

Newcastle City Council

Consultation on the Proposed Selective and Additional Licensing Scheme

Frequently Asked Questions

Consultation

What are you consulting on?

We are consulting on a new proposed Licensing Scheme for private rented accommodation.

The proposed scheme will impact approximately 18,500 properties and use a combination of Selective and Additional Licensing.

Why are you consulting?

Section 80 (9) of the Housing Act 2004 states that when considering designating an area for Selective Licensing the local housing authority must:

- * Take reasonable steps to consult persons who are likely to be affected by the designation, and,
- * Consider any representations made in accordance with the consultation.

Section 56 of the Housing Act 2004 also requires a local authority to carry out a consultation process when considering designating an area for additional licensing.

How long does consultation last?

We are consulting for 12 weeks from Monday 5th November 2018, to Sunday 27th January 2019.

How can I have my say?

An online survey can be completed at <https://newcastleplproposal.commonplace.is>

There will be three consultation events at Newcastle City Library, 33 New Bridge Street West, Newcastle upon Tyne NE1 8AX. A short presentation will be followed by an opportunity for questions. The dates are:

- * Tuesday 20th November 2018 17:00-19:00
- * Tuesday 4th December 2018 13:00-15:00
- * Monday 14th January 2019 17:00-19:00

There is a dedicated email address for comments or questions at LicensingConsultation@newcastle.gov.uk

What happens once the consultation has finished?

A consultation report will be produced to record the views and opinions gathered.

Three options are then available to the Council:

- * To not designate any further property licensing schemes at this time.
- * To designate a property licensing scheme in Newcastle, but with variations to that originally proposed in this document
- * To designate the property licensing scheme as detail in this document.

The final decision will be made by Newcastle City Council Cabinet.

Anyone who has taken part in the consultation and provided an email address will be updated on the final decision.

Updates will also be made at <https://newcastleproposal.commonplace.is> and on the Councils website www.newcastle.gov.uk/licensingconsultation and social media pages

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The Proposed Scheme

How can I find more information on the proposed scheme?

To view and comment on the proposed scheme go to

<https://newcastleproposal.commonplace.is>

The website has interactive maps of the proposed boundary, the proposed licence conditions, and the proposed licence fee.

Or if you wish to view the documents only go to
<https://www.newcastle.gov.uk/licensingconsultation>

How was the proposed licensing scheme area chosen?

We used evidence to determine the proposed boundary. The evidence confirmed

- * Areas that have more than 20% private rented accommodation
- * Levels of anti-social behaviour (ASB)
- * Poor property management standards
- * Poor property conditions
- * Levels of crime
- * If properties are occupied by families / single people or shared by multiple households.

This evidence was collated to indicate properties and areas where licensing would make improvements to the lives of residents and communities.

What is Selective Licensing?

The Housing Act 2004 allows Local Authorities to implement Selective Licensing for private rented properties within a designated area. This means that landlords in that area must apply for a licence and meet certain licence conditions for the duration of the licence.

For Selective Licensing the Local Authority must be satisfied that one of the following issues are present, and that licensing will help to improve the issue:

- * Low demand
- * Significant or persistent problems caused by anti-social behaviour
- * Poor housing conditions
- * Significant number of properties occupied by migrants
- * High levels of deprivation
- * High Levels of crime

What is Additional Licensing?

The Housing Act 2004 allows Local Authorities to introduce a scheme to licence landlords of private rented homes within designated areas where there is a significant proportion of Houses in Multiple Occupation (HMO's) in the area being managed sufficiently ineffectively as to give rise to one or more particular problems either for the occupiers of the HMO's or members of the public.:

The aim of the licensing scheme is to improve the management of these properties to ensure that they have a positive impact on the area.

Why is licensing needed?

The evidence shows that a significant proportion of private rented properties in Newcastle are suffering from poor property and management standards, and there is a high level of ASB. Licence conditions will help to ensure that:

- * Properties are maintained in line with legal requirements and licence conditions.
- * All tenancies are well managed.
- * Landlords and managing agents involved in managing properties are fit and proper.
- * Criminal landlords are targeted, and appropriate action taken against them.

We believe Additional and Selective Licensing schemes provide private rented tenants with a greater choice of safe, good quality and well managed accommodation. This helps to improve cross tenure relations, reduce anti-social behaviour, stabilise and improve local neighbourhoods, and improve the health and wellbeing of tenants.

What are the benefits of Licensing?

We believe licensing will:

- * Reduce anti-social behaviour
- * Encourage landlords to act in a professional manner
- * Improve the quality and management of properties
- * Ensure landlords and agent are readily identifiable
- * Protect vulnerable groups within privately rented accommodation
- * Help develop safe and secure neighbourhoods.

As a landlord, why is anti-social behaviour my responsibility?

Landlords are responsible for ensuring that the behaviour of their tenants in the home and its immediate vicinity does not cause a nuisance to the community. Landlords are expected to challenge inconsiderate behaviour and to work with the council and police to manage incidents of anti-social behaviour by their tenants, which relate to the tenancy.

Are there alternative things the Council could do instead of licensing?

Newcastle Council has implemented a range of services supporting the private rented sector such as Landlord Accreditation, Rent Deposit Scheme, and Landlord Training. These services are voluntary and have a limited impact on poorly managed properties.

Enforcement action usually relies on tenants reporting issues; the fear of eviction and lack of understanding of their rights means many tenants don't report problems.

Licensing provides clear property and management standards and provides a proactive inspection process to identify and deal with problem properties.

What evidence is there that licensing is needed?

The proposed licensing designation is for Selective and Additional licensing based principally on the grounds of housing condition and anti-social behaviour, although it will also improve other factors.

Evidence for the scheme can be found by going to Commonplace which is our consultation website where you can also comment on the proposed scheme

<https://newcastleproposal.commonplace.is>

Or if you wish to view the documents only go to

<https://www.newcastle.gov.uk/licensingconsultation>

How many properties would need a licence under the proposal?

Based on the proposed scheme it is estimated that 18,450 properties would require a licence; 9350 through Additional Licensing, and 9100 through Selective Licensing.

How can I find out which properties or area may be included in the proposed licensing scheme?

An interactive map can be found here <https://newcastleplmap.commonplace.is/> this will show if your property will be impacted by the Selective or Additional Licensing proposal.

Why would part of my street be included in the scheme, but another part be excluded?

The proposed boundary is based on evidence that identifies areas or issues of concern within the city which Additional or Selective Licensing could help to address.

If your property is on a boundary of an area of concern i.e. the boundary of an estate or neighbourhood, your property may be included but the properties on the other side of the road may be excluded.

I thought there was already HMO and Selective licensing schemes in Newcastle? How will these be impacted?

If you currently have an HMO licence under the mandatory scheme you would not need to take any further action if this scheme is implemented.

If you have a licenced property in a current Selective Licensing area we are proposing to passport your licence to the new scheme. You will receive a new 5-year licence for no extra cost.

The Licence

Is this a property or landlord licence scheme?

This is a property licence scheme. Every property a landlord owns within the proposed boundary would need its own licence.

How long would a licence last?

A licence can be issued for up to 5 years. Professional landlords who apply for a licence and comply with the law will be issued a 5-year licence. Landlords who fail to apply or have a history of non-compliance will be issued a 1-year licence. This will ensure that criminal landlords are more closely regulated and pay more. The criteria for issuing a 1-year licence are contained with Newcastle City Councils proposed Cause for Concern Policy. For more information go to <https://www.newcastle.gov.uk/licensingconsultation>

As a landlord would I need to meet certain conditions?

Yes, the licence holder will need to be a 'Fit and Proper Person'. The property will also have to meet certain standards.

Details of the different licensing conditions for Selective and Additional Licensing can be found by going to <https://www.newcastle.gov.uk/licensingconsultation>

You can also comment on the standards here
<https://newcastleplproposal.commonplace.is>

Would a property licence be transferable?

A property licence is not transferable to another property, person or organisation.

Could I be exempt from requiring a licence?

There are some properties that are exempt from licensing, for example:

- * The property is an HMO licenced under mandatory HMO licensing

- * The tenancy or licence has been granted by a registered social landlord
- * The property is subject to an Interim or Final Management Order under the Housing Act 2004
- * The property is covered by a temporary exemption notice
- * Certain tenancies associated with business premises, Licensing Act 2003 premises, agricultural land or agricultural holdings;
- * Buildings managed by a local housing authority, police or fire & rescue authority or a health service;
- * Buildings already regulated under certain other statutory provisions (Schedule 1 to SI 2006 Number 373)
- * Certain student halls of residence;
- * Holiday homes;

Would an empty property need a licence?

No, a licence is only required if the property is privately rented and occupied.

I am an owner occupier and I have a lodger; would I need a licence?

If you have more than 2 lodgers who are not family members you may be required to apply for an additional licence.

What would happen if a landlord failed to apply for a licence?

It is a legal requirement for landlord to apply for a licence, and a criminal offence if a landlord fails to do so. This could result in a financial penalty of up to £30,000 or an unlimited fine if prosecuted through the courts.

The council may make a Management Order to take control of a private rented property, and a landlord can be ordered to repay up to 12 months' rent to the tenant through a Rent Repayment Order if convicted.

The Licence Fee

How much will a licence cost?

The exact licence fee cannot be determined until consultation has been completed and the details of the scheme are confirmed. It is estimated that:

- * A Selective Licence will cost £650.
- * An Additional Licence will cost £750

Is this a money-making scheme for the Council?

No, the money is ringfenced and can only be spent on the running and administration of the licensing scheme.

How much money will this generate, and how will it be spent?

It is estimated that the scheme will generate up to £9.5 million from licence fees. This will fund assessment and processing of applications, property inspections, investigating breaches in licensing condition, tenancy and ASB staff to support landlords and tenants.

Information for Tenants

Do I need to meet any conditions?

There are no conditions on the licence which a tenant must comply with. Private rented tenancies are based on a tenancy agreement which sets out the terms under which they occupy the property. Licensing helps to improve the delivery of the landlord's requirements which includes taking appropriate action when a tenant breaches their tenancy agreement. Tenants should receive a more consistent service and tenants breaching their tenancies dealt with in a consistent and fair manner.

What are the benefits for me?

Selective and Additional licensing will improve the management of privately rented properties and help protect tenants who live in private rented homes, which are poorly managed and maintained.

Tenants can be reassured that properties are required to meet certain standards and know where to go if property conditions are below standard or in disrepair.

Homes should be kept safe, secure and in a good state of repair. Tenants may see economic benefits, for example reduced heating bills as house maintenance and conditions improve.

Selective Licensing will mean that private landlords, or their agents, will have to show that they are 'fit and proper' and have no criminal convictions which may affect the management of the property; they have satisfactory management and financial arrangements, as well as having adequate procedures for dealing with problem tenants. Management arrangements will include things such as making sure the property is safe to live in and issuing the tenant with a written tenancy agreement.

Landlords will not be able to serve a section 21 notice of eviction where a property should be licensed but is unlicensed.

Other Questions

I am a social tenant, or I own my own home within the area, how will this affect me?

The proposed scheme would not directly affect you but, if it were to be implemented, you may see some improvements within the area. Every privately rented property within the proposed selective licensing area would require a licence. We believe, under this proposed scheme, monitoring of the licence conditions would help improve the conditions and management of privately rented property, which we hope would lead to an overall improvement to the environment and the area.

How do I report disrepair or anti-social behaviour associated with a private rented property?

[Complete our Housing Complaint Form](#) to report any issues of disrepair, noise or anti-social behaviour.