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EXECUTIVE DECISION RECORD

A1 Service Area	Regulatory Services
A2 Title	Houses in Multiple Occupation Policy Update
A3 Decision Taken By	Deputy Leader
A4 Chief Officer	Please print name: MARK RIZK. Please sign name: 
A5 Leader / Deputy Leader	Please print name: CLR G. HALL. Please sign name: 
A6 Date of Decision	12/9/18

Confidentiality

A7 Is this Decision confidential by containing exempt information as described in Schedule 12A of the Local Government Act 1972?	Yes/No (<i>please delete as appropriate</i>)
A7.1 If yes, please state relevant paragraph from Schedule 12A LGA 1972.	Paragraph []

Scrutiny

A8 Which Scrutiny Committee should this decision be submitted to?	(<i>Please tick as appropriate</i>) ✓
Scrutiny (Audit & Value for Money Council Services) Committee	<input type="checkbox"/>
Scrutiny (Economic Growth, Communities and Health) Committee	<input checked="" type="checkbox"/>

<p>B1 What is the Decision?</p>	<p>To approve and adopt the updated Houses in Multiple Occupation Policy 2018 and proposed fee structure and to approve increased staffing expenditure budgets up to a maximum of £17,500 until end 2018/19 on the basis of recovery from licence income.</p>
<p>B2 What are the reasons for the Decision?</p>	<p>To provide an updated policy and tiered fee structure for Houses in Multiple Occupation following an amendment to Legislation that comes into force from 1st October 2018.</p> <p>This has the effect of extending the scope of HMOs to also apply to properties that are less than three storeys high. Additional mandatory conditions have been introduced which have been added to the policy providing minimum room sizes and a condition for waste disposal.</p> <p>Fees have been calculated to provide full cost recovery for the delivery of the licensing regime. An indicative figure of 250 additional HMOs has been identified and it is proposed to increase staffing expenditure to a maximum of £17,500 until end 2018/19 on the basis of recovery from licence income to cope with the additional demands on the service.</p>
<p>B3 What are the contributions to Corporate Priorities?</p>	<p>Protecting and Strengthening Communities- Love Where You Live: The improvement of housing conditions in HMOs will contribute to the provision of a strong, healthy and vibrant private sector housing market that offers security, stability and decency to tenants and landlords.</p>
<p>B4 What are the Human Rights considerations?</p>	<p>There are no Human Rights issues arising from this decision.</p>

Financial Implications

<p>B5 What are the financial implications?</p>	<p>The main financial issues arising from this decision are as follows:</p> <p>The HMO licence fees shall recoup the total costs of the licence over the 5 year duration.</p> <p>The costs for each type of HMO have been calculated in accordance with recommended accounting practice and reflect the expected time taken to complete all the identified aspects of the work required for a licence to be granted for a HMO and has been profiled over the 5 year duration of the scheme.</p> <p>Additional HMO properties can only be serviced by diverting staff from other areas of work (which the licence fee will pay for) or utilising the fee income raised on additional staffing resource. An applicable HMO property will need to register immediately and it might be anticipated that there will be some form of spike in registrations. Work will also be required throughout the 5 year licence. An indicative cashflow is provided below based on 266 properties raising £146,310 over a 5 year period.</p>
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<u>Indicative Cash Flow</u>	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
	01-Oct					30-Sep	
	Yr1	Yr2	Yr3	Yr4	Yr 5	Yr 6	Total
	£	£	£	£	£	£	£
Annual Operating Costs	22,253	41,579	30,628	20,704	18,958	12,187	146,310
Total Expenditure	22,253	41,579	30,628	20,704	18,958	12,187	146,310
No of licences per year	50	87	57	32	27	13	266
Fee per licence							550
Total Income	(27,502)	(47,853)	(31,352)	(17,601)	(14,851)	(7,151)	(146,310)
Yearly surplus(+)/deficit(-)	5,249	6,274	724	(3,103)	(4,107)	(5,036)	0
	6 months			6 months			

<p>The finance section has been approved by the following member of the Financial Management Unit:</p>	<p>Please print name: AN YA MORRAY</p> <p>Please </p>
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B6 Is the Decision wholly in accordance with the Council's policy framework?	Yes/No (<i>please delete as appropriate</i>)
B6.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	Yes/No/NA (<i>please delete as appropriate</i>)
B6.2 Has it got the appropriate approvals under those provisions?	Yes/No (<i>please delete as appropriate</i>)
B7 Is the Decision wholly in accordance with the Council's budget?	Yes/No (<i>please delete as appropriate</i>)
B7.1 If No, does it fall within the urgency provisions (Part 3 of the Constitution)?	Yes/No/NA (<i>please delete as appropriate</i>)
B7.2 Has it got the appropriate approvals under those provisions?	Yes/No (<i>please delete as appropriate</i>)

Equalities Implications

B8 What are the Equalities implications:

B8.1

The subject of this Report is a policy, strategy, function or service that is being revised. The equality and health impact assessment has not resulted in any significant findings.

Risk Assessment

B9 What are the Risk Assessment implications:

B9.1 Positive (Opportunities/Benefits):

- Improved housing conditions and a reduction in overcrowding
- Compliance with legislative requirements
- Reduction in crime and anti-social behaviour
- Improved waste management/reduction in overgrown gardens
- Increased number of compliant landlords
- Higher standards of management by ensuring landlords and agents are clear about their responsibilities

B9.2 Negative (Threats):

- Reduction of HMOs to avoid licence fee
- Increase in rent due to fee being passed onto the tenant
- Higher than planned volume of HMO applications
- The fee may be insufficient to cover costs.
- Lack of compliance from landlords
- Insufficient resources to undertake inspections

B9.3 The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

Legal Considerations

B10 What are the Legal Considerations:

B10.1 The main legal issues arising from this decision are as follows:

Under s 55(5) of the Housing Act 2004, local housing authorities have a duty to effectively implement mandatory licensing within their district. This means that the Council must promote licensing and accept and process applications before 1 October 2018. This policy update provides the framework to process and issue licences in advance of this date and encourages early applications that are due to become subject to mandatory licensing.

This section has been approved by the following member of the Legal Team:

Please print name:

ANGELA WAKEFIELD

Please



Sustainability Implications

B11 What are the Sustainability implications:

B11.1 The proposal would not result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures).

Health & Safety Implications

B12 What are the Health & Safety implications:

B12.1 A Risk Assessment has not been carried out and entered into Harriet for all significant hazards and risks because there are no significant hazards or risks arising from this decision.

Key Decision

B13 Is this a Key Decision?	Yes/No (<i>please delete as appropriate</i>)
Note: A Key Executive Decision is one where: 1. REVENUE – Any contract or proposal with an annual payment or saving of more than £100,000 2. CAPITAL – Any capital project with a value in excess of £150,000 3. A decision which significantly affects communities living or working in an area comprising two or more wards.	
B13.1 If this is a Key Decision, is this an urgent decision such that a delay caused by use of the Call-in Procedure would <u>seriously</u> prejudice the public interest?	Yes/No/NA (<i>please delete as appropriate</i>)
B13.2 If yes, has the Mayor or in his/her absence the Deputy Mayor or in his/her absence the Chair of the relevant Scrutiny Committee agreed that the decision will be exempt from Call-in?	Yes/No/NA (<i>please delete as appropriate</i>)

NOTE: If this decision is subject to the Call-in Procedure it will come into force, and may then be implemented, on the expiry of 3 working days after publication – unless 10 Members of the Council call in the decision.

Please send the original signed document to andrea.davies@eaststaffsbc.gov.uk