party (called *adam*). The maximum cost of using *adam* to manage a DPS is £15,000 in set up and implementation costs, and £15,000 per annum for the duration of the contract. It is proposed that the DPS will be valid for four years and therefore the total cost to the Council will be £75,000.

The proposal provides costs for the implementation and operation of *adam's* digital commissioning solution for Public Realm – Small works and services.

The costs are divided into two elements:

- Implementation Fee – A one off charge for the project required to engage with the supplier market, establish a new DPS, and implement the *adam* technology.
- Annual Licence Fee – Annual charge for the ongoing cost of the technology (SProc.Net) and associated support services.

- Implementation Fee £15,000 (one off fee)

The Implementation Fee amount is a fixed one-off cost based on a typical implementation of approximately 16 weeks and includes expenses. This fee is invoiced in full upon commencement of the project.

- Annual Licence Fee £15,000 (per annum)

The Licence Fee is a fixed annual charge and will be invoiced upon the initial usage of the technology (typically establishment of the DPS), and subsequently on each anniversary.

Prices quoted exclude VAT.

- Contracting Method

The solution can be procured through a direct award under the following framework:
YPO National Framework (723) - Dynamic Category Solutions
https://www.ypo.co.uk/framework/detail/900220#framework_details

- Contract Terms

The standard contract term is for 4 years

A direct award can be made to *adam* via the Yorkshire Purchasing Organisations (YPO) Dynamic Category Solutions framework where *adam* is the single framework provider. *Adam* has been successfully used by a number of other local authorities.

A DPS will establish a pool of contractors that meet the Council's selection criteria. Once a contractor has passed the selection stage and been admitted to the DPS, they will be invited to tender for all relevant contracts. This can occur at any stage and for any value of job. Applications to join a dynamic purchasing system are open to all contractors, and applications may be considered at any stage during its duration.

All payments for orders placed via the DPS will be made to those particular contractors directly undertaking the works and not through the third party *adam*.

3.3 Timetable:

Direct call-offs will be placed from the YPO framework agreement to engage *adam*. It is anticipated that the award will be made by 1 April 2020 and that the dynamic purchasing system should be available for use by the council by 18 August 2020.

The following is a sample timeline for implementation provided by *adam*:

- Project Governance (Weeks 1 – 16)

Owned by the *adam* Project Manager, this work stream governs the running of the project, including risk & issue management and ownership of the project plan.

- Scoping & Engagement (Weeks 1 – 5)

Category and data scoping to understand all current processes, challenges and key drivers for implementing the *adam* solution.

- Supplier Engagement (Weeks 2 - 5)

Our dedicated Supplier Engagement Team will work with you to understand the current state and relationship with your provider base, as well as defining how *adam* will engage with the market throughout the project (i.e. market engagement events)

- Benchmarking (Weeks 5 - 8)

Clear measures of success are defined, allowing us to report on and demonstrate all benefits realised through the use of the *adam* solution.

- Accreditation & Enrolment Criteria (Weeks 5 -10)

Definition of the entry criteria, in line with Public Contract Regulations (PCR) 2015, that your providers are required to meet in order to be admitted onto your supply chain.

- Establishment Documents (Weeks 5 - 10)

Documentation required for establishing a Dynamic Purchasing System (DPS). This work stream will work to define the governance of your DPS as supported by our legal experts.

- System Configuration (Weeks 9 - 14)

DPS governance is translated into system functionality, enabling effective commissioning. Rigorous testing is completed predominantly by *adam*, supported by client users.

- Supplier Onboarding (Weeks 10 – 16)

Realisation of the initial market engagement activities, as identified in the Supplier Engagement workstream. Sessions/calls led by *adam* to introduce a wider provider pool to client.

- Finance & Invoicing (Weeks 10 - 14)

Configuration of all invoice files, especially those that must interface into external systems driving process efficiencies in integration between systems.

- Training (Weeks 14 – 16)

End-to-end system training is given to all users (Providers & Client), ensuring full confidence in the use of the system.

3.4 Options Appraisal:

The following options have been considered:

Option 1 - Utilising a third party/national framework, or collaboration with other bodies – no suitable framework agreement which sufficiently covered the aspects required, nor a co-terminus collaboration opportunity with another local authority or public body could be readily identified.

Option 2 – Bringing the whole portfolio of small works and building maintenance services in-house – the council does not currently have the resource to do this, nor the necessary specialisms in many areas where there is a requirement. The situation will be under continual review, and opportunities to bring small works or services in-house will be considered as they arise.

Option 3 - Setting up a DPS to procure individual contracts for small works/maintenance is the preferred option as this offers the most flexible and cost effective route. The nature of a DPS is that there is no guarantee of value nor volume of work to any contractor, which provides an advantage to the council when in-sourcing opportunities may arise, as there is little or no risk of having to terminate a contract in order to do so.

Further benefits of establishing a DPS include:

- Greater control of commissioning and procurement processes; and compliance with statutory requirements and the council's Procurement Rules.
- Opportunities for category management – departments across the council will be able to access the system and work together on identified requirements to issue joint invitations to tender/bid, which may encourage volume discounts from suppliers.
- The bidding process can potentially achieve budget reductions and reportable financial savings through focussed competition.
- Potential to broaden the supply chain by accessing category-specific providers on level playing field where work is allocated openly and transparently, while at the same time offering plenty of opportunities for SMEs and local providers to bid for work.

3.5 Key considerations: -

This proposal will contribute to council priorities in the corporate plan in the following ways:

- **Jobs & Money** – promote local SME's to join the DPS and work with all contractors and suppliers to ensure they are fair employers that pay the London Living Wage as a condition of all contracts. The council will be able to achieve a significant amount of

social value, as the system makes bidding for work particularly straightforward for local SME's.

Adam have a dedicated supplier engagement team and this resource will be utilised to reach out to local SME's through events designed to promote the DPS. The Inclusive Economy Team will work closely with *adam* to ensure the DPS is advertised widely to relevant local businesses. This collaborative approach will support these local businesses through the qualification process and enable them to bid for work via the DPS.

- **A Well Run Council** - The DPS will be set up to allow for, and encourage, best value by both continuous quality improvements in regard to efficiency and effectiveness as well as competitive pricing.
- **Place & Environment** - Making Islington a welcoming and attractive borough by supporting the provision of facilities for services that keep the borough clean. Make a positive impact on the environment by enabling the procurement of goods and services that keep parks and open spaces to a high standard.

There are no TUPE or pension implications

3.6 Evaluation

This tender will be conducted in two stages, known as the Restricted Procedure as the tender is 'restricted' to a limited number of organisations. The first stage is Selection Criteria through a Selection Questionnaire (SQ) which establishes whether an organisation meets the financial requirements, is competent and capable and has the necessary resources to carry out the contract. The SQ is backwards looking and explores how the organisation has performed to date, its financial standing, information about their history and experience.

All organisations that meet the SQ requirements as specified in the advertisement will be admitted to the DPS. The second stage is the invitation to tender ITT which is forwards-looking using Award Criteria. Tenders are evaluated on the basis of the tenderers' price and ability to deliver the contract works or services as set out in the award criteria in order to determine the most economically advantageous offer.

For all works above £5,000, the proposed award criteria will generally be 50% price and 50% quality. For works below £5,000, award will generally be based on price alone. However, there may be cases when this is not the case and we reserve the right to change the award criteria on a project/scheme basis.

The quality criteria will be made up of:

Proposed methodology for undertaking and delivery of this contract.

- measuring, maintaining and improving the standards in the contract; business continuity; staffing levels/equipment and systems for delivery (20%)

Proposed methodology for management and supervision in delivering the contract.

- efficiency; quality consistency; knowledge of the contract/compliance; effective use of the supply chain and planned management structure with link to delivery structure. (10%)

Proposed methodology for Quality Management throughout the lifetime of the contract.

- approach to quality, monitoring performance, audit responses and maintaining quality and contract management matters (10%)

Proposed methodology for economic, environmental sustainability and social value.

- proposed approach to customer service, equality and diversity and health and safety in delivery of the contract (10%)

3.7 Business Risks:

The main business risk is that volumes of works required exceed the available budget. This will be mitigated through careful financial management of costs and assessment of need with providers.

If certain contractors cannot deliver the volume of work required, this will be mitigated by the number of providers on the DPS. Business opportunities associated with this procurement include better partnership working; having regular providers who deliver the services which will allow us the opportunity to improve service delivery

There will be opportunities to impact social value by increasing the number of local SMEs, allowing a positive impact on the community we service by working with smaller organisations. Service managers will look to have smaller packages of work to support supplier diversity.

An improvement in the quality of service provision and the reduction of costs will allow savings to be channelled into better front line services, which will have a positive impact on members of the public and other service users.

- 3.8 The Employment Relations Act 1999 (Blacklist) Regulations 2010 explicitly prohibit the compilation, use, sale or supply of blacklists containing details of trade union members and their activities. Following a motion to full Council on 26 March 2013, all tenderers will be required to complete an anti-blacklisting declaration. Where an organisation is unable to declare that they have never blacklisted, they will be required to evidence that they have 'self-cleansed'. The Council will not award a contract to organisations found guilty of blacklisting unless they have demonstrated 'self-cleansing' and taken adequate measures to remedy past actions and prevent re-occurrences

- 3.9 The following relevant information is required to be specifically approved by the Executive in accordance with rule 2.8 of the Procurement Rules:

Relevant information	Information/section in report
1 Nature of the service	To provide high quality repairs and maintenance to buildings enabling key services. See paragraph 1.2
2 Estimated value	The estimated value per year is Depots and Special Projects – £1,500,000 Parks Service – £500,000 Leisure Service - £150,000 Other Council Departments – up to £1,500,000

	<p>The agreement is proposed to run for a period of 4 years And the estimated total value is estimated to be up to £14,600,000</p> <p>See paragraph 3.2</p>
3 Timetable	<p>Executive Award</p> <p>19 March 2020 1 April 2020</p> <p>See paragraph 3.3</p>
4 Options appraisal for tender procedure including consideration of collaboration opportunities	<p>Option 3 - A dynamic purchasing system is the preferred procurement route.</p> <p>See paragraph 3.4</p>
5 Consideration of: Social benefit clauses; London Living Wage; Best value; TUPE, pensions and other staffing implications	<p>Social benefit clauses - the Council should be able to achieve a significant amount of social benefit, as the system makes bidding for work particularly straightforward for local SMEs.</p> <p>London Living Wage will be included where legally applicable as a condition of all contracts</p> <p>Best value - The DPS is set up to allow for and encourage best value by both continuous quality improvements in regard to efficiency and effectiveness as well as competitive pricing.</p> <p>There are no TUPE or pension implications.</p> <p>See paragraph 3.5</p>
6 Evaluation criteria	<p>Although some decisions will be based mainly on price. Financial viability, workforce management, health and safety and customer service standards will be assessed at the award stage.</p> <p>See paragraph 3.6</p>
7 Any business risks associated with entering the contract	<p>Volumes of works required may exceed the available budget. This will be mitigated through careful financial management of costs and assessment of need with providers.</p> <p>Certain contractors may be unable to deliver the volume of work required. This will be mitigated by having multiple providers on the DPS.</p> <p>See paragraph 3.7</p>

8 Any other relevant financial, legal or other considerations.

Financial and Legal implications are detailed in points 4.1 & 4.2 below

4. Implications

4.1 Financial implications:

The estimated value of the procurement strategy for small works is estimate to be around £14.6million over the 4-year period. The nature of the recommended procurement option does not commit any council financial resources, but will allow for spend to be made from existing revenue and capital resources and additional resources if available and/or necessary.

4.2 Legal Implications:

The council is responsible for undertaking the repair, maintenance and improvement of its buildings, open spaces and leisure facilities (section 1 Localism Act 2011, section 111 Local Government Act 1972, Open Spaces Act 1906 and the Local Government (Miscellaneous Provisions) Act 1975 (section 19). Accordingly, the council may enter into contracts for the carrying out of the necessary repairs and maintenance to its buildings and the above facilities (section 1 Local Authorities Contracts Act 1997).

The proposed contracts are public works contracts. The aggregate value of the proposed contracts is above the financial threshold. for such contracts. Accordingly, the procurement must be advertised in the Official Journal of the European Union (OJEU).

The council has access to the Yorkshire Purchasing Organisation's dynamic purchasing system Category Solutions framework where Adam HTT Limited (*adam*) is the single framework provider. Accordingly, the council may appoint *adam* for the purpose of establishing a dynamic purchasing system for small works projects and building maintenance. The DPS will need to be set up in accordance with requirements of regulation 34 of the Public Contracts Regulations 2015.

4.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030

The Small Works Projects and Building Maintenance Services contract will have several environmental implications. These include the use of materials and energy, the generation of waste and travel-related impacts including vehicular emissions and contributing to congestion. Certain works may also carry a risk to biodiversity if they risk disturbing protected species such as bats or nesting birds. There may also be ongoing implications in cases where the works involve installing equipment that uses energy, such as lighting.

The procurement methodology includes a question on environmental sustainability, which makes up 10% of the scoring. Bidders with better environmental practices will therefore score more highly.

4.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard

to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed on 03/04/19. The completed Resident Impact Assessment is appended and no adverse impacts were identified.

5. Reason for recommendations

5.1 The Council requires a provision for small works contracts and building maintenance services predominately for the facilities at the Waste Recycling Centre (WRC). Parks service and leisure sites also require specialist and urgent repairs and maintenance works. In setting up a DPS the Council will be compliant with procurement rules and regulations.

Signed by:

Date:



9.3.20

Councillor Rowena Champion
Executive Member for Environment and
Transport

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Tel: 020 7527 7261
Email: John.reynolds@islington.gov.uk

Financial Implications Author: Steve Abbott
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Resident Impact Assessment

Procurement Strategy - Small Works Projects and Building Maintenance Services

Service Area: Public Realm

1. What are the intended outcomes of this policy, function etc?

The Council requires a number of small works contracts including minor construction works and building maintenance services for Asset and Facilities Managers in Environment and Regeneration to ensure that key sites and buildings are maintained to a high standard.

2. Resident Profile

Who is going to be impacted by this change i.e. residents/service users/tenants? Please complete data for your service users. If your data does not fit into the categories in this table, please copy and paste your own table in the space below. Please refer to **section 3.3** of the guidance for more information.

		Borough profile	Service User profile
		Total: 206,285	Total: 206,285
Gender	Female	51%	51%
	Male	49%	49%
Age	Under 16	32,825	32,825
	16-24	29,418	29,418
	25-44	87,177	87,177
	45-64	38,669	38,669
	65+	18,036	18,036
Disability	Disabled	16%	16%
	Non-disabled	84%	84%
Sexual orientation	LGBT	No data	No data
	Heterosexual/straight	No data	No data
Race	BME	52%	52%
	White	48%	48%
Religion or belief	Christian	40%	40%
	Muslim	10%	10%
	Other	4.5%	4.5%

	No religion	30%	30%
	Religion not stated	17%	17%

3. Equality impacts

With reference to the [guidance](#), please describe what are the equality and socio-economic impacts for residents and what are the opportunities to challenge prejudice or promote understanding?

- The change is unlikely to be discriminatory in any way for people with any of the protected characteristics.
- The proposal is unlikely to have a negative impact on equality of opportunity for people with protected characteristics.
- The proposal is unlikely to have a negative impact on good relations between communities with protected characteristics and the rest of the population in Islington.
- The proposal is not a strategic decision where inequalities associated with socio-economic disadvantage can be reduced.

4. Safeguarding and Human Rights impacts

a) Safeguarding risks and Human Rights breaches

Please describe any safeguarding risks for children or vulnerable adults AND any potential human rights breaches that may occur as a result of the proposal? Please refer to **section 4.8** of the [guidance](#) for more information.

If potential safeguarding and human rights risks are identified then please contact equalities@islington.gov.uk to discuss further:

5. Action

How will you respond to the impacts that you have identified in sections 3 and 4, or address any gaps in data or information?

For more information on identifying actions that will limit the negative impact of the policy for protected groups see the [guidance](#).

Action	Responsible person or team	Deadline
None required		

Please send the completed RIA to equalites@islington.gov.uk and also make it publicly available online along with the relevant policy or service change.

This Resident Impact Assessment has been completed in accordance with the guidance and using appropriate evidence.

Staff member completing this form:

Head of Service or higher:

Signed:



Date: 03/04/2019

Signed:



Date: 06/01/2020

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Chief Executive, Town Hall, Upper Street, London N1 2UD

Report of: Executive Member for Finance & Performance

Meeting of:	Date:	Ward(s):
Executive	19 March 2020	All

Delete as appropriate:	Non-exempt	
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SUBJECT: Corporate Asset Strategy

1. Synopsis

- 1.1 In addition to its substantial housing stock and related assets, the Council owns 270 children’s centres, nurseries, youth hubs, schools, adventure playgrounds, libraries, day centres, & supported living accommodation, as well as community facilities, depots, administrative buildings, and commercial properties. This physical asset base of buildings, land and infrastructure is a vital tool for enabling the delivery of high-quality services to residents as well as supporting the delivery of key strategic outcomes.
- 1.2 The Council also plays a key civic leadership and place shaping role, working with partners to maximise the totality of physical assets across the borough to help make Islington a fairer place.
- 1.3 This report proposes the adoption of a corporate asset strategy to ensure the Council maximises benefits for residents from its existing asset base as well as enhancing this base over time. The strategy would ensure a joined-up approach across all assets, housing and non-housing, and establish a long-term plan to allow the Council to continue investing in creating a sustainable asset base.

2. Recommendations:

- 2.1 To note work undertaken in the last six months to identify ways to strengthen the Council's approach to the management of its non-housing property and asset base
- 2.2 To note that a corporate asset strategy would help ensure a joined-up approach across the Council's total asset base, and would not impact plans to accelerate the Council's house building programme
- 2.3 To approve the development of a 10-year corporate asset strategy, to be finalised and published in late 2020
- 2.4 To agree that the strategy will incorporate:
 - a) a core strategy designed to build assets that enable Islington to become a fairer place and provide a key enabler for the Fairer Together & Inclusive Economy programmes, as well as delivering modern workspaces and maximising the return from the Council's commercial assets
 - b) the creation of a Council-wide and joined-up asset governance framework, comprising new Corporate Asset Development and Major Projects Delivery Boards, an enhanced New Homes Board, and an aligned and strengthened Borough Investment Panel
 - c) the creation of a new operating model to deliver a stronger core, comprising a new senior leadership role, consolidation and strengthening of resources into a new Corporate Landlord function, and a joint working approach with housing capital delivery functions
 - d) an asset management plan to support delivery of a modern, fit for purpose estate, underpinned by investment in a new asset management system, comprehensive condition and land use/lease data, and an initial capital investment to tackle the repairs backlog and complete part-funded schemes
 - e) the design and implementation of a rolling asset review process, designed to ensure that the Council's buildings and other physical assets are utilised to deliver effective, value for money services as well as maximising social and commercial value
 - f) a corporate category management approach in relation to the procurement of property and construction related professional services and contractors, to maximise value for money and social value, and to manage Brexit related risks
 - g) a comprehensive 10-year capital programme, underpinned by a long term investment strategy and robust treasury management approach.
- 2.5 To agree that the Transformation Reserve will be used to fund the implementation of the strategy as well as initial funding for the new Chief Officer post, pending the development of a long-term funding solution, at an estimated cost of £750,000.

3. Background

3.1 Property Strategy Review

The Council's previous property and estates strategy expired in March 2019. Members and officers have recognised for some time that this strategy, and supporting governance and operational arrangements, were not fit for purpose and did not match the Council's ambitions for making more effective use of its considerable asset base. A review commenced during 2019, supported external consultancy advice, and the outcomes of the discovery phase were reported to Corporate Management Board in September 2019.

3.2 The review concluded that the absence of an effective, joined-up corporate property strategy and supporting delivery plan is significantly hindering the Council's ability to make most effective use of its estate and maximise its value. Key weaknesses in property data, property performance and financial management, governance and business case development, information systems, and technical capacity were identified. The review concluded that these weaknesses had resulted in a focus on tactical and reactive responses, rather than a forward looking, strategic function.

3.3 Work to develop a response to the review has been ongoing since September 2019, and this report builds on that activity to set out the proposed way forward. The Council's ambition is to establish:

- a) a model of service and strategic outcome delivery that considers the Council's assets as key delivery enablers, and ensures the asset base is fully aligned to making Islington a fairer place
- b) a long-term approach to unlock maximum value from the Council's asset base for residents, staff, partners & local businesses
- c) transparent and joined-up decision-making to underpin and assure more effective utilisation of the asset base
- d) an approach that ensures the linked ambition to turbo charge the Council's house building capacity is supported and potentially enhanced
- e) a public commitment to invest in a community asset base as part of the Council's civic leadership role

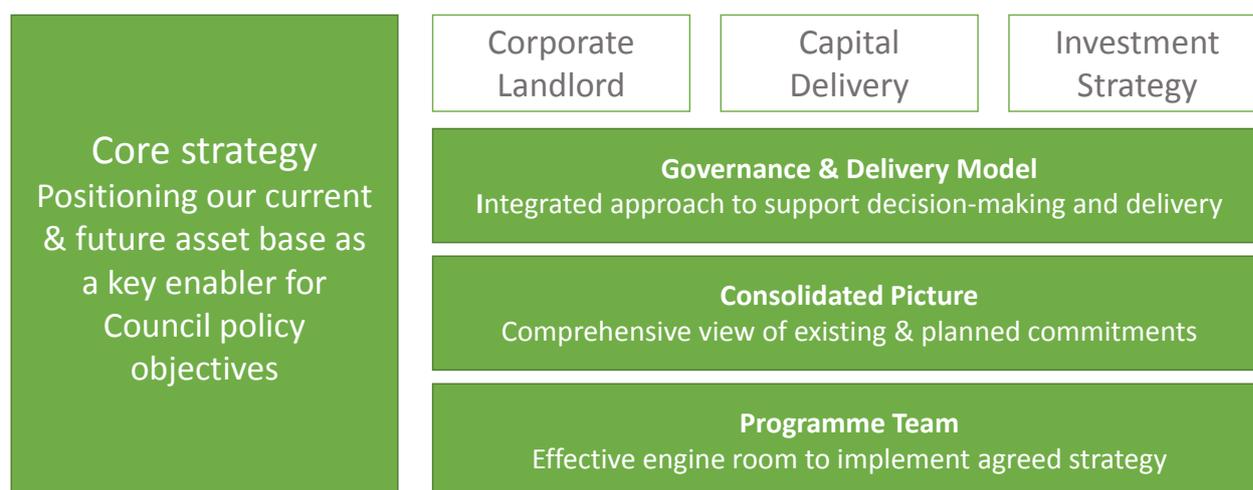
3.4 To deliver on this ambition, several key building blocks will need to be put in place:

- a) a unified governance framework to provide consistency & transparency and to maximise social and commercial value
- b) an effective operating model with a sufficiently strong core to drive the strategy forward as well as co-ordinate and support effort that is better undertaken at a local level
- c) fully understanding, quantifying, and tackling, the repairs & modernisation backlog, with an initial focus on buildings and other assets whose poor condition is materially impacting on service delivery

- d) long term capital investment strategy that balances ambition with risk, affordability and return
- e) credible implementation plan, with a phased approach that helps build sustainable foundations.

3.5 Implementation Framework

To deliver on the stated ambition and to ensure key building blocks are established, the following framework is proposed for managing the implementation.



3.6 The framework comprises four elements:

- a core strategy that provides an ‘overarching narrative’, and positions the Council’s current and future asset base as a key enabler for both day to day service delivery and the achievement of longer term policy outcomes
- a new operating model to integrate asset governance & decision-making and strengthen and focus delivery
- a consolidated and robust picture of the current asset base, with new systems, processes and investments to ensure the Council’s begins to tackle the repairs and modernisation backlog, helping to prioritise as required, as well as helping our voluntary sector and local business tenants maximise value
- a comprehensive implementation plan and supporting programme team, providing an effective engine room to embed the new strategy and make a strong start.

The framework is intended to encompass key components – corporate landlord function, capital delivery, & investment strategy. Its core elements are set out in more detail below.

3.7 Core Strategy

The core strategy is summarised below.



3.8 The core strategy explicitly positions the Council's physical assets as enablers in five key areas:

- creating and maintaining assets that help make Islington a fairer place and deliver on the Fairer Together agenda
 - supporting our residents to start well through maximising the potential of nurseries, children's centres, play facilities and the schools capital programme
 - supporting our residents to live well through maximising the potential of parks, leisure & library facilities, affordable workspaces, carbon neutral initiatives, and independent living for working age adults
 - supporting our residents to age well through maintaining access to living well assets as well as providing specialist care provision
 - accelerating the supply of more affordable and decent housing
- leveraging the asset base to support the borough's voluntary and local business sectors to grow and flourish, providing affordable bases to help maximise social value and local enterprise and increase local employment opportunities
- utilising buildings and technology infrastructure to support delivery of resident engagement and customer services, focusing on the Council's early intervention priorities
- creating modern workspaces for the Council's staff and delivery partners, helping ensure we maximise the effectiveness and efficiency of service delivery to our residents and supporting our staff to work as flexibly as possible
- where buildings and facilities are most effectively utilised as commercial assets, ensure they deliver maximum financial return for the Council, generating additional investment to help make Islington a fairer place.

Specific deliverables in each of these areas will be set out in the 10-year corporate asset strategy.

3.9 New delivery model (governance)

A step change is required in the governance and management of the Council’s non-housing assets and the associated capital programme. This change should be aligned and integrated with governance and delivery process for housing assets to ensure the Council can establish a joined-up and corporate approach to managing all its assets.

3.10 A new corporate asset governance framework is proposed, based on the following design principles:

- a unified framework for all asset and capital related decisions
- Member-led to ensure decisions are fully aligned with key policy objectives, but underpinned by robust officer-led assurance processes to ensure delivery
- balance between strategic oversight and the agility to deliver high volume capital programmes
- transparent & robust approvals process aligned to financial regulations
- dedicated focus on major, complex and/or cross-cutting projects
- embedding CIL/S106 investment decisions and spend oversight within a corporate governance model
- building on existing governance arrangements where effective
- refreshed treasury/funding strategy aligned to a longer term investment approach.

3.11 Drawing on these principles, a proposed governance model is set out below.



3.12 The model comprises five elements:

- A Corporate Asset Development Board, accountable for the overall delivery of the corporate asset strategy and with oversight of all material asset and capital related decisions. The Board would be member-led, supported by relevant senior officers.
- A Housing Delivery Board, building on the New Homes Board to integrate governance of new homes delivery and major works across the Council’s existing stock.
- A Major Projects Delivery Board, accountable for initiating and monitoring delivery of significant mixed-use developments including those led by development partners,

as well as smaller but complex schemes cutting across different directorates and/or with complex stakeholder management issues.

- The Borough Investment Panel would be retained but integrated with wider governance arrangements. It would continue to be accountable for recommending approval of all CIL/s106 investment decisions and spend oversight. It would be strengthened through the establishment of a dedicated delivery assurance group as well as improved alignment with the Affordable Energy, Affordable Workspaces, Employment and Student Bursary Boards
- A series of Directorate level programme delivery boards, accountable for all other asset development and capital programme activity and linked to wider Directorate governance arrangements.

3.13 Terms of Reference for the new governance framework will be developed and approved as part of the implementation plan. It is not proposed that any part of the new governance arrangements has formal decision-making powers, and Non-Key and Key Decisions would continue to be made in line with the existing Constitution.

3.14 New delivery model (operations)

The proposed new governance framework would be underpinned by a parallel step change in the leadership, capability and capacity of day to day operational management and capital project delivery.

3.15 The proposed new operating model would comprise three key components:

- creation of a new Chief Officer role, to take executive responsibility for the delivery of the corporate asset strategy, initially reporting to the Chief Executive
- building on the existing central property services function to establish a corporate landlord function, responsible for servicing, maintaining and developing the Council's non-housing assets and developing a category management approach for property and construction related procurement
- establishing a virtual pool of capital delivery project managers across the Council.

3.16 There is a significant mismatch between the level of capacity and capability currently available and the Council's ambitions for developing its asset base. The development of an investment case to increase capacity as part of creating the new corporate landlord and capital delivery approaches will be a key implementation task.

3.17 Understanding and enhancing our existing asset base

Significant improvements are required to the Council's non-housing property and asset data as well as our understanding of how assets are utilised, whether directly delivering Council services or let to voluntary sector and other delivery partners, or local businesses. The effectiveness of any future investment strategy will be weakened without significantly improved insight.

3.18 Two key deliverables will be implemented as part of the new corporate asset strategy to address these weaknesses:

- the development of an integrated asset management plan to support delivery of a modern, fit for purpose estate. The asset management plan would focus on non-

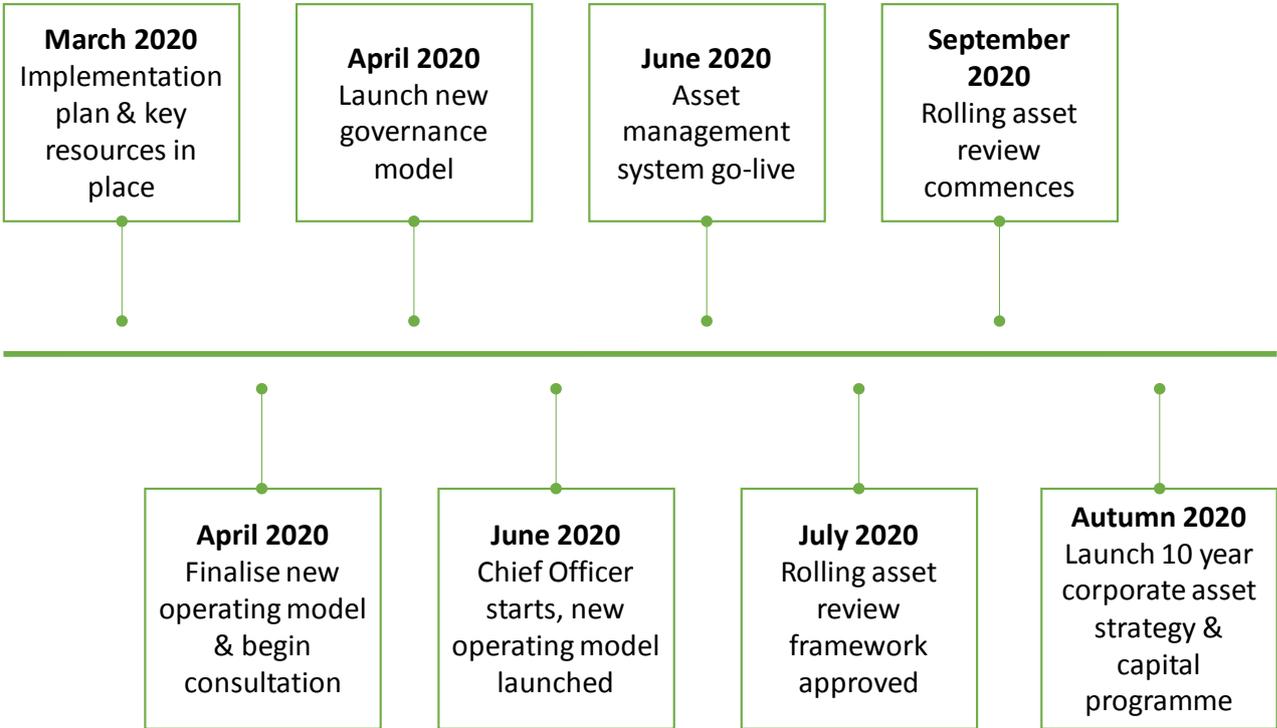
housing assets in the first instance but would then be integrated over time with the parallel plan for the Council’s housing stock and related assets. The plan would be underpinned by investment in a new asset management system, collation of comprehensive condition and land use/lease data, and an initial capital investment as part of the 20/21 budget to start tackling the repairs backlog and complete part-funded schemes

- the design and implementation of a rolling asset review process, designed to ensure that the Council’s buildings and other physical assets are utilised to deliver effective, value for money services as well as maximising social and commercial value. The review framework will be subject to detailed design and stakeholder engagement before its final shape is confirmed, but it will aim to provide a transparent and objective framework through which to ensure the Council’s assets are effectively utilised. Where appropriate, it is also envisaged that the review framework will be used to inform disposal and acquisition decisions.

3.19 To ensure the Council obtains maximum value for money from a £150m+ annual capital spend as well as contributing to its social value objectives, consideration will also be given to the case for establishing a corporate category management approach in relation to the procurement of property and construction related professional services and contractors. It is anticipated that a revised procurement approach would also help mitigate any continuing cost and commercial pressures arising from the UK’s departure from the EU.

3.20 Implementation Plan

Key milestones in the implementation of the new corporate asset strategy are set out below.



3.21 Work has already commenced on detailed implementation planning. An experienced Programme Director has been recruited and started in mid-January. This resource will work with the Interim Director of Corporate Transformation to deliver the implementation, working closely with the new Chief Officer upon appointment and eventually handing over

later in 2020. A longer term funding solution will be developed during the implementation period.

- 3.22 All implementation resources will be funded from the Transformation Reserve. Subject to Executive approval, £750k will be utilised to provide 24 months funding, covering the new Chief Officer, Programme Director, and other business analysis and project management resources. This funding would include support for a 12 month rolling asset review.
- 3.23 The final milestone in the implementation of the new strategy will be the publication of the 10-year strategy and underpinning capital programme. This launch will clearly position the Council's leadership and place shaping role in maximising the current and future asset base to help create a fairer Islington.

7 Financial implications

- 7.1 The development of a long term funding solution for both the revenue and capital elements of the Corporate Asset Strategy will need to be confirmed during implementation.

The new Chief Officer post and implementation resources will be funded from the Council's Transformation Reserve for the first 24 months. Funding for 2022/23 and beyond would require either additional one-off funding to be identified or a revenue growth bid to be submitted. All requests for Transformation Reserve funding above £500k require Executive approval.

Any capitalisation of expenditure should be undertaken in line with CIPFA and audit guidelines.

8. Legal Implications

- 8.1 The Council may adopt a corporate asset strategy for making more effective use of its buildings and land which will facilitate the discharge of its statutory functions including the delivery of quality services to residents and supporting the delivery of key strategic outcomes (Section 111 of the Local Government Act 1972 and Section 1 Localism Act 2011).

The Council may establish a joint member / officer Asset Development Board to oversee the delivery of the corporate asset strategy and asset and capital related decisions. If it is intended that the board should have decision making powers, it will need to be established as a committee of the Executive with its membership limited to members.

The Council may create a new Chief Officer post responsible for the delivery of the Corporate Asset Strategy (section 112 Local Government Act 1972).

9. Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

No additional considerations or implications arising from this report

10. Resident Impact Assessment:

The Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of

opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

An initial assessment has been undertaken and there are no additional considerations or implications arising from this report.

Background papers: None

Final report clearance:

Signed by:		11 March 2020
	Cllr Satnam Gill Executive Member for Finance & Performance	Date

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Report of: Executive Member for Finance and Performance

Meeting of:	Date:	Ward(s):
Executive	19 March 2020	All

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SUBJECT: Scrutiny of Universal Credit – Council’s Response

1. Synopsis

- 1.1 In 2018/19, the Council’s Policy and Performance Scrutiny Committee undertook a scrutiny of the impact of the roll-out of Universal Credit in Islington. The Committee presented its final report to the Executive in September 2019, setting out findings and recommendations to improve the fairness of the new system and mitigate the negative impacts on local residents and services.
- 1.2 This report sets out the Council’s response to the scrutiny report and the actions we will take to respond to its recommendations.

2. Recommendations

- 2.1 To note recent developments relating to Universal Credit as set out in Section 4.
- 2.2 To agree the Council’s proposed response to take forward those recommendations that require a government response, as set out in Section 5.
- 2.3 To agree the proposed actions we will take to address the recommendations of the Scrutiny Committee that require a local response, as set out in Section 6.

3. Background

- 3.1 In September 2018, the Policy and Performance Scrutiny Committee launched a scrutiny of Universal Credit and the impacts on residents and services in Islington.
- 3.2 Over the following six months, the Committee heard evidence from a wide range of witnesses, including council services, jobcentre staff, advice agencies and, most importantly, residents themselves who were claiming Universal Credit.

- 3.3 The Committee presented its Final Report to the Executive on 19 September 2019. The main conclusion was that Universal Credit was not working for many residents, often the most vulnerable. The Committee called upon the Government to abandon the introduction of Universal Credit in its entirety. However, recognising that the Government was unlikely to do so, the report set out 19 recommendations – mostly aimed at Government but some for the Council and local partners – to mitigate the negative impacts of Universal Credit. These are set out at Appendix A.
- 3.4 The Executive received the report and its recommendations. This report now sets out what actions the Council will take in response to the recommendations to reduce the negative impact of UC on our most vulnerable residents and ensure fair access to welfare support for those in need. It also provides an update on recent developments that have a bearing on the issues the Committee identified.

4. Update on recent developments relating to Universal Credit

- 4.1 Policy and regulations relating to Universal Credit continue to change, often in response to campaigning and press coverage on specific issues. Since the Committee published its report, there have been a number of key developments including:

End of the benefit freeze

- 4.2 The Committee recognised that some of our most vulnerable residents might never be able to work, and called for the welfare system to provide an adequate safety net for those who really need it (Recommendation 1).
- 4.3 Most working age benefits have been frozen since April 2016 whilst the cost of living has continued to rise, causing hardship for many low income households. On 3 November 2019, the Department for Work and Pensions (DWP) confirmed that the benefit freeze would end in 2020, and that working age benefits - Universal Credit and legacy benefits - would rise by 1.7% from April 2020, in line with the Consumer Price Index rate of inflation. A further announcement on 13 January 2020 confirmed that the Local Housing Allowance (LHA) would also be increased by 1.7% from April 2020.
- 4.4 However, this will not bring benefits back in line with living costs. Nor does it address other measures that have reduced benefits such as the Bedroom Tax and Benefit Cap, the two-child limit for child support, changes to disability benefits, or the lower rate of Universal Credit for under 25s, including young parents.

Severe Disability Premium

- 4.5 The Committee identified disabled people as being particularly impacted by Universal Credit, and called for immediate compensation for disabled people who had lost their entitlement to Severe Disability Premium as a result of moving to UC, and for the premium to be included in UC beyond the transitional protection period (Recommendation 1).
- 4.6 Earlier this year, two High Court rulings that found discrimination in the way the Department for Work and Pensions (DWP) had applied Universal Credit to disabled people. On 22 July 2019, the then Secretary of State for Work and Pensions, Amber Rudd, confirmed that those claimants who had previously been entitled to SDP before they moved to UC would be compensated. They would receive backdated payments covering the period since their move, together with ongoing transitional payments reflecting the severe disability premium to which they were previously entitled. The rate of payments were also reviewed to provide increased support for the most vulnerable - claimants would receive up to £405 per month alongside their UC award, increased from the previous proposed maximum of £360.

- 4.7 The Secretary of State also announced that no further SDP claimants would move to UC until April 2021, even in the event of a change of circumstances. However, from April 2021, SDP claimants will start moving to UC, either through natural or managed migration and have access to the new payments made available to those who have already moved over.
- 4.8 Whilst this partly meets the recommendation of the Committee, SDP transitional payments fall short of the level of support received by those who remain on legacy benefits, and the measures only compensate existing claimants - newly disabled claimants will be entitled to less support than those who applied under the legacy benefits system. Furthermore, transitional protection is not permanent, so only offers a time-limited solution - there is still the risk that disabled people will be worse off under UC. This income is vital for essential living and care costs. The reduction is likely to hinder disabled people's ability to complete basic daily tasks, adding a further burden to a social care system, already at breaking point.

Single Household Payments

- 4.9 The Scrutiny Committee called for the end of single household payments, and in the meantime, that the payment should go to the main carer where there are dependent children (Recommendation 2).
- 4.10 In January 2019, DWP announced that UC payments would go directly to the main carer in the household for new claims. This followed a successful challenge by four single mothers in the High Court, and lobbying from domestic abuse support groups such as Refuge and Women's Aid.
- 4.11 This change is welcome but does not fully address the issue. Couples with no children still require the victim of domestic violence to disclose to jobcentre staff, who have the discretion to temporarily split UC payments between members of a couple on exceptional grounds of financial / domestic abuse. However, the extremely low number of split payments nationally indicates that victims of domestic violence are unwilling to disclose their circumstances to DWP staff.

Childcare costs

- 4.12 Parents on Universal Credit are able to claim up to 85% of childcare costs. However, payment is made retrospectively on receipt of an invoice, causing hardship for families who do not have the resources to pay upfront, and acting as a real disincentive to taking up work. The Scrutiny Committee recommended that the childcare element of UC is paid up-front, to help parents move into employment (Recommendation 3).
- 4.13 In January 2019, DWP announced that, where the first months' childcare costs prevented a claimant from starting work, they should be supported through Flexible Support Fund, which is allocated to each jobcentre to help address barriers to work. Jobcentres were also advised to be flexible when parents were unable to provide evidence of their childcare costs within the one-month reporting period and, more recently, DWP announced that those who claim the childcare element of UC will have an additional month to report their costs.
- 4.14 These changes are an improvement but do not fully address the issue. The award of Flexible Support Fund by jobcentres is discretionary - parents need to ask their work coach for a grant and there is no guarantee this will be agreed. There is also a limit to the number of weeks that the grant can cover - even where a parent is awarded Flexible Support Funding to cover the first month of childcare costs, they may not receive their first payment of UC in time to meet second / subsequent month(s) childcare costs.
- 4.15 There is also a potential issue for separated parents, where the main carer gets the child element. Children may experience hardship when they are with their other parent, and emerging evidence

suggests that paying child maintenance can push parents into poverty. Research found that separated parents without the main responsibility of childcare have a poverty rate of 30% compared to 21% amongst working adults. A report by the Social Security Advisory Committee (October 2019) called on the government to do more to ensure that welfare and child maintenance systems support the welfare of both parents and children in the case of separation.

Access to data

- 4.16 The Committee found it difficult to access evidence on the number of residents who were potentially in crisis as a result of a delayed or failed UC claim. They called on the government to enable local DWP offices to collect and share with councils and other local partners data on referrals to foodbanks, hardship payments, claimants who do not receive their first payment on time, and failed claims (not completed or refused) with reasons why (Recommendation 4).
- 4.17 Since the Committee published its recommendations, DWP have started publishing data on payment timelines - for new UC claims and all UC claims – indicating what percentage of claimants received their full payment, some of their payment, or none of their payment on time. Data for April 2019 showed that only 72% of Islington new UC claims received full payment on time, compared with 80.4% nationally. More recent data for July indicates an improvement (though still not ideal) with 87.3% of new claims being paid in full on time, compared to 88.4% nationally. This data has informed discussions with local DWP to identify and address causes of delays.
- 4.18 However, other data recommended by the Committee is not yet routinely available.
- 4.19 The Council has signed an open letter from Policy in Practice to DWP asking for local authorities and other partners to have access to data about residents who are claiming UC. We have also subscribed to the Policy in Practice Low Income Family Tracker, which provides details of all households in Islington who are in receipt of Housing Benefit and / or Council Tax Support, which includes an assessment of the impact of moving to UC. We are using this data proactively to target support with Universal Credit and other services.

Funding for Citizens' Advice

- 4.20 The Committee recognised the vital role played by Citizens' Advice in providing support for residents moving to UC through the Help to Claim service. They called on the government to ensure adequate funding going forward to meet demand. In Islington, Citizens' Advice has used the funding to provide an advisor in each of the two jobcentres, and feedback is that this is working well. However, funding is only to the end of March 2020.
- 4.21 Citizens' Advice have been in discussions with DWP at a national level about ongoing funding for Help to Claim. A decision was due in mid-January however the General election has pushed back national decision-making and negotiations with the DWP are still ongoing. In the meantime, the current allocation and arrangements will be rolled over to Quarter 1 April – June 2020. DWP are expected to announce details of future funding, including allocations for each local CA Help to Claim service during this period.
- 4.22 Islington Citizen's Advice Help to Claim service has been one of the best performing in the country. The model is working well and the service supported almost 900 vulnerable residents to make a UC claim in the period April to December 2019, the majority of these through face to face support with advisers in the two jobcentres. However, feedback from our local CA is that, whilst Help to Claim covers the claims process up to receipt of the first full payment, they are starting to see a number of people who have issues with their second and subsequent payments, which are not covered by the Help to Claim contract. There is a gap in terms of support for maintaining a claim. The Council

calls on Government to supply adequate funding to CA and to local authorities to meet the demand for help with claiming and on-going issues associated with UC.

Housing element – payments to social and private landlords

- 4.23 Recommendations 10 and 11 focus on how both claimants and landlords have struggled with the arrangements for rent verifications and direct payments to landlords (alternative payment arrangements). On 16 December 2019, Neil Couling, the DWP lead for Universal Credit, wrote to councils and other registered social landlords setting out changes to improve the way housing costs are paid to UC landlords:
- Managed Payments (Alternative Payment Arrangements) will be aligned with the claimant assessment period: currently APAs are paid to landlords on a four weekly basis whereas claimants receive monthly UC payments. A small scale test with a small group of social landlords will align Managed Payments with the claimant assessment period so that landlords receive the housing element at the same time tenants receive their payments
 - Landlords will receive a daily schedule of tenant housing cost payments where there is a Managed Payment in place through the Landlord Portal (to be rolled out to all social landlords early 2020). The service will also be enabled to pay Private Sector landlords where a Managed Payment to Landlord is in place
 - Managed Payments will use a reference number that is either the tenancy reference or the tenants postcode and full name – currently social landlords receive bulk payments and have to match these to individual accounts
- 4.24 These changes will go some way towards helping landlords administer receipt of housing costs. However, they do not address the fundamental problem of the five week waiting period, which has led to increased rent arrears and hardship for tenants as they transition to Universal Credit, with a direct impact on the Council's housing, rental income, and other support services.

Recent reports on Universal Credit

- 4.25 The Council is not alone in calling for significant changes to Universal Credit. A number of other high profile reports reflect the concerns of the Committee and the Council. These include:

All Party Parliamentary Group: 'What needs to change in Universal Credit'

- 4.26 An All Party Parliamentary Group on Universal Credit has undertaken a comprehensive look at all aspects of UC. Their report – What Needs to Change in Universal Credit (July 2019) – sets out a checklist of practical solutions that would improve the experience of claimants, including:
- Abolition of the five week wait, rigid assessment period income rules, single household payments, the two-child limit and mixed age couples rules
 - Benefit rates to rise by 2% above inflation for next 4 years
 - Benefit rates for all elements of UC to be reassessed to provide a minimum standard of income for benefits claimants
 - Restoration of Local Housing Allowance rates so they accurately reflect the 30th percentile
 - Transitional Protection payments for those losing out on natural migration
 - Re-introduction of work allowance for single and childless couples
 - Work allowance introduced for second earners

Trussell Trust Report - State of Hunger 2019: impact of UC on food banks

- 4.27 The State of Hunger 2019 report, compiled by Heriot-Watt University for the Trussell Trust, found that welfare changes were a key factor in the sharp increase in food bank use and the re-emergence of extreme poverty in the UK over the past seven years. The study found five key

welfare policies – the rollout of Universal Credit, increases in benefit sanctions, the bedroom tax, the benefits freeze and the withdrawal of disability benefits – had “sizeable and significant effects” in pushing up demand for food parcels. There was “clear and robust evidence” of people struggling on the lowest rungs of the income ladder being pushed rapidly into destitution when their already tight budgets were broken by benefit payment delays, cuts, deductions or sanctions.

- 4.28 The Trussell Trust has called on ministers to make urgent changes to the benefits system, including removing the five-week wait for a first Universal Credit payment and uprating the value of benefits.

Work and Pensions Committee - Impact of natural migration

- 4.29 In July 2019, The House of Commons Work and Pensions Committee published its latest report looking at the process of migration from existing benefits (the legacy system) to Universal Credit. Transition to UC is either by natural migration, when the circumstances of claimants change, or through managed migration, which will apply to all remaining claimants of legacy benefits as part of the wider roll out. When the policy was first announced in 2010, roll out of UC was expected to be complete by 2017, but the timetable has been delayed now not expected to be fully implemented until 2023-24, by which time 62% of claimants are projected to have moved to UC via natural migration, and will therefore not have access to transitional protection.
- 4.30 The report recommends that DWP make ongoing payments to meet any shortfall in income for all households with any level of disability, including children with disabilities, who lose out when they move to UC. It also recommends that DWP allow people on legacy benefits to remain on legacy benefits for a grace period of one year after the death of a partner; the DWP should provide them with transitional protection for their housing element for twelve months, as in the legacy system.

5. Recommendations for government – Council response

- 5.1 The majority of the recommendations put forward by the Committee (recommendations 1 to 14) will require government action to bring about policy or operational changes. These are set out in full at Appendix A but, in summary, the Committee has called for:
- Benefits payments to be adequate to enable a reasonable quality of life for those who rely on them, with a reduction in the taper to help in work poor, and immediate compensation for severely disabled people who lost their Severe Disability Premium when they moved to UC (1)
 - Single payments to households to be scrapped in favour of split payments, with immediate measures to pay UC to the main carer or where there is risk of domestic / financial abuse (2)
 - Childcare costs to be paid up-front, rather than reimbursed, to help parents move into work (3)
 - Information on hardship / crisis support and failed claims to be available to DWP at a local level, and shared with local authorities to help drive improvements and target support (4)
 - Adequate / ongoing funding for Citizen’s Advice to provide help to claim (5)
 - Improvements to the claim process to make it easier for vulnerable people including access to a paper copy of the claim, more flexible arrangements around backdating, and not requiring those unable to work to agree to the commitment that they are free to work (6)
 - Removing the minimum income floor for self-employed people so that they receive the same support as employed people on UC (7)
 - New measures to make it easier to provide evidence for a UC claim - including rent figures for private renters, evidence for Habitual Residency Test – and for those on benefits for years not to be required to prove re-eligibility (8)

- Information on access to food banks and advice on healthy eating to be made available at jobcentres and via Help to Claim services (9)
- The housing element of UC to be paid directly to social landlords, rent figures provided by 'Trusted Partners' to be accepted, and annual rent changes to be entered directly on the Landlord Portal without the need for rent verification requests (10)
- Simplified system for paying rent directly to private landlords (11)
- The current level of services / work coaches at local job centres to be retained or increased, and best practice for those job centres with higher claimant satisfaction to be rolled out (12)
- The minimum five week waiting period for the first payment to be reduced, and the period over which advance loans are repaid to be increased to at least two years (longer for cases of hardship) with immediate effect (13)
- Adequate funding for Local Authorities to meet the additional costs of UC (14)

Response:

- 5.2 The raft of recent and ongoing changes to Universal Credit demonstrate that evidence-based campaigning and ongoing dialogue with DWP can bring about changes to UC. However, whilst the Council welcomes the changes set out above, they do not fully address the issues identified by the Scrutiny Committee.
- 5.3 Perhaps the single biggest issue with Universal Credit is the deliberate five-week waiting period, which is pushing so many families into debt and hardship. Other key issues for Islington include the problem for parents of meeting childcare costs upfront, and the Right to Reside and Habitual Residency Tests, which are being applied rigorously – we have anecdotal evidence of residents who have lived in Islington for years being refused Universal Credit on these grounds.
- 5.4 The Council responses to the committee's recommendations for government are as follows:
- The Executive Member for Finance, Performance and Community Safety will write to the Secretary of State for Work and Pensions requesting urgent consideration of the recommendations arising from the scrutiny that require action from the government
 - The Council will continue to engage with DWP, at a local and national level, and respond to calls for evidence from parliamentary committees, London Councils and other forums in order to identify and address existing and emerging issues relating to Universal Credit
 - We will undertake urgent research into an emerging issue in Islington - the application of the Habitual Residency Tests under Universal Credit - to ensure that this policy is being fairly applied and not discriminating against non-UK residents
 - We will continue to collect and analyse local data and resident feedback to provide robust evidence to inform future campaigning, responses and discussions to improve the experience of people claiming Universal Credit.

6. Recommendations for local action

- 6.1 The Scrutiny Committee made five recommendations for action at a local level by the Council and its partners. These are set out below, together with the actions we will take in response to them.
- 6.2 **Recommendation 15** proposes that the Council should continue to support the voluntary advice sector and, where possible, assist in increasing the capacity of specialist advice services. It also calls for the Council to engage with VCS and statutory partners in a Universal Credit Forum to share information and experiences of UC in Islington to provide evidence to Government.

Response:

- 6.3 *Continued support for specialist advice services:* The Council's £3m VCS grants scheme includes £1.4m for independent advice provision. The current programme is due to end in 2020 and applications for the new four-year programme opened from January 2020, with a view to contracts starting in September 2020. The new programme will retain the current £1.4m for advice. This will include £100k ring-fenced for small community organisations, alongside core funding grants for specialist advice services. As part of their contract, specialist providers are expected to provide training and support to smaller organisations, including training on Universal Credit.
- 6.4 *Setting up a Universal Credit Forum:* The Council is already engaged in a number of cross-cutting meetings which include a focus on Universal Credit and enable the gathering and sharing of evidence:
- Islington Debt Coalition – brings together a range of partners to focus on tackling debt
 - Islington Strategic Advice Partnership, facilitated by the Council's VCS Development Team, brings together independent advice providers in the borough to share information and coordinate advice provision, including on welfare benefits. The partners also deliver a programme of training on UC for community organisations
 - An internal Universal Credit Board, chaired by the Executive Member for Finance, Performance and Community Safety, provides a strategic steer on the Council's approach to UC, whilst a Universal Credit Working Group, with sub groups for Housing, and Family Support, monitor the impact of UC in Islington and coordinate activity and communications
 - Regular strategic and operational meetings with local DWP leads, including the lead for UC claims processing in Belfast, provide the opportunity to identify and address issues, and escalate those that cannot be resolved locally but require a Government response
- 6.5 In addition to these regular forums, the Council is also taking part in a pan-London research project that replicates the Safe as Houses reports. The Safe as Houses report was conducted by the Smith Institute in late 2016 to look at the impact of the roll out of Universal Credit in Southwark, Croydon and Peabody/Family Mosaic, with subsequent reports in 2018 and 2019 focused solely on Southwark. The research will be conducted by the Smith Institute and led by London Councils. By using a larger evidence base, it will aim to show the true effects of Universal Credit and be used to lobby the DWP to make changes. It is expected the report will be available in the second quarter of 2020.
- 6.6 Therefore, whilst we recognise the potential value of a new UC Forum, we feel that the current set of arrangements provides an effective mechanism for identifying issues and sharing data and evidence on the impact of UC, including escalating issues to government and responding to calls for evidence e.g. from the Work and Pensions Select Committee. We will ensure that evidence gathered through these various meetings informs calls for improvements to Universal Credit.
- 6.7 **Recommendation 16** calls for additional support on Universal Credit to be provided for vulnerable groups who may struggle with the transition to UC, including disabled people, those with mental health problems or learning disabilities and BME communities.

Response

- 6.8 The new grant programme for advice includes a new strand of £100k for Community Advice in recognition of the additional needs of vulnerable resident groups. There is an element of outreach advice within the advice strands to ensure reach into vulnerable resident groups. In addition to providing core funding for the advice sector, the Council's VCS Grants programme includes funding

streams for groups who support residents with protected characteristics, including disability, BME communities and those with Mental Health issues. We will work with specialist advice partners, and our own Income Maximisation Team, to ensure that VCS organisations representing the above groups have access to information, training and referral routes for clients who need help with the transition to UC.

- 6.9 In addition to the grants programme, the Council's VCS Development Team also supports local organisations to apply for external funding streams. In November 2019, the Government announced a new £10m Universal Credit Transition Fund to deliver outreach programmes to help vulnerable people make UC claims. It will be available to partner organisations across the UK, including charities, from April 2020 to help vulnerable people, including disabled people, care leavers and those with mental health issues, claim Universal Credit as a route into work. We will use existing networks such as Voluntary Action Islington, the Islington Debt Coalition and the Islington Learning Disability Partnership to raise awareness of this funding and support local VCS organisations who represent the most vulnerable groups to apply.
- 6.10 **Recommendation 17** aims to ensure that residents have access to up to date information on Universal Credit through a range of sources including Council publications, online, and in councillors' ward surgeries. It also suggests a communications strategy is developed as and when we have confirmation of the timeline for managed migration.

Response

- 6.11 A range of information and support on Universal Credit is already in place including general messages and more targeted interventions. Current interventions include:

Generic information

- Dedicated Universal Credit page on the Council's website and the websites of advice partners
- General leaflet for the public explaining what UC is and where to access support - distributed to frontline services across the borough (libraries, VCS groups, Childrens Centres etc.)
- Factsheets for frontline staff setting out criteria and processes for UC
- A council funded conference delivered by advice partners to update the voluntary and community sector on UC, together with training courses for VCS delivered by advice partners
- Displaying information on upcoming meetings of a local claimant support group – Know Your Rights (set up by London Unemployed Strategies) which provides a discussion forum for those on UC and other benefits. The group meet monthly in various community venues across Islington and can help people understand their entitlements and issues with their claims

Targeted support

- Letters sent to council tenants, once we are advised they are moving to UC, setting out key facts on UC (including responsibility to pay rent) and where to access further support
- Letters sent to those council tenants who have moved to UC but have not made a claim for Council Tax Support to advise them that they may be entitled and offer support
- Letters sent to lone parents whose youngest child is due to turn 5 children (who will then need to move from Income Support to UC) to advise of where to get support – we are also exploring how to get information to parents through schools e.g. workshops or leaflets in bookbags
- Letters sent to mixed age couples who might be impacted by a change in policy relating to Pension Credit. From May 2019, mixed age couples who had not claimed Pension Credit would potentially be worse off as they would now not be able to claim Pension Credit until both members of the couple are of retirement age. The letter provided information on the change

and encouraged them to claim Pension Credit, with details of how to get support through our IMAX team

- Leaflets for households moving from temporary accommodation to permanent accommodation
- Leaflets for private renters with changes of circumstances
- A dedicated Universal Credit Support Team – with a first point of contact (manned by Housing Income) located in the Customer Centre and referrals to other support e.g. through IMAX, iWork, and Housing Needs

6.12 We are currently analysing data through the Policy in Practice Low Income Family Tracker, as part of a focus on prevention and early intervention, to identify those groups who would most benefit from targeted support e.g. around Universal Credit, benefit take up, housing, employment and family support.

6.13 As soon as the timeline for managed migration in Islington is confirmed, we will develop a Communications Strategy, to ensure that the thousands of residents who will be required to transition from legacy benefits to UC have access to clear and helpful information and support. We will seek input from the UC Board and from the Policy and Performance Scrutiny Committee as we develop our approach.

6.14 **Recommendation 18** calls for the Council to talk to other social landlords in Islington to agree a common approach to tenants who fall into arrears during the 5 week assessment period.

Response:

6.15 The Council is a member of the Islington Housing Group (IHG), which brings together key social landlords in the borough. IHG have been working together to share best practice on responding to Universal Credit. This includes holding a workshop to share ideas on ways of working, solutions and sticky issues. The workshop was well attended and there were presentations from DWP, the council and Peabody Housing. There are follow up actions to help improve local knowledge and sharing of changes. The IHG is made up of the organisations who have the largest amount of stock in Islington, together with a couple of local housing associations. Working to a single approach is not possible, as most organisations are regional or national and thus subject to organisation-wide processes and policies. The IHG group will continue to use meeting to share best practice and identify opportunities for further collaborative work.

6.16 **Recommendation 19** requests that the Policy and Performance Scrutiny Committee receives regular updates on performance relating to UC.

Response:

6.17 An update on Universal Credit will be presented to the Policy and Performance Scrutiny Committee on a six-monthly basis. This will include latest policy announcements from government and emerging issues at both national and local level, together with data on the impact of UC in Islington for instance, DWP statistics on numbers of UC claimants and payment timelines, data on tenants on UC and rent arrears, and take up of support services such as Advice, Resident Support Scheme, referrals to the Food Bank, and UC claimants supported by IMAX and iWork.

7. Implications

Financial implications:

7.1 There are no additional financial implications arising from this report. The Council already provides grants to the voluntary and community sector to support the provision of advice and support to vulnerable residents. The intention is to continue this programme.

Legal Implications:

7.2 There are no legal implications relating to this report.

Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

7.3 There are no environmental impacts arising from this report.

Resident Impact Assessment:

7.4 The proposed responses set out in this report aim to address the negative impacts of Universal Credit on the most vulnerable residents in Islington. This is in line with the Council's legal duty.

7.5 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

Final report clearance:

Background papers: None

Appendix 1: Recommendations of the Policy and Performance Scrutiny Committee.

Signed by:



11 March 2020

Cllr Satnam Gill
Executive Member for Finance and Performance

Date:

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Universal Credit Scrutiny: Recommendations

The Committee wish to highlight that the introduction of Universal Credit is a Government Policy, and has not been introduced by Local Authorities. The Committee therefore are of the view that an effective challenge to the Government should be mounted, where appropriate on Universal Credit, and that it should communicate its actions to residents.

The Committee are of the view that Universal Credit is not working for many residents, often the most vulnerable residents, and therefore request the Government to abandon the introduction of Universal Credit in its entirety.

The Committee also call on the Government to recognise that the introduction of Universal Credit has placed a significant financial burden on Local Authorities, and other social housing providers, in respect of rent arrears/housing issues. The Government should ensure that Local Authorities are funded adequately to compensate them in this regard, due to the introduction of Universal Credit

Given the above, and the fact that the Committee are of the view that the Government is not likely to halt the introduction of Universal Credit, the Executive be recommended to approve the following recommendations to be directed to Government, and for action by the Council:

Recommendations for Government

- 1. That the Government should recognise that there are a significant number of people who will never realistically be able to access sustainable work, due to ill health, disabilities, or caring responsibilities. The Government should also recognise that a number of those people having to claim Universal Credit are the 'working poor', and ensure that the welfare system, through Universal Credit and other benefits, provides adequate funding to enable all these people to have a reasonable quality of life.**

The Committee believes that reducing the taper amount for the benefit earned over the work allowance from £0.63 to £0.60 will provide much needed support for the working poor, those with children, or with limited capability for work. The Government should immediately compensate those severely disabled people that have lost out by moving onto UC, and losing their severe/enhanced disability premium. The Government should take immediate steps to include disability premiums into UC permanently beyond a transitional protection. This is vital for essential living and care costs. The lack of them is likely to hinder disabled people's ability to complete basic daily tasks, adding a further burden to a social care system, already at breaking point.

- 2. That the Government should ultimately scrap single household payments, and make 'split payments' standard. In the meantime:**
 - (a) In circumstance where there are dependent children, Universal Credit should be paid to the main carer of the children**
 - (b) Effective measures should be put in place to cater for circumstances where single household payments may cause financial hardship/or put one partner at risk of abuse**

The Committee noted that those suffering domestic violence etc. are often reluctant to request 'split payments', due to the fear of their partner finding out. The position of the DVA sector is to scrap single household payments under UC, and make split payments for couples standard as part of a new Government Bill on domestic abuse.

- 3. That the Government should address the issue of childcare support for parents wishing to move back into work, and ensure that the childcare element of UC is paid immediately, rather than until they are able to submit receipts for child care.**

The Committee noted the difficulties placed on parents, in that when claiming UC, they do not receive the childcare element until they can submit receipts for childcare. The flexible support scheme currently in place is discretionary, and can only be paid for a few weeks, therefore parents will have to pay child care costs before being reimbursed through UC. This is a disincentive to parents wishing to return to work, and should be addressed if the intention of the Government is to encourage people back into work.

4. That the Government should ensure that local DWP offices have access to, and are able to share, with the Local Authority and partners –

- a. Numbers of claimants being referred to foodbanks**
- b. Number of hardship payments**
- c. Monetary amount of hardship payments, as an average**
- d. Number/% of claimants who do not receive their first payment in full on time (and data as to reasons why)**
- e. Failed claims where residents have not completed their claim, or are refused UC, and reasons why**

The Committee heard evidence that some of the most vulnerable members of the community were waiting longer than the initial 5 week assessment period to receive payment of UC. The Committee felt that lack of access to this information meant that claimants were not able to challenge the delays, and this led to hardship. The Committee also heard evidence that it is important for the Council/Partners to have data to enable them to assist claimants who are in hardship, and to analyse reasons why claims have been delayed or failed, in order for support to be provided in these areas for claimants.

5. That the Government should fund Citizens Advice properly, in order to provide the level of service needed to assist claimants with their UC claims.

The Committee are concerned that Citizens Advice are having difficulty coping at present/will not be able to cope in future, with the level of assistance that claimants will need, especially when full migration takes place. Our view is that inadequate levels of funding have been allocated to Citizens Advice in this regard.

6. That the Government should

- (i) Introduce a paper copy of the UC claim form, due to the difficulties that the learning disabled, those with mental health problems and carers, in particular, as well as those claimants who are unable to use/access a computer who are on low incomes, are facing in completing 'on line' forms**
- (ii) Introduce a more flexible approach to backdating of UC payments for those claimants who experience difficulties in claiming**
- (iii) Remove from the 'online' claim form the section that claimants have to complete, stating that they are available for work or make an alternative available**

The Committee heard evidence that claimants/carers are often 'timed out', when completing the 'online' form, and this leads to frustration for carers and claimants, particularly those with disabilities. In addition, some claimants may never be able to work, or have limited work capability, but have to complete this part of the form. This question should be removed from the 'online' claim form, or an alternative made available, in order that claimants can complete the form with an option stating why they are not available for work/have limited work capability.

7. That the Government should ensure that self-employed people receive the same amount of support through UC, as employed people. This can be achieved by removing the minimum income floor for self-employed people.

The Committee heard that self-employed people are amongst those that can lose up to £200 per month when transferring to UC. It can be difficult for those that are self-employed to budget with an irregular income. The minimum income floor makes an assumption of how much self-employed people will earn. If they actually earn less than their minimum income floor in a given month, this means that they will be treated less favourably than others on UC. The Committee believes that the minimum income floor should be removed, and that self-employed people should have their UC entitlement calculated on their actual income.

8. That the Government, should make it a statutory requirement for private sector landlords to provide tenants with information on their rent, in a timely manner, to support their UC claim. This will also assist with regard to the difficulties, in relation to the provision of some claimants of information to support their application for Universal Credit, e.g. information to support the Habitual Residency Test. The Government should also introduce other measures, in order to ensure claimants can more easily provide information on their status, in order to support any claim for UC. The Government needs to recognise that

- **People on low incomes, and many of the most vulnerable within our society may struggle more than others to prove their citizenship**
- **Work Coaches should be concentrating on helping people into employment, which is the aim of Universal Credit, rather than acting as home office officials**
- **Those transferring to Universal Credit should not be penalised if they have been on other benefits for some years, having originally claimed benefits at a time, when the documentation requirements were not as strenuous as they are now. People should not have to prove re-eligibility to claim, but should be transferred smoothly to Universal Credit**

The Committee heard evidence of residents struggling to provide the evidence to verify their claim or to meet the Habitual Residency Test to be eligible for UC. The Committee heard evidence of a teacher who had worked in Islington for many years, but on coming back from holiday found her UC claim had been rejected. Such problems lead to delays and hardship, and the need for claimants to seek legal advice through support partners.

9. That the Government should ensure that Job Centre/Citizens Advice staff provide adequate information to claimants/Local Authority on the availability of food banks/offer advice on healthy eating. The Government should also provide data on the number of hardship payments made, the amount of such payments, claimants that do not receive their full entitlement, within the agreed timescale, and reasons for such late payment, together with the number of referrals made to Food Banks. This information should be provided on a regular basis.

The Committee were concerned that there is a lack of information being made available by /JCP and Citizens Advice staff not referring claimants to Food Banks. Given that the Government has admitted that the use of Food Banks has increased significantly since the introduction of UC, and often claimants are the 'working poor', (the group that UC claimed to have been introduced to assist) this information should be made available to claimants.

10. That the Government should pay the Housing element of UC directly to social landlords, making the process more efficient. The Government should also accept rent figures provided by 'Trusted Partners,' and should allow them to enter annual rent charges on the Landlord Portal. This would assist in avoiding the need for large volumes of rent verification requests

The Committee heard evidence that the 5 week assessment period is too long and leads to hardship, especially for vulnerable residents. This leads to a spiral of debt, and rent arrears for claimants, arrears for landlords, and reduces the amount of money available to claimants in the

future, as the advance payment has to be repaid from future UC payments. The numbers of alternative payment arrangements and advance payments required confirm that these are not an exception, the system needs to be improved. Making the changes suggested will benefit all parties in the process, and make the process far more efficient.

- 11. That, whilst it is noted that claimants can request Alternative Payment Arrangements, there should be a simplified system for rent to be paid directly to Private Sector Landlords, given that this is an area where evictions are more likely to occur, arising from rent arrears accruing, due to delays in UC payments to claimants. The Government should put in place measures to address this.**

Please note Committee's views on APA's outlined at recommendation 9 above. However, if APA's are to continue, the Committee noted that whilst there is a system in place for APA's to be made available to 'trusted providers', such as Local Authorities, this is not the case for private landlords, although a pilot has been introduced by the Government. The Committee are of the view that the Government should also accept rent figures quoted and accept referrals for APA's from 'trusted providers' without the need to check further. This will make the process more efficient.

- 12. That the Government should protect the services currently offered to claimants by Job Centres, and that there should be no reduction of services. The Government should also ensure that 'work coaches' are at least retained at the current level, if not increased. Best practice should be 'rolled out' across all Job Centres, where there is a high satisfaction level amongst claimants.**

The Committee noted and welcomed that a recent limited survey of claimants had shown high levels of satisfaction with the service provided at the Barnsbury Job Centre. It is felt that where best practice has been identified this should be 'rolled out' across other Job Centres. The Committee are of the view that with cost pressures on the Government they will attempt to reduce staffing levels at Job Centres, and this should not happen, and current levels should be retained, or even increased.

- 13. The Government should reduce the 5 week assessment period for UC, before the first payment is made. At the very most, the wait should be no longer than one month – the period a person in work might wait for their first salary. The period for repaying advance payments should be increased to at least 2 years, with provision for a longer period, if the claimant can demonstrate that the consequent reduction in their benefit would cause financial hardship. That increased period should be brought in immediately.**

Many claimants, particularly those transferring from 'legacy benefits' do not have the resources to meet the costs of rent, food, bills and childcare, whilst awaiting their first payment, and the situation can be exacerbated if there is an issue with their claim causing further delay. Advance payments are available, but these are loans, rather than grants, and must be paid back over 12 months (extended to 16 months from October 2021).

- 14. That the Government should recognise that the introduction of Universal Credit has resulted in additional costs being placed on Local Authorities, at the same time as Local Authority funding is being reduced generally. The Government should be requested to ensure that Local Authorities are funded adequately, to deal with these additional costs.**

The Committee noted that the Housing Benefit Administration Grant and the Discretionary Housing Grant funding has been reduced severely in recent years, and there are increasing rent arrears as a result of the introduction of UC.

Recommendations for the Council / local partners

- 15. That the Council should continue to support the voluntary advice sector, and where possible, assist in increasing the capacity of specialist advice services. In addition, the Council should work in partnership with the voluntary sector, and other statutory partners, and support the establishment of a forum for agencies with an interest in Universal Credit, to share and collect information, including on the use of food banks, to provide to the Government as evidence for future changes to Universal Credit.**

The Committee noted the good work undertaken by the voluntary advice sector, and statutory partners and supported the suggestion that a forum should be established.

- 16. That it is noted, and welcomed, that the Council is taking all available opportunities to support residents with the introduction of UC, and that a number of initiatives are being taken by the Council, the voluntary sector and partners in order to assist residents, as outlined in the report. The Committee are of the view that there should however, be additional support provided for the most vulnerable residents, such as residents with mental health problems, learning difficulties, BME communities and the disabled.**

The Committee were concerned that the most vulnerable residents were the most likely casualties of the introduction of Universal Credit, and where possible additional support should be particularly aimed particularly at these group.

- 17. That, whilst noting that information on support and advice to residents is available, it should be ensured that up to date information is provided in Council publications, online, in councillors' ward surgeries, self-help groups, GP surgeries, on electronic noticeboards on estates and by the organisation of workshops, where necessary. Consideration should also be given to a future communications strategy, once full migration takes place, to enable residents to have access to all necessary information, and support, to assist them with claiming UC at the most appropriate time.**

The Committee were of the view that whilst information has been made available once full migration takes place a more detailed communications strategy should be looked at. In addition, given the ever changing nature of UC, as a result of changes to UC by the Government, updated information should continue to be provided to residents.

- 18. That there should be a common approach established with social housing providers in the borough, for dealing with tenants, who may fall into arrears during the 5 week assessment period, as a result of claiming UC. The Committee are of the view that the Council should discuss this issue with other social housing providers in the borough, with a view to establishing a common policy/support framework to deal with such instances.**

The Committee are of the view that all social housing providers in the borough should establish a common policy so that tenants know that all social housing providers are following the same procedures in respect of tenants in receipt of UC.

- 19. That the Policy and Performance Scrutiny Committee should receive regular updates on performance data relating to UC.**

The Committee were of the view that they should be updated by the Executive Member Policy, Performance and Community Safety of information relating to UC, including the level of rent arrears, in order that this can be monitored.