

Driving Up Standards for the Private Rented Sector

Appendix 1

Selective Licensing Designation 3 – Final Proposal

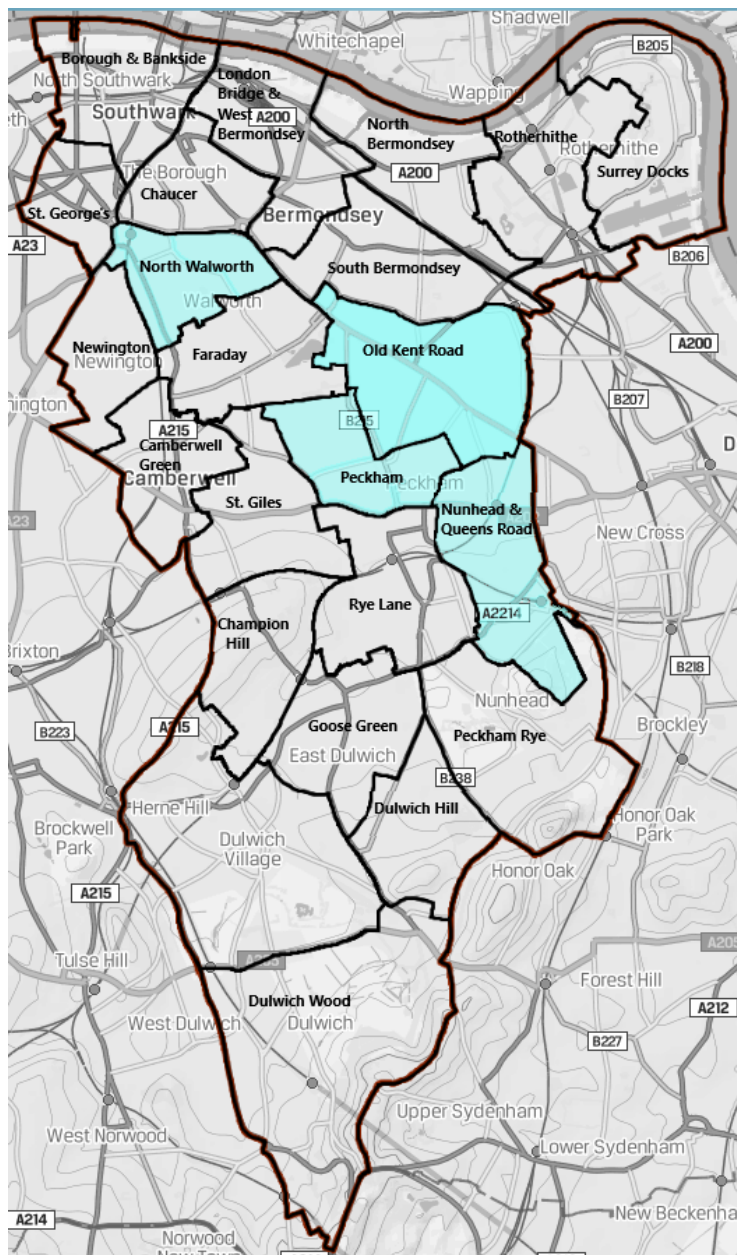
6 December 2022

Properties covered by the scheme

1. All properties, let in the private rented sector, that are not included in the mandatory scheme, or included in the proposed additional licensing scheme, will be included in the selective licensing scheme if they are located within the designated area.
2. Designations 3 includes the following wards/areas:

Wards	Criteria
North Walworth, Nunhead & Queens Road, Old Kent Road, Peckham	Deprivation and poor property conditions

Map of Wards Included in Designation 3



Exemptions

3. Exemptions to the proposed selective licensing designation 1 includes:
 - a) properties licensable as an HMOs under mandatory or additional licensing;
 - b) properties let by a local authority or a Registered Provider (RP), traditionally known as a not-for-profit Housing Association;
 - c) properties already subject to a management order or empty dwelling management order;
 - d) properties subject to a temporary exemption notice.
 - e) owners who reside in property they own as their main residence (owner-occupiers).
 - f) holiday lets; and tenancies under a long lease and business tenancies.
 - g) Any building which is occupied principally for the purposes of a religious community whose principal occupation is prayer, contemplation, education or the relief of suffering.
 - h) Student accommodation directly managed by educational institutions, e.g. halls of residence.
 - i) properties managed by a charity registered under the Charities Act 2011 and which—
 - a. is a night shelter, or
 - b. consists of temporary accommodation for persons suffering or recovering from drug or alcohol abuse or a mental disorder.

Conditions

3. Licence conditions for the proposed selective licensing designation 3 were consulted on. A range of responses were received and subsequent changes to the conditions have taken place as stated in the report 'Council's consideration of Consultee's Responses to the Public Consultation' (appendix 7).
4. The following are standard conditions that will be attached to each licence. The Licence Holder must comply with the following conditions throughout the duration of the licence.
5. There are two types of conditions that can be applied, mandatory conditions must apply as required by Schedule 4 of the Housing Act 2004 and discretionary conditions which the council can set for the management, use, occupation, condition and contents of the HMO.
6. These mandatory conditions are prescribed by Schedule 4 Housing Act 2004 and The Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018.
7. In some circumstances, where the council believes there are specific issues not covered in the standard conditions for a particular property additional or more specific conditions will be added.

8. The following are standard conditions that will be attached to each licence. The Licence Holder must comply with the following conditions throughout the duration of the licence:

1. General

- 1.1 The Licence Holder must ensure that tenants are given a copy of the licence and that any subsequent tenants are given copies of the licence (*discretionary condition*).
- 1.2 The address of the Licence Holder given on their application form shall be used as the address for the proper service of any letter, notice or other document between the London Borough of Southwark Property Licensing Team and the Licence Holder. It is the Licence Holder's responsibility to ensure that they take all reasonable steps to collect and act upon any letter, notice or other document sent to that address on a regular basis (*discretionary condition*).
- 1.3 The Licence Holder must notify the Council of any managing agent that they employ in relation to the property within 14 days of having employed the agent (*discretionary condition*).
- 1.4 No other persons other than the Licence Holder or the named agent (that the Licence Holder has notified to the Council) can collect and receive rental monies from the tenant(s) at this property. These monies can be passed onto any third parties if required (*discretionary condition*).
- 1.5 If the Licence Holder is not the manager of the property it is their responsibility to ensure that the manager complies with all the conditions of the licence (*discretionary condition*).
- 1.6 Every habitable room in the property must have acceptable natural daylight and ventilation. An area of glazing which is equivalent to at least 10% of the internal floor space of each habitable room must be provided. An area of openable glazing (for ventilation) which is equivalent to at least 5% of the internal floor space of each habitable room must be provided (*discretionary condition*).
- 1.7 Provide, in writing, to the tenants, the name, address and telephone number of the person managing the house.
- 1.8 The Licence Holder shall give a written declaration that they shall provide to each current and future occupant with the name, address and telephone number of the landlord's appointed local out of hours contact, who will respond to emergency situations outside normal business hours, and be able to attend or arrange for a contractor to attend the property to deal with any emergencies within 24 hours of notification. A copy of these details shall be forwarded to the Council on demand.
- 1.9 The Licence Holder shall ensure that their tenants can access and obtain readings of the utility meters (gas, electricity and water, as applicable) for the house at reasonable times (no less than the delivery frequency of the utility bills) during the course of the tenancy and a final reading at the termination of the tenancy.

1.10 The Licence Holder shall not unreasonably cause the supply of water, gas (where provided) and electricity to house to be interrupted, where these supplies is under their control.

2. Gas Safety

2.1 If gas is supplied to the property, a valid Gas Safe gas safety certificate must be available, on request, at any time. The gas safety certificate must relate to the whole gas installation and include all gas appliances. It must demonstrate that all appliances have been serviced and safety checked within the previous twelve months. Any defects noted on the certificate must be promptly rectified (*mandatory condition*).

3. Electrical Safety

3.1 The Licence Holder shall ensure that every electrical installation in the house is in proper working order and safe for continued use. The Licence Holder shall supply the London Borough of Southwark, within seven days of demand, a written declaration or appropriate certification as to the safety of the electrical installation(s) in the house. Only approved Electrical contractors are to be permitted to carry out inspections of electrical installations or remedial works. Any necessary remedial works identified by such contractors shall be undertaken within a reasonable time period. The Licence Holder must, within seven days of inspection, provide the London Borough of Southwark with a copy of such inspection reports. The Licence Holder shall inform the London Borough of Southwark upon completion of such works (*mandatory condition*).

3.2 A valid Portable Appliance Testing (PAT) record must be available, on request, at any time, for all electrical appliances provided in the property by the licence holder. PAT tests should be carried out by a competent person every twelve months, or as often as recommended for the type of appliance with records kept for at least five years. Any necessary maintenance or repair work must be undertaken by a competent electrical engineer in accordance with Part P of the Building Regulations. (*discretionary condition*).

4. Furniture

4.1 The Licence Holder is required to keep furniture made available by them in the house in a safe condition and must supply the authority, on demand, with a declaration by them as to the safety of such furniture (*mandatory condition*). All upholstered furniture and mattresses supplied by the licence holder shall comply with the requirements of The Furniture and Furnishings (Fire) (Safety) Regulations 1988 and bear the permanent labelling required by the regulations. For guidance see www.businesscompanion.info/en/quick-guides/product-safety/goods-in-rented-accommodation (*discretionary conditions that ensure we are meeting mandatory requirements*).

5. Fire Safety

5.1 The Licence Holder is required to ensure that smoke alarms are installed in the property and are kept in proper working order. The Licence Holder must

supply to the authority, on demand, a declaration by them as to the condition and positioning of such alarms (*mandatory condition*).

6. Tenancy Matters

6.1 The Licence Holder shall supply the occupiers of the property with a written statement of the terms on which they occupy the property (*mandatory condition*), details of the arrangements in place to deal with repair issues and emergency issues and a copy of this licence and its conditions. Copies of the written statement of terms must be provided to the Council within 7 days upon demand (*discretionary condition*).

6.2 The Licence Holder shall ensure that only they or the named agent (that the Licence Holder has notified to the Council) create new tenancies or licences to occupy this property whilst this licence is in force. Copies of any new written terms of tenancies or licences must be provided to the Council within 28 days upon demand (*discretionary condition*).

6.3 The Licence Holder shall not knowingly cause or permit any person who has previously applied for a property licence in respect of the property and has either:

(a) been found not to be a Fit and Proper person, or

(b) been made subject to a Banning Order under the Housing and Planning Act 2016

to have control or management of the property, or to carry out or arrange any repair, improvement or other building works at the property (*discretionary condition*).

6.4 The Licence Holder shall obtain references from persons who wish to occupy the property, or a part of the property, before entering into any tenancy or licence or other agreement with them to occupy the property (*mandatory condition*). No new occupiers shall be allowed to occupy the property if they are unable to provide suitable references (*discretionary condition*).

(References should be as a minimum, checks to ensure the tenants identity, whether they have the right to rent a property [see <https://www.gov.uk/check-tenant-right-to-rent-documents/who-to-check>], their ability to pay rent and their past tenant history.) The Licence Holder must retain all references obtained for occupiers for the duration of this licence and provide copies to the Council within 28 days on demand.

6.5 The Licence Holder shall carry out adequate checks and obtain satisfactory proof that occupiers belong to a single household. Evidence of this must be retained for the duration of licence. This evidence must be provided to the Council within 28 days on demand (*discretionary condition*).

6.6 Where the standard local authority waste collection schemes do not suffice, the Licence Holder must arrange for private collections of waste from the property (*discretionary condition*).

6.7 The Licence Holder must ensure that any deposit taken under an assured shorthold tenancy is protected by placing it in an authorised tenancy deposit scheme. The tenant must be given the prescribed information about the

scheme. The Licence Holder must ensure compliance with the requirements of the scheme and the operation of Part 6 in Chapter 4, Housing Act 2004 within the statutory time limit (currently 30 days). A copy of the prescribed information given must be provided to the Authority within 28 days on demand (*discretionary condition*).

- 6.8 When rent or licence fees are collected or received in cash from the occupiers, a written rent receipt must be given to the occupiers, within 7 days of receiving the rent. (This can be an email or written invoice confirming to the tenant, the date and amount paid). Copies of the rent receipts and records must be provided to the Authority within 28 days on demand (*discretionary condition*).
- 6.9 The Licence Holder shall not refuse a potential tenant solely based on the fact the tenant is in receipt of state assistance towards the cost of living, which includes rent (*discretionary condition*).
- 6.10 The Licence Holder shall at the commencement of a tenancy or where a tenancy exists provide to the tenant:
- An inventory of contents and their condition at the commencement of the tenancy,
 - details of the rent and dates due, rent payment methods and how and when rent may be increased and,
 - details of arrangements for the payment for services including gas, water, electricity and heating, and provide the relevant contact information for the services provided at the house.
 - details of the arrangements for the storage and disposal of refuse, including recycling requirements and days and times for collections.

(*discretionary condition*)

7. Fit and Proper Person

- 7.1 If the Licence Holder becomes aware that they or any other person involved in the management of the property have received a conviction, caution, informal warning or reprimand in respect of any offence as detailed in the Licence application form, they must notify the Council in writing within 14 days of the information coming to their attention (*discretionary condition*).

8. Changes in the use and layout of the Property

- 8.1 No changes must be made to the use, layout or maximum occupancy level of the property without the Council's prior written consent (*discretionary condition*).

9. Council Standards for Licensable Properties

- 9.1 The maximum occupancy for this property is **one household OR two people in two households** (*mandatory condition*).
- 9.2 The terms of these conditions are unique to this property and cannot be applied to any other property (*discretionary condition*).
- 9.3 For the purposes of this licence, any occupier is regarded as one person, regardless of age (*discretionary condition*).

10. Access to Utility Meters

10.1 The licence holder shall ensure that their tenants can access and obtain readings of the utility meters (gas, electricity and water, as applicable) for the house at reasonable times (no less than the delivery frequency of the utility bills) during the course of the tenancy and a final reading at the termination of the tenancy. Furthermore, the licence holder shall supply to the tenant a written document describing the location of the utility meters (gas, electricity and water, as applicable) and the access arrangements for the meters (*discretionary condition*).

11. Carbon Monoxide

11.1 The Licence Holder is required to ensure that any carbon monoxide detector that is installed is kept in working order. The Licence Holder must supply to the authority, on demand, a declaration by them as to the condition and positioning of such alarms (*discretionary condition*).

11.2 Carbon monoxide alarms are required in any room in a house that contains a gas appliance or solid fuel fireplace. Failure to install carbon monoxide alarms where the above mentioned appliances are being used can carry a fine of up to £5000 under The Smoke and Carbon Monoxide Alarm Regulations (as amended on 1 October 2022)

12. Property Management and Safety

12.1 The Licence Holder must ensure that prompt action is taken to investigate and effectively address complaints about disrepair or pest infestation at the house. The Licence Holder must ensure, in particular, that a written response is made to any such complaint within 21 days of receipt, stating the action that has been or will be taken.

Copies of any such written complaint (including by email) and the response referred to in condition 17 must be provided to the Authority within 21 days on demand.

(*discretionary condition*)

12.2 The Licence Holder shall ensure that any repairs, improvement works or treatments at the house are carried out by competent person(s) who is employed directly by the Licence Holder or an agent/employee of the Licence Holder. Copies of receipts and/or invoices for any such works must be provided to the Authority within 21 days upon demand (*discretionary condition*).

12.3 The Licence Holder must ensure that 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 (*discretionary condition*).

12.4 The Licence Holder must ensure that 6 monthly checks are carried out to ensure that the house is free from pest infestation. Where the Licence Holder becomes aware of a pest problem or infestation at the house they shall, within 7 days, 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 copies of these must be provided to the Authority within 28 days on demand (*discretionary condition*).

- 12.5 The Licence Holder must ensure that all outhouses, garages and sheds are kept secure, are used for their intended purpose only. The Licence Holder must ensure that these structures are not used for human habitation (*discretionary condition*).
- 12.6 The Licence Holder must ensure that the exterior of the house is kept clean and tidy and that issues of routine maintenance affecting the exterior, such as broken windows, are addressed promptly (*discretionary condition*).
- 12.7 The Licence Holder shall ensure that inspections of the house are carried out at least every six (6) months to identify any problems relating to the condition and management of the house. The Authority may increase the frequency of such inspections if it has good reason to be concerned about the condition or management of the house. The records of such inspections shall be kept for the duration of this licence. 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. Copies of these must be provided to the Authority within 28 days on demand (*discretionary condition*).

13. Minimum Energy Rating

- 13.1 The Licence Holder is in control of property with an Energy Performance Certificate (EPC) Rating of less than 'E'.

The Licence Holder shall within twelve months of the licence being issued carry out the works detailed on the EPC for the property to improve the energy efficiency of the HMO to achieve an EPC rating of 'E' or above

OR

within three months of the licence being issued register a valid exemption on the national exemptions register -

Guidance - <https://www.gov.uk/government/publications/private-rented-sector-minimum-energy-efficiency-standard-exemptions>

Register - <https://prsregister.beis.gov.uk/NdsBeisUi/used-service-before>

Where there is a lack of compliance, enforcement will be under the The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 and The Energy Efficiency (Private Rented Property) (England and Wales) (Amendment) Regulations 2019. (*discretionary condition*).

14. **Fuel Poverty** - The following conditions are recommendations to help tenants avoid fuel poverty. Where the council finds a Category 1 hazard of excess cold under the [Housing Health and Safety Rating System](#) action will be taken under Part 1 of the Housing Act 2004. Where a category 2 hazard is found consideration will be given to taking action under Part 1 of the Housing Act 2004.

- 14.1 Where a communal system is not in use, the Licence Holder should ensure that a suitable heating system is installed throughout the dwelling. Portable

heaters and gas fires are not preferable means of space heating. The system installed should be programmable and controllable and must include thermostatic control. The system should include thermostatic radiator valves (if radiators are provided).

- 14.2 Where a communal system is not in use, the Licence Holder should ensure a suitable system for providing hot water is installed. The system shall be programmable and controllable.
- 14.3 The Licence Holder should, in writing, provide the tenant with details on how to use the heating and hot water systems, and how they are programmed. Where the system is a communal system, the Licence Holder should inform the tenants of this and how it is controlled and how the system is charged for.
- 14.4 Where a property contains single glazed windows, draught proofing should be provided to the windows and external doors.
15. **Water Saving** - The following conditions are recommendations to help their tenants avoid water poverty.
 - 15.1 The Licence Holder should consider, where possible, install water saving devices to the bathroom and kitchen facilities provided in the dwelling. This should include (but not limited to):
 - tap aerators,
 - shower flow regulators,
 - shower timer devices,
 - Combismart - thermostatic valve – only where Combination Boilers are fitted, and
 - toilet cistern – flush water-use reduction devices.

The great majority of water companies offer both a free 'water saving' assessment of property and a selection of free water saving devices. The Council advises that you contact your water company in the first instance before purchasing any equipment.

The Council recommend that you have a qualified plumber install all devices in the property, to ensure proper fitting and use as these devices cannot be used for all types of water products, e.g. power showers.

-End-