

Selective Licensing A Guide to Compliance

1. Licence Conditions

The Selective Licensing Team will carry out compliance inspections ensure that the conditions attached to the licence are being complied with. A breach of a condition is a criminal offence which could result in a fine of up to £5,000. Please ensure you read and fully understand the conditions attached to your licence.

All privately rented properties must be in a suitable condition to allow safe habitation. The Housing Act 2004 introduced the Housing Health and Safety Rating System (HHSRS) which is used to rated possible hazards in a home. A property subject to Selective Licencing or accreditation must be free of any Category 1 hazards as determined under HHSRS.

Bathrooms must have a toilet and a hand basin. If the toilet is separate the hand basin must either be with the toilet or in an adjacent bathroom. There must be a supply of hot and cold or suitably mixed running water. It is recommended that the bathroom is provided with a means of suitable fixed space heating.

The previous licencing schemes and accreditation standards allowed for the location of a hard wired heat detector to be located in the living room no more than 1 meter from the kitchen entrance doorway, provided that the living room and kitchen communicated directly with each other. This is still acceptable in any previously licenced or accredited properties, but any newly licenced or accredited properties must have the hard wired interlinked heat detector installed in the kitchen. If works are being undertaken to the property to upgrade it either when re-wiring or changing the configuration of the property the heat detector must be installed in the kitchen.

If there is an inner room it is expected that a mains wired detector is positioned to the outer room and the inner room entrance doorway is provided with a 30 minute self-closing fire door, hung on 1 and half pairs of high melt point hinges. The door or frame being fitted with cold smoke seals and intumescent strips and the door closing soundly into the rebate of the door frame.

Where an escape window is provided to an inner room the measurement of 800 – 1100 mm is taken from the floor to the cill of the window, provided that this is the opening edge of the window.

A fire blanket in a kitchen is required on the basis of the landlord / licence holders' fire risk assessment for each particular property.

If furniture or furnishings are provided by the landlord to the tenant then the landlord must ensure that the furniture or furnishings are safe and comply with the Furniture and Furnishings (Fire) (Safety) Regulations 1985.

Landlords are to ensure that outside areas are maintained and kept in good repair and clean condition to prevent infestations of pests. This is also required to prevent hedges and / or fences to the front of the property from providing hiding places for intruders.

Although keys are expected to be provided to all ground floor windows a common sense and risk based approach will be applied to compliance. If for example a small

top opening window was missing a key and was unlikely to allow entry by intruders, this would not necessarily automatically result breach of condition.

2. Protecting your tenant's bond/deposit

All bonds or deposits must be protected by one of the Government's nominated schemes within 30 days of receiving it from the tenant. If it is not protected within 30 days, a Court Order may be made requiring the tenant be paid three times the amount of the deposit and that the deposit is returned to the tenant or protected in a scheme.

Details of the bond amount and the scheme in which it will be protected must also be included within the tenancy agreement. This provision applies to all new Assured Shorthold Tenancies commencing on or after April 2007. Failure to protect a deposit will jeopardise possession proceedings using a section 21 notice (a notice used to evict the tenant).

After the deposit has been protected you must supply the prescribed Information and comply with the initial requirements of the particular scheme that you use. There are three Government backed schemes which all have different rules and procedures that apply to them. These rules apply to anyone who receives a deposit and not just the landlord.

Visit: <https://www.gov.uk/tenancy-deposit-protection/overview> to find out about the schemes available.

3. Tenancy Agreements

A valid tenancy agreement is required for each letting. A tenancy agreement is a legal agreement in writing that sets out the rights and responsibilities of both landlord and tenant. It will contain details such as the length of the agreement, the rent payable, and what is and isn't allowed in the property, such as pets. It is advisable not to hand over keys to a tenant unless the tenants have signed the tenancy agreement.

Seek advice from your own independent adviser before choosing the type of agreement and the terms it includes to make sure that it meets your own needs. There are a variety of standard form contracts available through a number of sources but they often contain differing terms that may not be suitable for you.

Tenancy agreements can be provided, together with a full sign-up service, by the Private Rented Service so please contact them on 0191 277 1438 or email privaterentedservice@newcastle.gov.uk.

4. Finances

It is expected that finances are readily available to the licence holder and / or managing agent to deal with routine and emergency repairs at the property. In cases where a managing agent is the licence holder, the owner will need to authorise expenditure of 25% of the yearly income of the property for such repairs (at a minimum of £1500) by the agent. Existing contracts between the agent and the owner should be amended accordingly.

5. Inventories

An inventory is a list of everything that a landlord may provide in their rented property e.g. carpets, curtains, furniture and kitchenware together with details of the property condition prior to the commencement of the tenancy. An inventory is required for each new tenancy, for both furnished and unfurnished lets. It can help avoid a dispute over a deposit when a tenant moves out, as it establishes the condition of the property and its contents before the tenant moved in. The Licence Holder must ensure that any remedial works identified during the inventory are rectified within a reasonable period of time.

It is a condition of the licence that an agreed inventory is provided to the tenant at the start of the tenancy agreement. You are advised to complete the inventory together with the tenant. Both parties must sign and date the forms with each retaining a copy. If you take a deposit and fail to do an inventory you will find it difficult to claim for damages or deduct from the deposit money as you would need to provide evidence of the condition of the property at the start of the tenancy.

When the keys are returned, the landlord and tenant should check the condition of the furniture, fixtures and fittings against the original inventory and any photographs taken. This allows both parties to agree on the final condition of the property and its contents. Wear and tear should be taken into account. Contact will need to be made with the appropriate rent deposit scheme holder for any disputes over any proposed deductions.

The Private Rented Service have sample inventory forms; you can also download the forms from www.shelter.org, get a copy from a landlord organisation or there are companies which will complete the inventory process for you.

You can also download an inventory form from the Shelter website.

Visit: http://england.shelter.org.uk/get_advice/downloads_and_tools

Part of the inventory procedure must include a visual inspection at the beginning of a tenancy and at least annually thereafter of the hard wired appliances in the property. This inspection should cover all electrical items including sockets outlets, light switches and distribution boards. Arrangements must be in place to rectify any defects in a timely manner dependent upon the degree of risk involved.

6. Advice on tackling anti-social behaviour (ASB)

Selective licensing is a vital tool to help deal with problems of anti-social behaviour (ASB) in the private rented sector. The introduction of licensing will require landlords to take reasonable steps to tackle ASB when caused by their tenants. 'Reasonable steps' involve investigating any incidents of ASB regarding tenants and taking appropriate action where necessary. It also includes:

- 1) The Licence Holder and his nominated managing agent must recognise the importance of tackling anti-social behaviour in order to ensure that communities are safe and that areas do not suffer because of a failure to act.
- 2) The Licence Holder and his nominated managing agent are required to respond appropriately to any complaints alleging nuisance or ASB which has been made either directly to them or via Newcastle City Council.

3) Providing new tenants with a tenancy agreement which includes nuisance and annoyance clauses which will allow the landlord to take reasonable steps to tackle anti-social behaviour. Licence Holders or their nominated agents are required to explain these clauses to new tenants at the tenancy signing up stage.

4) The Licence Holder must ensure that robust references are obtained for prospective tenants in order to make an informed decision about their suitability.

Please see the document A Guide to Anti-Social Behaviour for Licensed Landlords for detailed guidance.

7. Training for Licence holders

Licence Holders are expected to improve and maintain their knowledge and competency by undertaking training and development in housing related matters. It is expected that Licence Holders will complete at least five hours training per year and this is a condition of a licence. This may include attendance on training courses relating to housing either locally or nationally, completing a recognised online training course or even attending a relevant private landlord meeting or event.

The Private Rented Service offer courses which would assist in complying with this requirement of the licence.

Please contact the Private Rented Service in relation to course dates and costs on 0191 277 1438, email privaterentedservice@newcastle.gov.uk or visit www.privaterentedservice.co.uk

Training opportunities are also offered by other organisations such as Landlord Associations. Suitable and satisfactory evidence to support your training must be produced to the Licensing Team on demand.