

Additional Licensing Scheme for Houses in
Multiple Occupation (HMO)
26th November 2014

Equality Impact Assessment

Additional Licensing Scheme for Houses in Multiple Occupation (HMO)

Contact: Emlyn Jones, Public Protection Manager

Updated: 26th November 2014

1. What type of proposal / decision is being assessed?

A new or revised policy

2. What is the purpose of this proposal / decision, and what change (to staff or the community) will occur as a result of its implementation?

To seek members approval for the re-designation of an Additional Licensing Scheme for Houses in Multiple Occupation (HMOs) within the settlement limits of Rhyl. Furthermore for members to approve and adopt the revised and updated Licensing Conditions and Fees as outlined in the report for Mandatory and Additional Licensing Scheme's.

Additional licensing would allow the Council to specify the maximum number of persons who can occupy the houses and attach conditions relating to there management. Much work has already been done in this area to regulate the occupancy levels within the licensed HMO's.

Due to the disproportionate levels of HMO properties with the town of Rhyl and the general national increase in private rented stock, we need to ensure that no further HMO properties are created within the town which are substandard. A project is already underway to work with the Planning Department to ensure that HMO properties have the correct permission in place to operate as HMO's. properties. This proposal will also contribute to the coporate prioity of ensuring good quality houses are available for our community. The effective and efficient management of the our private rented sector, specifically HMO properties, being key to ensuring this objective is achieved for tenants, residents and landlords

3. Does this proposal / decision require an equality impact assessment? If no, please explain why.

*Please note: if the proposal will have an impact on people (staff or the community) then an equality impact assessment **must** be undertaken*

Yes

<If no, briefly summarise the reasons for this decision here, and skip ahead to the declaration at the end>

4. Please provide a summary of the steps taken, and the information used, to carry out this assessment, including any engagement undertaken

(Please refer to section 1 in the toolkit for guidance)

Full public consultation has been undertaken from 17th September 2014 for a 8 week period, details of those consulted have been outlined in Appendix 5 of the Cabinet report. In addition to the public consultation a retrospective rapid Health Impact Assessment (HIA) was undertaken with stakeholders on the 20th August 2014 and the findings of the HIA are outlined in Appendix 4 of the Cabinet report. Prior to the implementation of the Housing Act 2004 a full Regulatory Impact Assessment (RIA) was undertaken which included an equality assessment, which I have outlined below, for full document please see link; <http://webarchive.nationalarchives.gov.uk/20100410180038/communities.gov.uk/housing/rentingandletting/privaterenting/housesmultiple>

5. Will this proposal / decision have a positive impact on any of the protected characteristics (age; disability; gender-reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation)?

(Please refer to section 1 in the toolkit for a description of the protected characteristics)

The introduction of HMO licensing together with management orders will impact primarily on landlords in the private rented sector who will face costs both from the licence application fee and any work which needs to be undertaken on the property for it to be granted a licence.

The licensing fee represents an additional cost to both good and bad landlords alike. However, managing a property properly necessarily incurs costs in terms of time and money well beyond that associated with the licensing regime. The vast majority of landlords who are reputable already face such costs and often express concern that disreputable landlords are able to achieve greater returns on their investment because of their less responsible approach.

Local Housing Authorities will be managing the new regime so that the costs they will incur should be covered by the fee regime. Following consultation the Government has decided not to cap the fees which the local authority can charge for licensing. Instead local authorities are expected to set a transparent fee rate which is directly related to the actual cost of licensing a property. Fees cannot be used to raise extra revenue for the local authority.

Tenants will benefit from the raised quality of accommodation within the private rented sector as a result of licensing. However they may also see increases in costs as landlords seek to pass on some or all of the costs of licensing through higher rent levels. There may be limited scope for rent rises, however, as tenants in such accommodation tend to be on lower incomes and can move if they are faced with unaffordable rent increases.

Race Equality: When considering applications to grant a licence under HMO licensing, Local Housing Authorities must consider any evidence of an applicant having practised discrimination (including on grounds of race or ethnicity) in determining whether they are 'fit and proper' to hold a licence.

To meet impacts on race equality, the delivery of the scheme will require consideration of a variety of languages of landlord and/or tenants and provide licensing material in other languages and form as requested. For the enforcement of the scheme, where inspections need to be carried out in languages other than that of the inspecting officer, the local authority need to make a provision in advance of the planned inspection. These arrangements are already in place under the current scheme

HMO licensing will improve housing conditions for those living in the lowest end of the private rented sector, however landlords will need to be made aware of their responsibilities under the Equalities Act and the potential of "reasonable adjustment" they may need to consider in ensuring equality for their tenants.

It is not anticipated that HMO licensing will have an impact on BME landlords to any general landlord population.

Rural Consideration: The impacts of HMO licensing and management orders are likely to be predominantly urban, which is the case here in Denbighshire with a high proportion of HMO landlord in the town of Rhyl rather than other towns and rural areas.

6. Will this proposal / decision have a disproportionate negative impact on any of the protected characteristics (age; disability; gender-reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation)?

There is no evidence to indicate a differential impact for Gender and Gender Reassignment, Religion and Belief and Non-Belief, Sexual Orientation, Pregnancy and Maternity or Civil Partnerships.
However landlords need to be made aware of their responsibilities under the Equalities Act

7. Has the proposal / decision been amended to eliminate or reduce any potential disproportionate negative impact? If no, please explain why.

Yes	Following consultation a new clause has been added into the Licensing Conditions to make landlords aware of their responsibilities under the Equalities Act, with the need for them to undertake additional training on equality. Currently there is a charge for assisting landlords in
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	completing licensing application form on their behalf, these fees can be waived for landlord requiring additional assistance due to any disability which would hinder their ability to complete the application.
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8. Have you identified any further actions to address and / or monitor any potential negative impact(s)?

Yes	
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Action(s)	Owner	By when?
Communication - Languages Keep under review the needs of different languages spoken by Landlords and ensure that Officers are updated of existing arrangements in place to assist them with any languages issues	Andrew Lord	Ongoing throughout the life of the scheme (5 years)
Arrange Equalities Training for landlord	Andrew Lord	Ongoing throughout the life of the scheme (5 years)
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9. Declaration

Every reasonable effort has been made to eliminate or reduce any potential disproportionate impact on people sharing protected characteristics. The actual impact of the proposal / decision will be reviewed at the appropriate stage.

Review Date:	12 months
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Name of Lead Officer for Equality Impact Assessment	Date
Glesni Owen	26/11/2014

Please note you will be required to publish the outcome of the equality impact assessment if you identify a substantial likely impact.
