



**Denbighshire County Council,  
Planning and Public Protection Service supported by  
Public Health Wales**

1. Retrospective Rapid Health Impact Assessment - Additional Landlord Licensing Scheme for Houses in Multiple Occupation (HMO's) 2009 within Rhyl
2. Prospective Rapid Health Impact Assessment - proposals to re-designate the 2009 Additional Landlord Licensing Scheme for HMO's

**20<sup>th</sup> August 2014**

## Introduction

Health Impact Assessment (HIA) is a process which supports organisations to assess the potential consequences of their decisions on people's health and well-being. The Welsh Government (WG) is committed to developing its use as a key part of its strategy to improve health and reduce inequalities although HIA is currently not Statutory.

Health impact assessment provides a systematic yet flexible and practical framework that can be used to consider the wider effects of local and national policies or initiatives and how they, in turn, may affect people's health. It works best when it involves people and organisations who can contribute different kinds of relevant knowledge and insight. The information is then used to build in measures to maximise opportunities for health and to minimise any risks and it can also identify any 'gaps' that can then be filled. HIA can also provide a way of addressing the inequalities in health that continue to persist in Wales by identifying any groups within the population who may be particularly affected by a policy or plan.

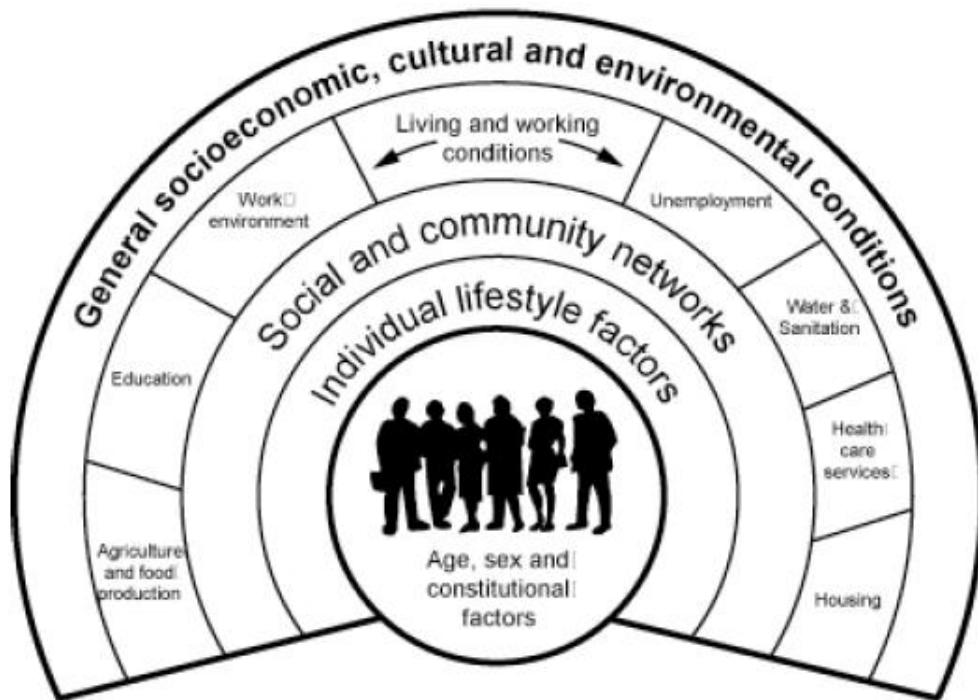
The Wales Health Impact Assessment Support Unit (WHIASU) was established in 2001 to support the development of HIA in Wales and is funded by Welsh Government via the Policy, Research and Development Division (PRD) of Public Health Wales (PHW). Its remit is to support, train, facilitate and build capacity in HIA and raise awareness of how the process can support and contribute to improving health and wellbeing. A particular focus of WHIASU in recent years has been the use of HIA within traditionally 'non-health' sectors such as mining, regeneration and housing, waste, land-use and transport planning as a method of encouraging a consideration of 'Health in All Policies' (HiAP).

## Health and wellbeing in the context of HIA

For the purposes of HIA the World Health Organisation's (WHO, 1984) definition of health is used:

*'Health is much more than not being ill. It is a resource for everyday living and allows people to fulfil their potential. Health is a state of physical, mental and social wellbeing- not just the absence of illness'.*

In addition when undertaking an HIA the term 'wider determinants of health' is used to frame the discussions. The diagram below illustrates what is meant by this:



(Dahlgren and Whitehead, 1991)

It is worth stressing that whilst it is important to recognise the importance of and access to the traditional 'Health Care Services' in terms of treating ill health many other 'non-health' services play a significant part in influencing the wider determinants illustrated above. Local Authorities play a significant part in relation to the wider determinants within such areas as housing, transport, education, employment and environmental protection.

### **Background**

The Housing Act 2004 changed and improved the way in which HMO's are regulated. The Act introduced a new duty for local authorities to operate a mandatory licensing scheme for certain types of HMO's which consist of three or more storeys, with five or more occupants and forming two or more households.

The key aim of the mandatory licensing scheme is to ensure that HMO's are properly managed by 'fit and proper' people; the premises are suitably equipped with adequate amenities and facilities and that fire safety arrangements are acceptable. The licence also specifies the maximum number of people who may live in the HMO and includes specific standard licence conditions. Therefore the focus of the licence is on **safety and quality** of the accommodation.

The Act also contains provision enabling local authorities to implement additional licensing for other categories of HMO's if local circumstances identify the need. On the 8<sup>th</sup> of September 2009 Denbighshire County Council's (DCC) cabinet approved the 'designation' of an 'Additional Licensing' scheme to enable smaller HMO's to be licensed. This additional licence applied to properties situated within the area of Rhyl where there was the highest concentration and were defined as follows:

- I. 3 or more storeys which is occupied by 3 or more persons who form 2 or more separate households, which at least 1 of the households is not fully self-contained (where there may be sharing of facilities)
  - a. Or
- II. 3 or more storeys, which is occupied by 3 or more persons who form 2 or more separate households, which are fully self-contained, but do not meet the 1991 Building Regulations and where less than two-thirds of the self-contained flats are owner occupied.

The current Additional licensing scheme is due to expire on the 31<sup>st</sup> of December 2014. Following extensive evidence gathering by DCC's Planning and Public Protection Service, it has been proposed to re-designate the Additional License Scheme. It is proposed that the geographic area remains Rhyl but the type of HMO property will be re-defined to the following:

- a) Any type of HMO as defined in Section 254 of the Housing Act 2004 which does not fall within the mandatory licensing scheme, occupied by three or more persons, forming two or more households.
- b) HMO properties which are defined within the scope of Section 257 of the Housing Act 2004: HMO's created by converting buildings into flats, but do not meet the 1991 Building Regulations and they have not been subsequently brought up to the relevant standards.

### **The Health Impact Assessment**

A rapid HIA was undertaken on Wednesday 20<sup>th</sup> August 2014 and followed the systematic process as laid out in the Welsh HIA guidance 'HIA: A Practical Guide' (WHIASU, 2012). Any findings from the HIA will be complementary to the evidence already gathered by the Planning and Public Protection Team in respect of the re-designation of the Additional Licensing Scheme. It was proposed that the HIA report would be submitted as part of the Planning and Public Protection Team's submission for approval of the re-designation by DCC's scrutiny committee and cabinet. The HIA was conducted in two parts:

1. A retrospective HIA of the existing Additional Licensing Scheme. This was undertaken to identify and assess any impacts (both positive and negative) that may have occurred in respect of the implementation of the additional HMO licensing scheme in 2009. Any findings could help to inform/refine the detail for the re-designation.
2. A prospective HIA of the re-designation scheme prior to further public consultation and approval by DCC Cabinet.

A group of DCC department representatives along with partner agencies were invited to attend the HIA. The framework used to undertake the HIA is shown within Appendices 1 and 2.

The first session (Part 1) assessed the existing additional licensing scheme and raised a number of points which have been recorded in the tables below.

The comments from the second (Part 2) session for the prospective HIA are also recorded below. Both tables are followed by a summary and recommendations agreed by all those participating in the session.

### Findings from HIA Appraisal

#### Part 1- Retrospective HIA on the 2009 Additional Licensing Scheme

##### Identification of vulnerable groups

Initially identified a broad group i.e. age related, income, groups experiencing discrimination and geographical.

However, it was expanded to other more specific groups:

- Income related/low income/benefit claimants
- Transient population
- Those with a history of substance - a reported high % within West Rhyl being Female alcohol/drug abuse
- Low income - attracted to low cost accom
- Families- vulnerable children due to substance abuse and other social issues
- Incoming families consideration of their circumstances for moving whether the intention was for positive or negative reasons
- Inexperienced Landlords
- Those on Probation
- Families of landlords
- ethnic/religious groups -evidence would suggest increasing numbers living in the area and traditionally difficult to engage, predominantly Muslim
- Multi disadvantaged night shelter users due to 5 consecutive night occupancy rule

### Appraisal

<b>Lifestyles</b>	
<p><b>+ve</b></p> <ul style="list-style-type: none"> <li>• minimum standards for kitchen included within licence, therefore potential opportunities to reduce reliance on take away outlets and potential to improve diet</li> <li>• Additional Licensing regulates overcrowding levels thereby reducing risk taking behaviour by tenants and potentially reducing sexual activity and sexual abuse of vulnerable groups</li> <li>• Licensed properties are generally well managed therefore could attract a better standard of tenant</li> </ul>	<p><b>-ve</b></p> <ul style="list-style-type: none"> <li>• Awareness that improved kitchen facilities may require additional skills enhancement to have the desired effect.</li> <li>• Affordability may become an issue though minimum standards would improve conditions. An adverse effect may be that they are not the most cost effective therefore the dilemma of 'heat or eat'. Although facilities would be provided to promote better lifestyle behaviours, these may cost too much for tenants to utilise</li> <li>• An increase in regulation could deter landlords from offering accommodation</li> </ul>

	to some vulnerable groups
<b>Comments</b> <ul style="list-style-type: none"> <li>Consider affordability criteria prior to placement.</li> </ul>	
<b>Social and Community Influences on Health</b>	
<b>+ve</b> <ul style="list-style-type: none"> <li>Licence conditions include structural improvements i.e. entrance. This can lead to improved security and make it easier for resident to control who enters</li> <li>General improvements and quality can improve social fabric of accommodation</li> <li>Reduces Anti Social Behaviour (ASB) - documented through Police Pathway close monitoring of ASB</li> <li>potential to enhance relationships between owner/occupier and social tenants/vulnerable tenants due to physical improvements</li> <li>Landlords of licensed properties are given support on dealing with incidents of ASB and crime and procedures are in place as a condition of licensing (training is required as part of licensing conditions)</li> <li>Improvements increases tenants sense of pride in accommodation and they are therefore more likely to want to stay in accommodation. The landlords are happier that communal areas and properties are being kept better</li> <li>Current tenants in certain HMOs have created support/social networks and take pride in their environment.</li> </ul>	<b>-ve</b> <ul style="list-style-type: none"> <li>Reduction in sense of belonging when altering HMO /breaking them up</li> <li>Many single people may have a community within the HMO they live, their neighbours become their family and may fear that licensing may break up these communities.</li> </ul>
<b>Comments</b> <ul style="list-style-type: none"> <li>Inclusion of all stakeholders within proposed consultation for the re-designation licence could overcome any negative fears generated by the implementation of the licence in relation to social and community influences.</li> </ul>	
<b>Living/Environmental conditions effecting health and wellbeing</b>	
<b>+ve</b> <ul style="list-style-type: none"> <li>Licence identifies HMOs and improves conditions ie some landlords has improved significant conditions but not increased rents.</li> <li>Licensed properties are inspected and hazards highlighted and improvements are made</li> <li>Licensing Scheme includes conditions regarding the minimum standards for provision of heating</li> </ul>	<b>-ve</b> <ul style="list-style-type: none"> <li>Affordable warmth dilemma - requirements to improve provision and have been made to improve heating. However, the tenant has not able to afford to use it</li> <li>Licensing cannot ask for central heating only minimum heating system i.e.electric heater and these are not the most cost effective measures. Tenants</li> </ul>

<ul style="list-style-type: none"> <li>• Community safety i.e. all ground floor window locks</li> <li>• Landlords have to have procedures in place to manage ASB</li> <li>• Reduction in noise nuisance</li> <li>• Evidence (statistical) to show immense improvement in condition following implementation of licence</li> <li>• Safety reduction in hazards - reduction in injuries/5 yr electrical safety check/fire regulations /gas checked annually or on change of tenancy</li> <li>• Provision for PAT test in licence plus furnishing has to meet minimum requirements</li> <li>• Decrease in homelessness presentations to Housing Department due to accommodation improvements</li> <li>• Can reduce over-crowding</li> <li>• Fire regulations included in licence conditions</li> <li>• Improves overall attractiveness of the area - contributes to Rhyl as a whole</li> <li>• Licence can ask for provision of waste management system</li> </ul>	<p>could apply for NEST scheme but in many cases reluctant to take up scheme for multiple reasons.</p> <ul style="list-style-type: none"> <li>• Tenants require knowledge to challenge standards - most do not have this</li> <li>• No tenants groups within private tenant's accommodation. Difficult area for engagement</li> <li>• Managing waste system can be difficult even after provision of bins. Lack of tenant responsibility/abuse of system and there is no system in place re who enforces.</li> <li>• Communal areas - no recognised responsibility for placing out bins or waste is mixed up leading to refuse collectors refusing to collect. Therefore continues waste issue. Made worse in certain areas/streets due to lack of space for appropriate receptacles</li> <li>• Waste provision- no place in certain properties to put waste out have to store inside 2 weekly collection and this causes problems</li> </ul>
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**Comments**

- New Housing Bill 2015 Act will identify all rental properties to be licensed but does not specify the quality of property
- Access to additional support may improve take up of NEST scheme
- Education for tenants needed re waste management
- Discussion re improvements required
- For future Licensing Schemes - need to consider how to address waste management
- Future scheme provision - consider a tenants charter? An overview of minimum standards re heating/waste/behaviour etc
- Affordability checks in terms of rent/heating
- Potential to include in new licence an extended visual check for electrical safety after change of tenant prior to 5yr full check.

**Economic conditions affecting health**

<p><b>+ve</b></p> <ul style="list-style-type: none"> <li>• No evidence that rents have increased significant</li> <li>• Better living conditions may support improved prospects for individuals. If individuals feel better mentally and in their wellbeing they may make other improvements and feel more confident to seek employment.</li> <li>• Building works employing local</li> </ul>	<p><b>-ve</b></p> <ul style="list-style-type: none"> <li>• Additional licensing may discourage landlords from buying properties due to fees etc, there has been no evidence to suggest this with the current scheme</li> <li>• Management of HMO could be below standards hence lack of work being undertaken in the area to support the local trade.</li> </ul>
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<p>tradesmen</p> <ul style="list-style-type: none"> <li>• Opportunities for tenants employment ie to manage property on behalf of an absent landlord</li> <li>• Some employed as caretakers/handy men</li> </ul>	
<b>Access and quality of services</b>	
<p><b>+ve</b></p> <ul style="list-style-type: none"> <li>• Improved housing conditions positive effect on physical and emotional health</li> <li>• Condition in licence in relation to landlord having duties to act upon known substance misuse. Can lead therefore to additional signposting to agencies</li> </ul>	<p><b>-ve</b></p> <p>None identified</p>
<p><b>Comments</b></p> <ul style="list-style-type: none"> <li>• Possibility of tenant accreditation scheme to build skills in relation to housing needs rights/responsibilities. Discuss its introduction</li> <li>• There is an opportunity with regard to educational/awareness training for all support staff with regard to raising tenants rights/responsibilities with them.</li> <li>• British Research Establishment calculator for Social and Health Impacts - cost benefit potential to quantify housing improvements</li> <li>• Reinforcement of landlord conditions in relation to substance misuse - greater presence of LA housing staff for visits in relation to licence scheme therefore potential for increased signposting to additional support services</li> </ul>	
<b>Macro-economic, environmental and sustainability factors</b>	
<p><b>+ve</b></p> <ul style="list-style-type: none"> <li>• If the HMO is to a good standard it can add to the accommodation mix. A licence helps to improve that mix and supports LA housing duties.</li> <li>• Licence supports improvement in quality part of housing improvement obligations</li> <li>• Additional licensing has specific conditions for Crime and antisocial behaviour alongside other conditions</li> </ul>	<p><b>-ve</b></p> <ul style="list-style-type: none"> <li>• Local political opinion - HMOs should not exist and all should go. This is caused by a misunderstanding and interpretation of HMOs and their function</li> <li>• Housing benefit rates pose difficulties re accessing appropriate accommodation. It does not meet rent rates for single persons allowance</li> <li>• Tension between housing and planning regulations re minimum space requirements</li> <li>• Temp displacement of local residents from West End to other coastal areas - applies to certain transient population not meeting reallocation criteria (many long term residents from compulsory purchase properties were re-housed within Rhyl)</li> </ul>
<p><b>Comments</b></p> <ul style="list-style-type: none"> <li>• Re-education/awareness re HMO to create a greater understanding of importance of HMO as part of accom/housing mix</li> </ul>	



- Need for further discussions between planning and housing re SPG and space regulations.

## Part 2- Proposed Licensing Scheme from 2015

In addition to the vulnerable groups identified in Part 1, further points were raised as identified in the table below.

- Same groups as considered in the retrospective HIA this morning (Part 1)
- Population of Prestatyn to be considered; Denbighshire too.
- Equality issues - an Equality Impact Assessment to be undertaken by DCC
- Would cover those who share - could be young professionals
- Could be beneficial or detrimental for those who move from a single unit to a shared environment
- No tenants groups within private tenant's accomm. Difficult area for engagement
- Geographical- HMO linked with Welsh Index of Multiple Deprivation
- Rhyl - classic seaside town with evidenced demographics of deprivation and social issues / old classic B and B guest houses converted without planning consent

## Appraisal

Further appraisal was undertaken on the proposed new scheme, the issues identified below are in addition to those already appraised for the current scheme which would also apply to the new scheme.

Lifestyles	
<p><b>+ve</b></p> <ul style="list-style-type: none"> <li>• More positives for the scheme because higher numbers and more HMOs will be covered by the scheme</li> </ul>	<p><b>-ve</b></p>
Social	
<p><b>+ve</b></p> <ul style="list-style-type: none"> <li>• more HMOs and numbers will be covered - maximise the impacts of the retrospective HIA</li> <li>• Increase in coverage could give a greater choice of better living accommodation allowing people to stay within the area where they currently have their social support.</li> </ul>	<p><b>-ve</b></p> <ul style="list-style-type: none"> <li>• Increase in landlords - how to support this. Capacity and resources to deal with this in DCC in a timely way?</li> </ul>
Recommendations	
<p>Could develop or explore a Tenants Charter of rights and responsibilities as part of the future Scheme. Look at a poster being displayed as part of ALLS condition of what landlord must display as part of licensing ie house rules.</p>	

<b>Environmental</b>	
<b>+ve</b> <ul style="list-style-type: none"> <li>• New scheme will be safeguarding more tenants by covering all HMOs</li> <li>• Reducing the risk of inappropriate unlicensed HMOs and housing stock</li> </ul>	<b>-ve</b>
<b>Economic</b>	
<b>+ve</b> No further comments to previous HIA	<b>-ve</b> Fees - these are seen as very high in DCC in comparison to other LA areas. DCC do use a cost calculator for these. Could explore incentives and discounts going forward. Higher fees could put landlords off buying properties in DCC and they may rather buy and license them in other LAs near by.
<b>Access to Services</b>	
No further comments to previous HIA	
<b>Macro factors</b>	
<b>+ve</b> <ul style="list-style-type: none"> <li>• Systems are in place to deal with the potential increase in additional licensing. Increased revenues from fees could cover any additional resource(s) needed</li> <li>• Changes to the Welsh Housing Act (2014) - homelessness will be able to discharge into the private sector as long as it is reasonable accommodation ie of sufficient quality and standard through the ALLS</li> <li>• Fits in with the Homeless and Vulnerable Groups Health Action Plan and meeting one of the 8 standards.</li> </ul>	<b>-ve</b> <ul style="list-style-type: none"> <li>• Government policies and legislation inhibits how far the new ALLS can go</li> <li>• Discrepancy with regard to Planning regulations in SPG around minimum space - the accommodation that is being offered that is of sufficient quality but not be of the stated size. (The space standards for <u>rooms</u> in the licensing conditions are the same as the SPG but this does not equate to the overall space requirement for the dwelling as a whole</li> </ul>

The appraisal highlighted a number of positive outcomes in relation to quality and safety as a result of implementing the 2009 Additional Licensing Scheme. The positives from the 2009 scheme will be maximised with the re-designation because more properties will be covered and therefore will improve the quality of more properties and safeguard increased numbers of vulnerable and other tenants.

However, it was acknowledged that a number of the issues raised lie outside the direct remit of the Additional Licensing Scheme but they do raise important points in relation to;

Landlord/tenant relationships such as tenants and landlords knowledge in relation to their rights and responsibilities and the day to day management of properties in relation to

waste and other issues. There are cost pressures on tenants, for example, once improvements have been undertaken (such as heating systems) they may not be able to afford the cost of running them.

It was also noted that there is a lack of knowledge in general regarding HMOs. As these do represent a small but important percentage of the housing mix it may be necessary to plan some awareness raising sessions about the subject.

It was important to record these additional comments as they could be considered by DCC and their partners in the appropriate forum and would add value to the positive outcomes recorded for both the 2009 scheme and the proposed re-designation scheme from 2015.

### **Recommendations**

Listed below are the key recommendations agreed at the session:

- Education of elected members and wider partners with regard to the definition and function of HMOs.
- DCC are open to suggestions from agents and landlords with regard to fees and introducing incentives or discounts. To engage with the landlord forum and other landlords and agents as part of 2 month consultation period for the new scheme.
- Conversations to take place with Planning and Planning Control to discuss the SPG and relevant space regulations
- Need to discuss internally the waste storage issues and the fact that some streets in Rhyl have nowhere to put bins/recycle rubbish
- Explore introducing a Tenant Charter or information between the landlord and tenant with respect of behaviour expected whilst living in the household.
- Need to consider rolling out the scheme to Prestatyn and/or Denbighshire as a whole. Department to monitor the evidence and possibly review in the future.

### **Author**

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## References

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# APPENDIX 1 – Health and Well-Being Determinants Checklist

(This list is a guide and is not exhaustive)

<b>1. Lifestyles</b>	
Diet	Sexual activity
Physical activity	Other risk-taking activity
Use of alcohol, cigarettes, non-prescribed drugs	
<b>2. Social and community influences on health</b>	
Family organisation and roles	Social isolation
Citizen power and influence	Peer pressure
Social support and social networks	Community identity
Neighbourliness	Cultural and spiritual ethos
Sense of belonging	Racism
Local pride	Other social exclusion
Divisions in community	
<b>3. Living/ environmental conditions affecting health</b>	
Built environment	Green space
Neighbourhood design	Community safety
Housing	Smell/odour
Indoor environment	Waste disposal
Noise	Road hazards
Air and water quality	Injury hazards
Attractiveness of area	Quality and safety of play areas
<b>4. Economic conditions affecting health</b>	
Unemployment	Type of employment
Income	Workplace conditions
Economic inactivity	
<b>5. Access and quality of services</b>	
Medical services	Public amenities
Other caring services	Transport including parking
Careers advice	Education and training
Shops and commercial services	Information technology
<b>6. Macro-economic, environmental and sustainability factors</b>	
Government policies	Biological diversity
Gross Domestic Product	Climate
Economic development	

# APPENDIX 2 - Vulnerable/Disadvantaged Groups Checklist

(Please note that this list is a guide and is not exhaustive)

The target groups identified as vulnerable or disadvantaged will depend on the characteristics of the local population and the nature of the proposal itself. The most disadvantaged and/or vulnerable groups are those which will exhibit a number of characteristics, for example, children living in poverty. This list is therefore just a guide and it may be appropriate to focus on groups that have multiple disadvantages.

## *Age related groups\**

- Children and young people
- Older people

## *Income related groups*

- People on low income
- Economically inactive
- Unemployed/workless
- People who are unable to work due to ill health

## *Groups who suffer discrimination or other social disadvantage*

- People with physical or learning disabilities/difficulties
- Refugee groups
- People seeking asylum
- Travellers
- Single parent families
- Lesbian and gay and transgender people
- Black and minority ethnic groups\*\*
- Religious groups\*\*

## *Geographical groups*

- People living in areas known to exhibit poor economic and/or health indicators
- People living in isolated/over-populated areas
- People unable to access services and facilities

The impact on the general adult population should also be assessed. In addition, it may be appropriate to assess the impact separately on men and women.

\* Could specify age range or target different age groups for special consideration.

\*\* May need to specify.