



Delivering Better Standards for Private Renters

Report on Lambeth Council's consultation on selective licensing proposals

April 2024



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1. Executive Summary

In order to improve the standard of privately rented property in the borough, Lambeth Council is proposing to introduce a selective licensing scheme that, if approved, would apply to 23 out of 25 wards, implemented in two phases.

The first phase (designation 1) would cover a total of four wards and would allow the council to deal with the worst housing conditions in the borough as soon as possible. The second phase (designation 2) would extend to a further 19 wards also experiencing poor housing conditions.

Designation one – Poor property conditions:

- Knight's Hill
- Streatham Common & Vale
- Streatham Hill East
- Streatham St Leonards

Designation two – Poor property conditions:

- Brixton Acre Lane
- Brixton North
- Brixton Rush Common
- Brixton Windrush
- Clapham Common and Abbeville
- Clapham East
- Clapham Park
- Clapham Town
- Gipsy Hill
- Herne Hill and Loughborough Junction
- Kennington
- Myatt's Fields
- Oval
- St Martin's
- Stockwell East
- Stockwell West and Larkhall
- Streatham Hill West and Thornton
- Streatham Wells
- West Dulwich

The 23 wards selected have significantly high numbers of privately rented properties in poor condition. If the scheme is approved, all properties in the designated areas that are rented to a single household (e.g., a family) or two unrelated sharers (e.g., two friends living together) will need to have a licence to be legally let.

When proposing to introduce a selective licensing scheme, Part 3 of the Housing Act 2004 requires Councils to take reasonable steps to consult with all persons likely to be affected by the proposed designation. Lambeth Council commissioned Cadence Innova, an independent consultancy, to undertake an extensive programme of consultation activities and report independently on the findings.

To help inform all stakeholders, a consultation evidence pack was developed by Cadence Innova in conjunction with Lambeth Council, and this, along with other relevant documents, was available for

the duration of the consultation on the council's website: [Have your say on licensing privately rented properties in Lambeth | Lambeth Council](#). The council also had a dedicated phonenumber and email inbox specifically to receive comments and submissions and to communicate with stakeholders for the duration of the consultation.

The consultation ran for 12 weeks from 11 December 2023 until 4 March 2024 and utilised a variety of methods to reach all those likely to be affected by the council's proposals, both within and outside the borough. These methods included an online survey, two virtual public meetings with landlords, tenants, residents, and landlord groups and more than 100 stakeholders were directly contacted and asked for their response to the consultation. Stakeholders included local councillors, MPs, voluntary community sector organisations, tenants and resident associations, housing charities, emergency service commanders and all London borough councils. In addition, the chief executives of the National Residential Landlords Association (NRLA) and the British Landlords Association (BLA), and the accreditation officer for the London Landlord Accreditation Scheme (LLAS) were all written to directly. The NRLA, Propertymark, Safeagent, LLAS and iHOWZ were also included on the press release distribution list. The council advertised the consultation through digital and print media, as well as in-person methods.

A total of 1787 survey responses were received. The survey incorporated a quantitative approach and qualitative responses through free text boxes. Qualitative feedback was also received at virtual public meetings (attended by 129 people) and from 4 written responses from interested parties.

The consultation looked at the level of support for introducing a selective licensing scheme. The consultation also sought views on the proposed licence conditions, associated fees, potential discounts, and the respondents' perceptions of the issues of poor property conditions, anti-social behaviour (ASB) and deprivation in the borough.

The results of the consultation survey and the views of stakeholders gathered during the consultation are analysed fully in this report.

1.1 Key Findings

Overall		Landlords, letting or managing agents	Residents or local businesses	Other stakeholders
Total consultation survey responses	1787 responses	550 responses	1154 responses	83 responses

Responses to the question	1392 responses	410 responses	939 responses	43 responses
Agree with selective licensing proposal for designation 1	47%	8%	64%	47%
Disagree with selective licensing proposal for designation 1	40%	71%	28%	44%

Responses to the question	1393 responses	410 responses	940 responses	43 responses
Agree with selective licensing proposal for designation 2	46%	9%	63%	44%
Disagree with selective licensing proposal for designation 2	44%	77%	30%	49%

Responses to the question	1389 responses	410 responses	936 responses	43 responses
Agree with proposed selective licensing conditions	40%	10%	54%	42%
Disagree with proposed selective licensing conditions	42%	70%	31%	37%

Responses to the question	1377 responses	410 responses	925 responses	42 responses
Selective licensing fee is about right	20%	4%	27%	26%
Selective licensing fee is too high	61%	94%	47%	55%
Selective licensing fee is too low	6%	0%	9%	10%

Overall		Landlords, letting or managing agents	Residents or local businesses	Other stakeholders
Responses to the question	1375 responses	409 responses	924 responses	42 responses
Selective licensing Discount is about right	19%	7%	25%	21%
Selective licensing Discount is too high	11%	3%	14%	7%
Selective licensing Discount is too low	49%	69%	40%	43%

1.2 Conclusions

Of those who chose to answer the specific questions, the overall majority of respondents are in favour of selective licensing schemes in both the first four and the second nineteen wards. Analysis by stakeholder group shows that the majority of those in favour fall into the residents and local businesses stakeholder group, whereas those against are markedly landlords or letting/managing agents.

Overall responses to the question about licensing conditions are more ambivalent, though still with a marked majority of residents and local businesses being in favour of the proposed conditions.

Responses regarding the proposed fees and discounts show a more clear-cut majority disagreement across the board. Landlords and tenants both felt that the licence fee was too high and discounts too low.

2. Introduction

2.1 Background

Lambeth Council has consulted on new licensing proposals for the private rented sector (PRS) in the borough. Property licensing is a way of ensuring safer and better standards in private rented properties.

Lambeth is consistent with the rest of London in that it has a shortage of affordable housing, with house prices remaining out of reach for many. The demand for social housing far outstrips the supply. As a result, private rented property is increasingly becoming the only viable option for many Lambeth residents, including those who are vulnerable and on low incomes. Currently, 34% of Lambeth's housing stock is in the PRS, and this is expected to continue to rise in the future.

While the majority of properties in the PRS are well maintained and safe, there is a growing number of properties that are substandard and potentially dangerous. Even landlords with good intentions may not always be aware of the latest legal and safety requirements. These properties pose a risk to the health, safety, and wellbeing of tenants, cause issues with neighbours, and require numerous interventions from council teams that are already under pressure. It is crucial for the council to utilise all available tools to improve the situation for tenants renting properties in this sector. Licensing plays a key role in this effort.

In 2021, Lambeth implemented a boroughwide additional HMO licensing scheme to ensure safety standards for tenants living in small houses in multiple occupation (HMO). However, poor housing conditions are not limited to HMOs and are prevalent across the PRS. It is predicted that 19% of Lambeth's PRS properties have serious housing hazards, many of which are not currently licensable.

Lambeth is now proposing, subject to consultation, that all types of privately rented homes (not just HMOs) should be licensed in the 23 wards with the highest levels of properties in poor condition. This would be introduced in two phases. This is known as selective licensing.

2.2 Proposals

The council is proposing to introduce two new selective licensing designations that will apply to all privately rented properties in 23 of the 25 wards of the borough with the highest levels of properties in poor condition. This would be introduced in two phases.

The phased approach to implementation will allow the council to scale up resources to administer and enforce a larger designation. The first phase (designation 1) would cover a total of four wards and would allow the council to deal with the worst poor property conditions. As this covers less than 20% of the geographical area of Lambeth and less than 20% of its privately rented housing, this can be approved by the council's Cabinet.

The second phase (designation 2) would cover a total of 19 wards also on the basis of poor property conditions. Due to its size, this designation would need confirmation by the Department of Levelling

up Housing and Communities (DLUHC). If approved, designation 2 could be introduced by early 2025; however, this will be dependent upon DLUHC.

2.3 Public consultation

The consultation ran for 12 weeks from 11 December 2023 until 4 March 2024. In order to gather as much feedback as possible from landlords, tenants, residents and other stakeholders, the council used several strategies to promote the consultation.

The consultation focused on the extent to which respondents agree or disagree with the council's proposal to introduce the selective licensing scheme, and the two proposed designations. The consultation also looked at views on the proposed licence conditions, associated fees, proposed discounts, and the respondents' perceptions of the issues of ASB, poor property conditions and deprivation in the borough.

Working alongside Cadence Innova, an independent consultancy firm, the council launched a comprehensive communications and marketing campaign to inform all stakeholders about the council's ongoing consultation on the proposed introduction of a selective licensing scheme, with the aim of encouraging active participation.

The communications strategy was designed to inform and educate all stakeholders about the proposed licensing scheme and its potential benefits. The marketing approach was primarily focused on digital activities and online events. However, to meet the needs of the digitally excluded, physical hard copy communications were also made available.

Communications channels

The council used a wide range of communication channels to promote the consultation and make stakeholders aware of the proposals.

The council undertook various activities to engage all stakeholder groups, both within and outside the borough, and to raise their awareness about the consultation. These activities included:

- Updating the council website homepage to include the consultation link
- Posting a news article about the consultation on the council website
- A press release to announce start of consultation was published on 11 December 2023
- Notice of the start of the consultation was published in Lambeth's Labour Group newsletter, Lambeth Eye on 15 December 2023. The newsletter was sent to 58 Labour Party councillors and ten members of the Leader's office.
- A direct email was sent to 3 MPs and 64 councillors on 15 February 2024
- A direct email was sent to 37 voluntary community sector organisations
- A direct email was sent to key stakeholders including housing charities, emergency service commanders and integrated care systems on 15 and 16 February 2024.

Using the council's social media

- Eight X (formerly known as Twitter) posts with a total of 7,264 impressions, 3,329 reached, 69 clicks, 173 total engagements, 6 re-posts (re-tweets), 37 comments and 61 likes

- Eight Facebook posts with a total of 5,099 impressions, 1,130 people reached, 183 total engagements, 13 likes, 114 clicks, 47 comments and 9 shares
- Two LinkedIn posts with a total of 1217 impressions, 55 total engagements, 32 clicks, 6 shares, 8 likes and nine comments
- One Instagram Business post on 10 January 2024 with a total of 861 impressions, 841 people reached, 26 total engagements, 3 likes and 4 comments
- Seven Nextdoor posts with a total of 4,723 impressions, 2,575 people reached, 83 clicks, 109 total engagements, 16 likes, 2 shares and 8 comments.
- In addition to organic social media posts containing advertisements to promote the consultation, a video featuring the Cabinet Member for Housing and Homelessness, Councillor Maria Kay was shared across YouTube, X, LinkedIn, Facebook and Nextdoor on 16 February 2024. The short video included information on why the consultation was being held, the ambitions the council held in relation to the PRS I n Lambeth and informed audiences on how to take part in the consultation.
- The geographical analytics show that the majority of the clicks on the advertisements were from audiences within the United Kingdom. However, a significant number of audiences that clicked the posts could be found further afield in the following locations:
 - New Zealand, Australia and South Africa
 - Hong Kong, Philippines and India
 - Finland, Austria, Netherlands and Switzerland
 - Canada, United States and Grenada.

Activities to reach out to Lambeth tenants and residents included:

- The consultation was included as an item in the tenants and residents association newsletter, Getting Involved on 22 February 2024, to 269 recipients
- Information about the consultation was included within four issues of the resident newsletter, Love Lambeth to 24,396 subscribers
- An out of home campaign ran with adverts added to JC Decaux sites across the borough. The out of home campaign ran from 12 to 25 February 2024 and the following areas displayed posters:
 - 2 sites in Brixton
 - 2 sites in Clapham
 - 1 site in Kennington
 - 1 site in Norbury
 - 2 sites in Norwood
- A borough-wide leaflet drop to 158,000 Lambeth households was completed on 8 January 2024
- Pull up banners were installed and displayed at:
 - Brixton Library
 - Durning Library
 - Tate South Lambeth Library
 - Minet Library
 - Clapham Library
 - Waterloo Library
 - Carnegie Library
 - Streatham Library

- West Norwood Library
 - Upper Norwood Library
 - Brixton Recreation Centre
 - Clapham Leisure Centre
 - Streatham Ice and Leisure Centre
 - West Norwood Health and Leisure Centre
 - Flaxman Sports Centre
 - Ferndale Community Sports Centre
 - Lambeth Civic Centre Welcome Desk
- Posters were sent to ten workspace providers on 31 January 2024:
 - Granby Space
 - Build Studios
 - Makespace Studios
 - Pop Brixton
 - Impact Hub Brixton
 - Parkhall Business Centre
 - Kennington Park
 - Health Foundry
 - 3space International House
 - Tibor Jones Hub.
- Posters were sent to 44 local healthcare providers on 31 January 2024.
 - All Lambeth Labour Group members were asked to share news of the consultation with residents and interested parties in 15 December 2023 edition of Lambeth Eye
 - All Lambeth Councillors & MPs were asked to share details of the consultation on social media platforms and at public meetings in a direct email from the Leaders office on 15 February 2024.

Activities to reach out to landlords included two direct emails to 1,173 known landlords, letting and managing agents operating in Lambeth on 11 January 2024 and 19 February 2024.

Activities to reach out to landlords outside the borough included:

An out of home campaign with adverts added to JC Decaux sites ran from 12 – 25 February. The posters were displayed in the following neighbouring boroughs:

- 7 sites in Croydon
- 6 sites in Merton
- 7 sites in Southwark
- 7 sites in Wandsworth.

A digital campaign on the London Property Licensing (LPL) website which ran for 12 weeks. LPL is the award winning, leading website for informing private landlords in the UK. It is the only website

dedicated to providing simple, impartial and expert advice on property licensing and explaining the licensing requirements across every London borough. The website reaches out to landlords based throughout the UK and those based abroad. Since launching in April 2015, the website has received more than 1.7 million views. The Lambeth campaign started on 15 December 2023 and ran until 4 March 2024. The campaign included:

- A pixel banner advert promoting the licensing consultation was placed on the LPL homepage, the LPL Lambeth page, the LPL Lambeth news article and the LPL Lambeth consultation page. Anyone clicking on the advert was taken directly to the council's consultation webpage.
- A banner headline was attached to one of the rotating landscape images at the top of the LPL home page. The banner headline contained a hyperlink to the LPL Lambeth consultation page.
- The Lambeth consultation listing was displayed on the LPL website and promoted on the home page, the licensing consultation page and the LPL Lambeth page. The listing summarised the purpose of the consultation and explained how people could take part.
- A news article about the consultation was published on 15 December 2023 and promoted via social media and the LPL newsletter.
- The Lambeth consultation was promoted in newsletters distributed on 20 January 2023, 31 January 2024 and 4 March 2024. The newsletter is widely distributed to landlords, letting agents, organisations, local authority officers and government officials and sent to more than 3,700 people who have requested updates on housing regulation and property licensing schemes.
- The consultation was promoted in posts on the LPL Facebook page on 19 December 2023 and 4 January 2024
- The LPL LinkedIn page carried news of the consultation on 19 December 2023 and 4 January 2024.
- Posts about the licensing consultation were published on the LPL X (formerly known as Twitter) feed (@lplicensing) every 15 to 17 days, timed to cover a variety of morning, afternoon and evening posts, between 15 December 2023 and 3 March 2024. During this period the @lplicensing X feed had more than 2,300 followers, generating impressions, likes, reposts and comments.

A programmatic digital campaign ran from 14 to 31 December 2023 and 29 January to 4 March 2024. Digital adverts were placed using Google Display advertising and social media channels. The adverts were strategically placed to engage with the following stakeholders:

- Landlords
- Tenants
- Portuguese speaking communities
- Small business owners.

Analytics from the campaign are summarised below:

1,879,667 impressions, 5,484 clicks, 12,007 interactions, 230,757 maximum reached.

The geographical analytics show that engagement with the campaign was within Lambeth in addition to the following areas:

- Glasgow
- Leeds
- Liverpool
- Manchester
- Nottingham
- Sheffield.

Direct emails were sent to all of the Leader’s offices, Chief Executives, Regulatory and Housing services at all boroughs across London on 15 and 16 February 2024.

One newspaper advertisement was placed in the South London Press newspaper. The award-winning newspaper is distributed weekly across Lambeth, Bexley, Croydon, Greenwich, Lewisham, Merton, Southwark and Wandsworth.

Activities to make digitally excluded and vulnerable stakeholders aware of the consultation included:

Reaching out to local community and outreach groups to ask them to share the consultation with the groups they interact with:

- Age UK Lambeth
- Bright Morning Star Outreach
- Brixton Advice Centre
- Citizens Advice Merton & Lambeth
- Connect Lambeth
- HTC Breakfast Club
- Lambeth Early Action Partnership
- Faiths Together in Lambeth
- FoodCycle
- Lambeth Together
- Lambeth Trussell Trust
- Leap Manna Day Centre
- Oasis Community Fridge
- Portuguese Community Centre
- Rastafari Movement and Wellbeing
- Refugee Community Kitchen

Posters were sent to 11 day centres on 31 January 2024:

- Lambeth Walk Day Centre
- Central Hill Day Centre
- Lambeth Asian Centre
- Lambeth Chinese Community Association
- Lambeth Elderly Association from Vietnam
- Lambeth Resource Centre
- Landmark
- Stockwell Day Centre and Elderly Mentally Infirm Unit
- Opportunities Project
- Make a Difference Afro-Caribbean Senior Citizens Group
- Waterloo Action Centre.

- Paper copies of the consultation were available at all libraries within the borough from 15 December 2024.
- One newspaper advertisement was placed in the Voice newspaper and published in the February edition. The Voice is the only British Afro Caribbean newspaper operating in the UK. With a monthly print circulation of 20,000 it has been available across the country since 1982.
- One newspaper advertisement was placed in the South London Press newspaper. The award winning newspaper is distributed weekly and available at more than 1,000 outlets across Lambeth, Bexley, Croydon, Greenwich, Lewisham, Merton, Southwark and Wandsworth.

Activities to make stakeholders within the council aware of the consultation included:

- A notice was placed on the internal channel, Yammer on 12 February 2024 and seen by 793 members of staff
- Updating the council website corporate homepage carousel to include the consultation
- Posting a news article about the consultation on the council website on the first day of the consultation
- A notice within the staff bulletin was published on 9 January 2024
- An intranet article was published in January 2024
- Notice of the start of the consultation was published in Lambeth’s Labour Group newsletter, Lambeth Eye on 15 December 2023
- All Councillors and MPs were sent a direct email on 15 February 2024
- Using the council’s social media:
 - Eight X (formerly known as Twitter) posts with a total of 7,264 impressions, 3,329 reached, 69 clicks, 173 total engagements, 6 reposts (re-tweets), 37 comments and 61 likes
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2.4 Consultation methods

The council used several methods to gather feedback from stakeholders about the councils proposals.

Online survey

An online survey was open to the general public. A total of 1787 survey responses were received, of which 1782 were submitted online and 5 were in paper form. The consultation survey was the main method of gathering feedback during the consultation. Respondents were asked their views on selective licensing, the proposed fees, discounts, and conditions, and their views on issues within the borough. Their responses are analysed and broken down by stakeholder type below. Respondents

could also request a paper version of the survey. A copy of the survey questionnaire can be found in Appendix 3

Public forums

The council held two virtual public forums to provide more information about the proposed scheme and to gather feedback from landlords, residents and other stakeholders who would be impacted by licensing. The public meetings were held over Microsoft Teams where council officers presented information about the proposed schemes, followed by a question-and-answer session. These events are summarised below:

- Virtual public forum 1, 17 January 2024
- Virtual public forum 2, 21 February 2024

The above meetings were widely publicised and 229 people registered to attend the events. A total of 129 attended.

Other written feedback

The council accepted feedback on the proposed licensing schemes by email or written response. The feedback in the emails received and written responses has been analysed below. Four written responses were received from stakeholder organisations and can be found in full at Appendix 4.

3. Consultation survey results

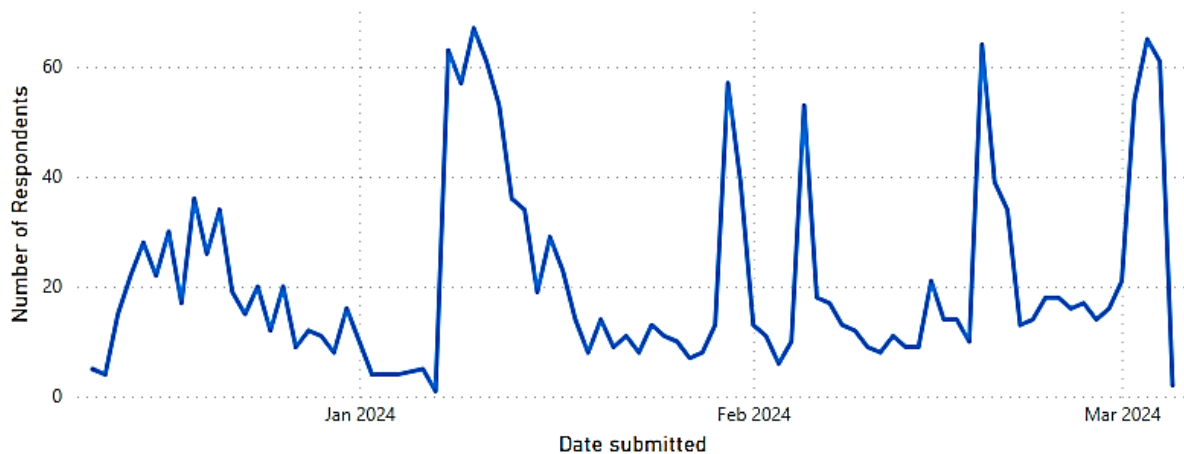
This section of the report presents the results from the consultation survey. There were **1787** responses to the consultation survey.

In the following analysis, the percentages are based on the answers to the question and will state where fewer than the total **1787** respondents answered the question.

3.1 Overall consultation response

The consultation ran from **11 December to 4 March**, during which time, different stakeholder groups were engaged in myriad ways. The timeline of responses is shown below:

Count of respondents by date

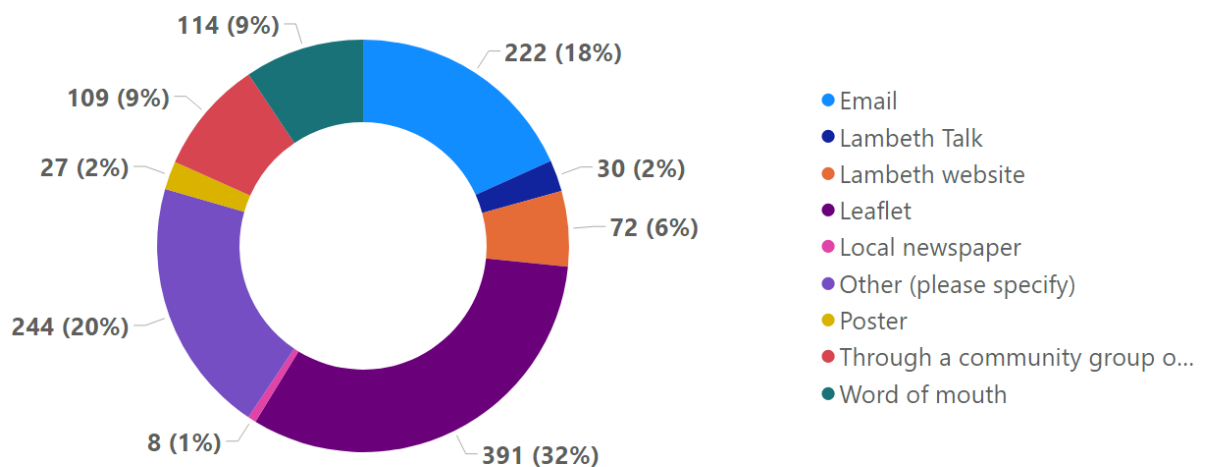


Respondents could optionally give information on the first part of their postcode, allowing for geographic analysis of responses. Of the **1094** respondents who provided this information, the vast majority were Lambeth/London residents, though some responses came from further afield, including Devon, Norfolk, Scotland and Ireland:



Respondents were also asked to give information about how they heard about the consultation. Of the **1217** respondents who chose to answer this question, the majority (**32** per cent) said they had responded to seeing a leaflet. A large proportion (**77** per cent) of the **244** respondents who had heard about the consultation in other ways said they had seen adverts on Facebook or Instagram, or on other forms of social media.

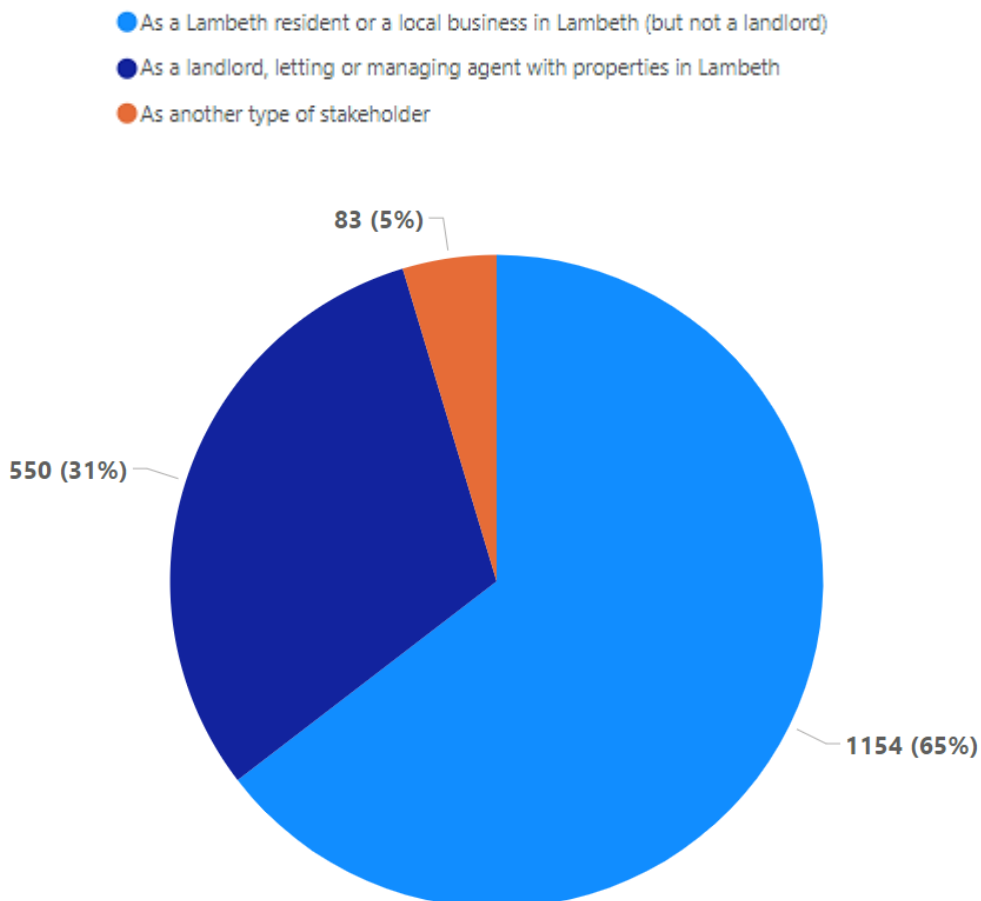
How did you hear about this consultation?



3.2 Stakeholders

All respondents to the consultation were categorised into the following stakeholder groups:

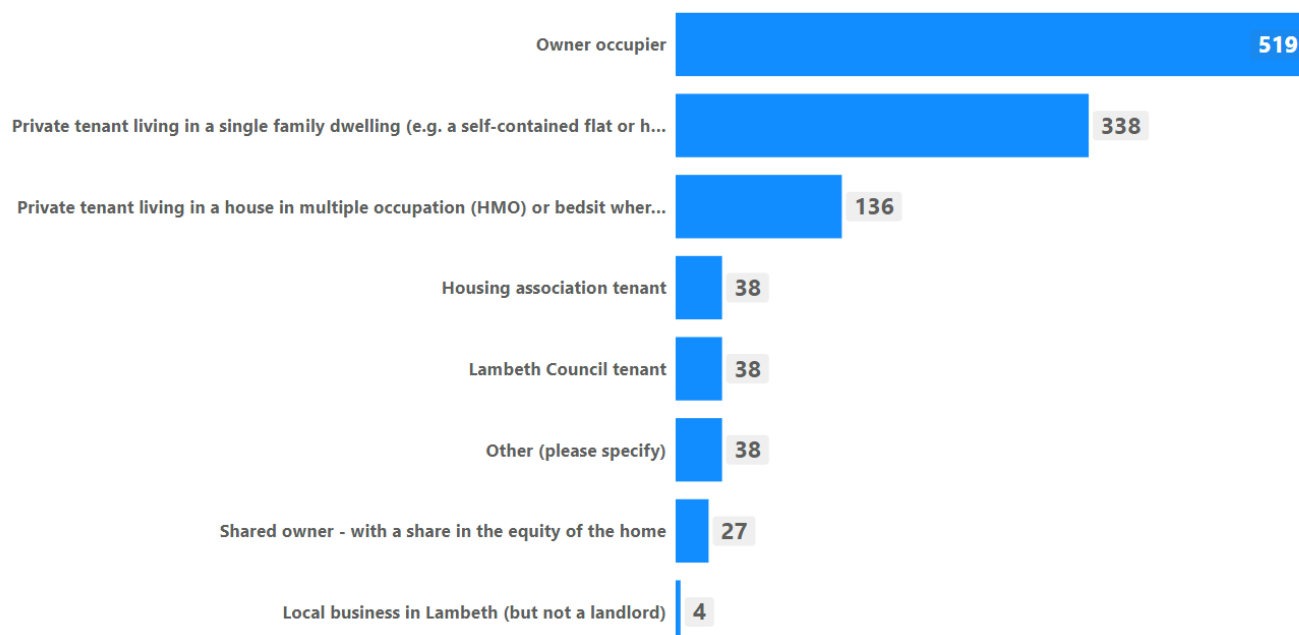
In what capacity are you responding to this survey?



Respondents who stated they were a Lambeth resident or local business, or a landlord, letting or managing agent were then asked which description would best describe them.

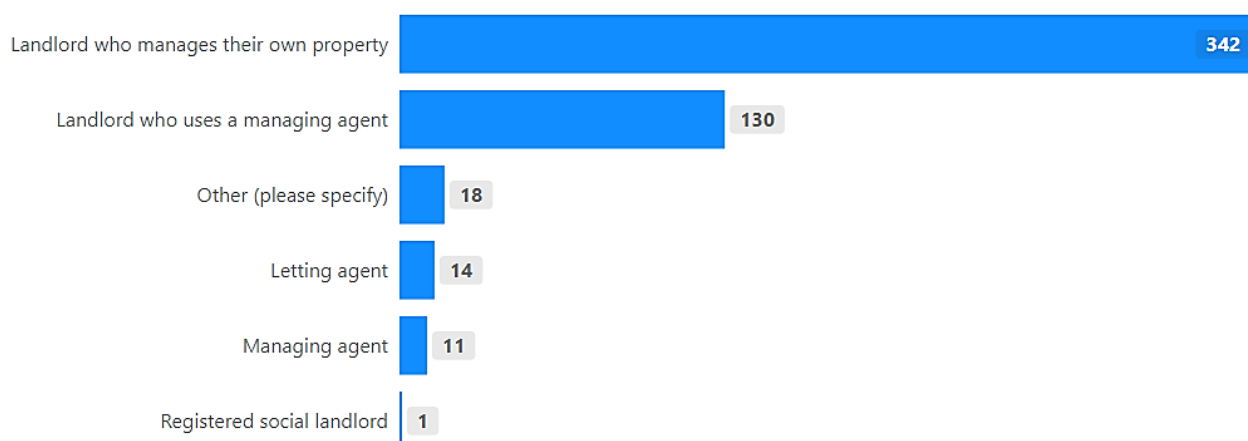
Of the **1138** residents and local businesses who responded to this question, **519 (46 per cent)** said they were an owner occupier and **338 (30 per cent)** said they were private tenants living in a single family dwelling.

Which of the following best describes you?



Of the **516** landlords, letting or managing agents who responded to this question, **342 (66 per cent)** said they were a landlord who manages their own property, and **130 (25 per cent)** said they were a landlord who uses a managing agent.

Which of the following best describes you?



The **43** respondents who classified themselves as 'Another Type of Stakeholder' came from a range of different organisations, including:

- BCN Holdings
- HMO Services
- An organisation for accommodating Ukrainian refugees

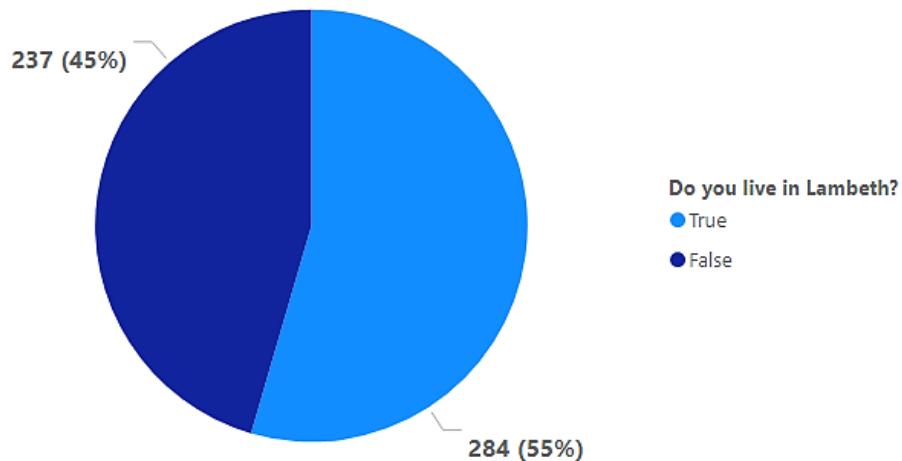
- Islington Council
- Justice For Tenants
- Knights Hill Neighbourhood Champion & Knights Hill Safer Neighbourhood Panel
- London Borough of Camden
- London Borough of Lambeth
- Propertymark
- UK Apartments Association (UKAA)
- Unity Housing support

The range of respondents to the consultation shows a good representation of views from different stakeholder groups.

Landlords' relationship to Lambeth

Landlords, letting or managing agents who responded to the consultation were asked if they lived in the London Borough of Lambeth. Of the **521** landlords, letting or managing agents who responded to this question, **284 (55 per cent)** said they lived in Lambeth, and **237 (45 per cent)** said they lived outside of Lambeth.

Landlords/Letting Agents - Do you live in Lambeth?

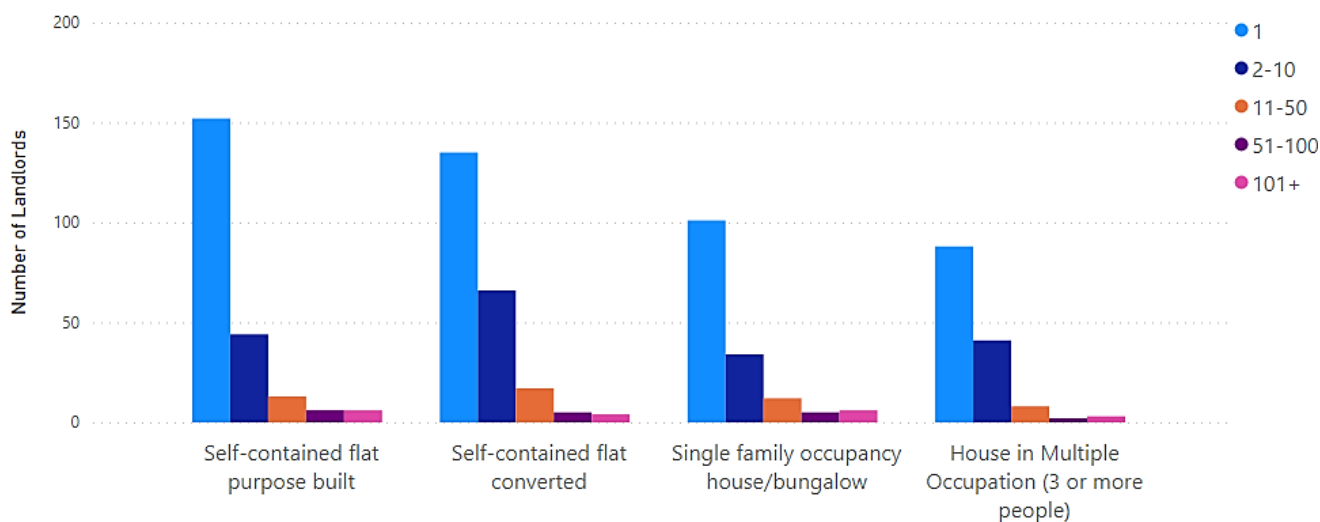


These results clearly indicate that the consultation reached landlords both within and outside the borough.

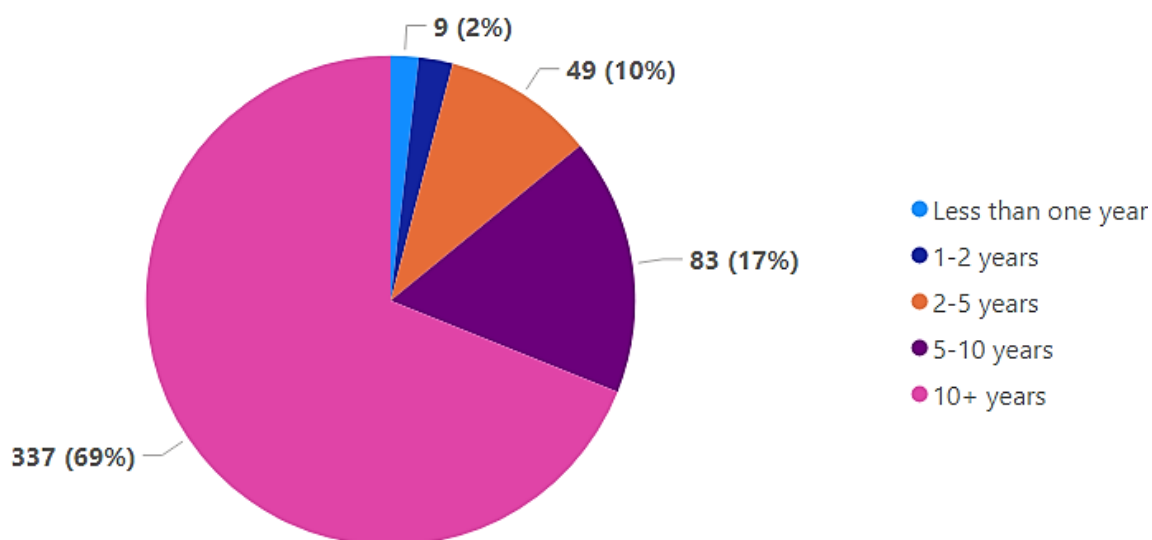
Types of property and length of ownership

Landlords, letting or managing agents were also asked about the types of properties they owned, and how long they had owned them. The majority of landlords, letting or managing agents owned only 1 or a small number of properties, and had done so for more than 10 years. More landlords who responded owned purpose-built or converted flats than other types of properties.

Please indicate how many properties you own/manage in Lambeth, for each of the following types



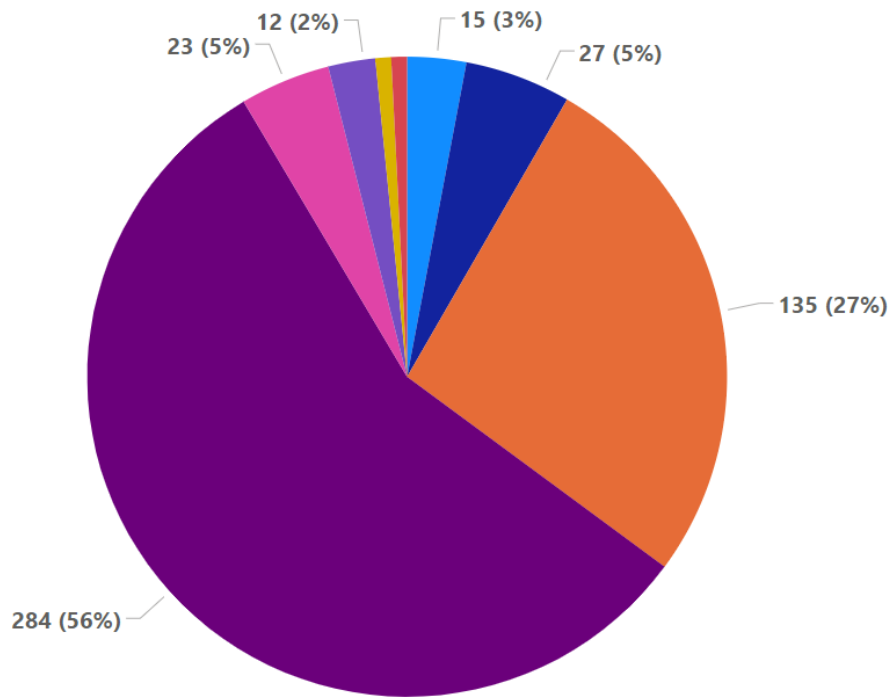
If you are a landlord, how long have you owned property in Lambeth?



Accreditation

Landlords, letting or managing agents were additionally asked whether they belonged to any Accredited Landlord Schemes. Of the landlords who responded to this question (**504**), the majority (**54** per cent) were not accredited with any of the listed schemes. The NRLA had the largest proportion of respondents who were members (**27** per cent).

Are you accredited with or a member of any of the following?



- Association of Residential Lettings Agents (ARLA)
- London Landlord Accreditation Scheme (LLAS)
- National Residential Landlords Association (NRLA)
- None of the above
- Other (please specify)
- Royal Institution of Chartered Surveyors (RICS)
- Safeagent
- UK Association of Letting Agents (UKALA)

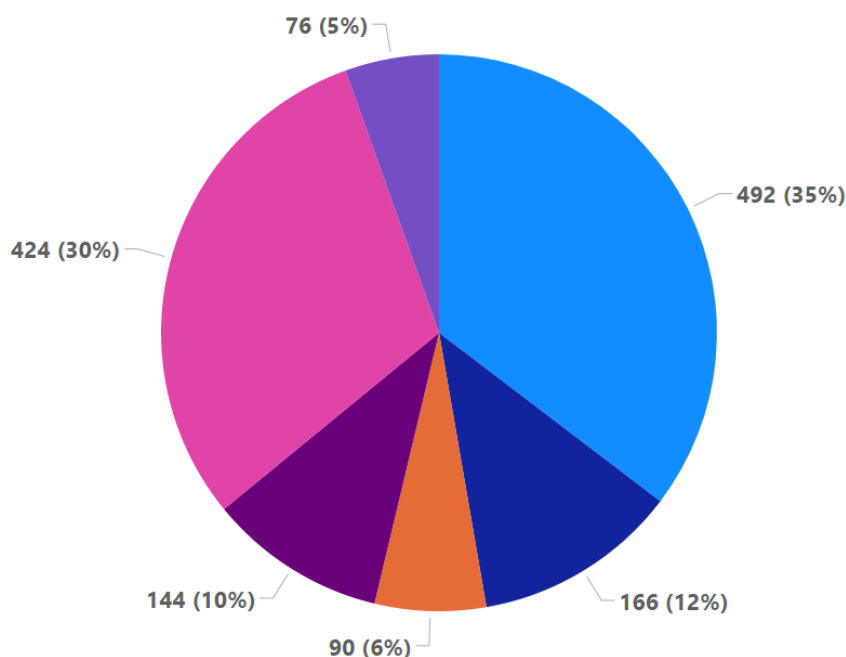
3.3 Views on the proposed licensing scheme for designation 1

The council is proposing to introduce two selective licensing designations which would apply to privately rented homes across 23 wards. To understand the views on the two designations, respondents were asked about the two designations separately. This section covers the responses regarding the proposed selective licensing scheme in designation 1, which would apply to the following four wards based on the criteria of poor property conditions:

- Knight's Hill
- Streatham Common & Vale
- Streatham Hill East
- Streatham St Leonard's

Of the **1392** respondents who answered this question, the overall majority, around **47** per cent of respondents, agree with the proposal for selective licensing in designation 1 and around **40** per cent disagree.

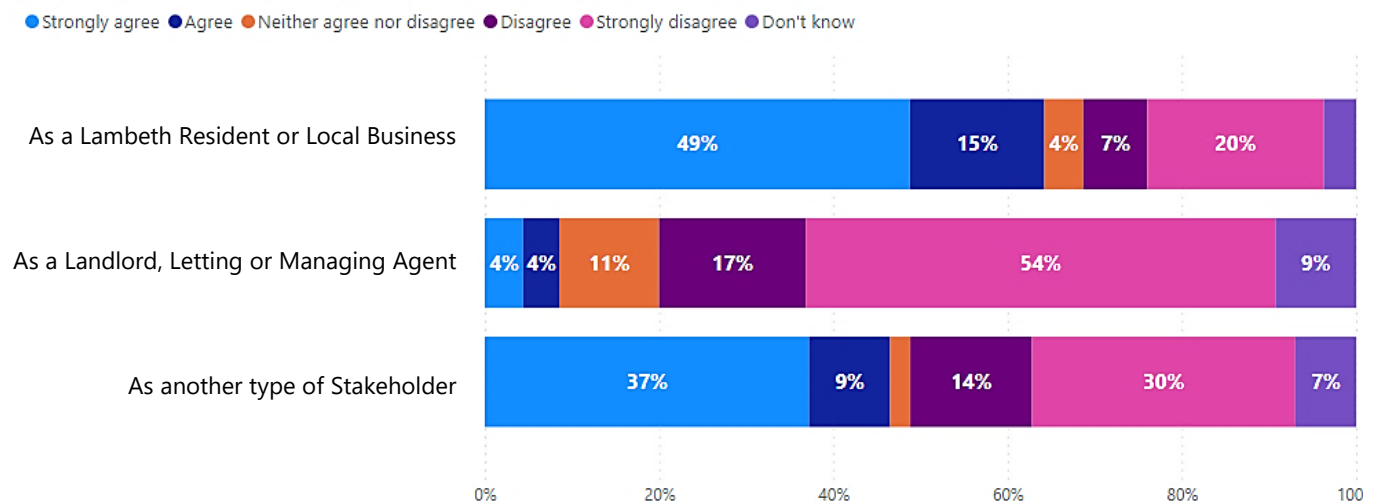
To what extent do you agree or disagree with the proposal for a selective licensing scheme to address poor property conditions in the four wards of Knights Hill, Streatham Common & Vale, Streatham Hill East and Streatham St Leonard's?



- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Looking at the responses by group, residents/local business (939 total responses) are in favour of the proposals with **nearly 65** per cent agreeing, whereas landlords (410 total responses) are opposed to the proposals with **over 70** per cent disagreeing. Other stakeholders' (43 total responses) views were more mixed, with **over 45** per cent agreeing and **nearly 45** per cent disagreeing.

To what extent do you agree or disagree with the proposal for a selective licensing scheme to address poor property conditions in the four wards of Knights Hill, Streatham Common & Vale, Streatham Hill East and Streatham St Leonard's?



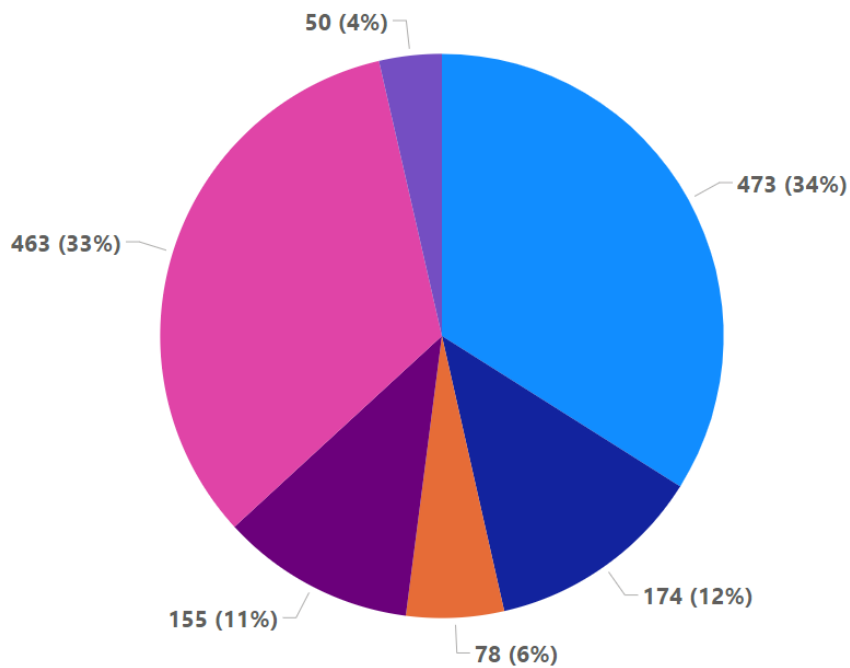
3.4 Views on the proposed licensing scheme for designation 2

The council is proposing to introduce two selective licensing schemes which would apply to privately rented homes across 23 wards. To understand the views on the two designations, respondents were asked about the two schemes separately. This section covers the responses regarding the proposed selective licensing scheme in designation 2, which would apply to the following 19 wards based on the criteria of poor property conditions:

- Brixton Acre Lane
- Brixton North
- Brixton Rush Common
- Brixton Windrush
- Clapham Common and Abbeville
- Clapham East
- Clapham Park
- Clapham Town
- Gipsy Hill
- Herne Hill and Loughborough Junction
- Kennington
- Myatt's Fields
- Oval
- St Martin's
- Stockwell East
- Stockwell West and Larkhall
- Streatham Hill West and Thornton
- Streatham Wells
- West Dulwich

Of the **1393** respondents who answered this question, the overall majority, around **46** per cent of respondents, agree with the proposal for selective licensing in designation 2 and around **44** per cent disagree.

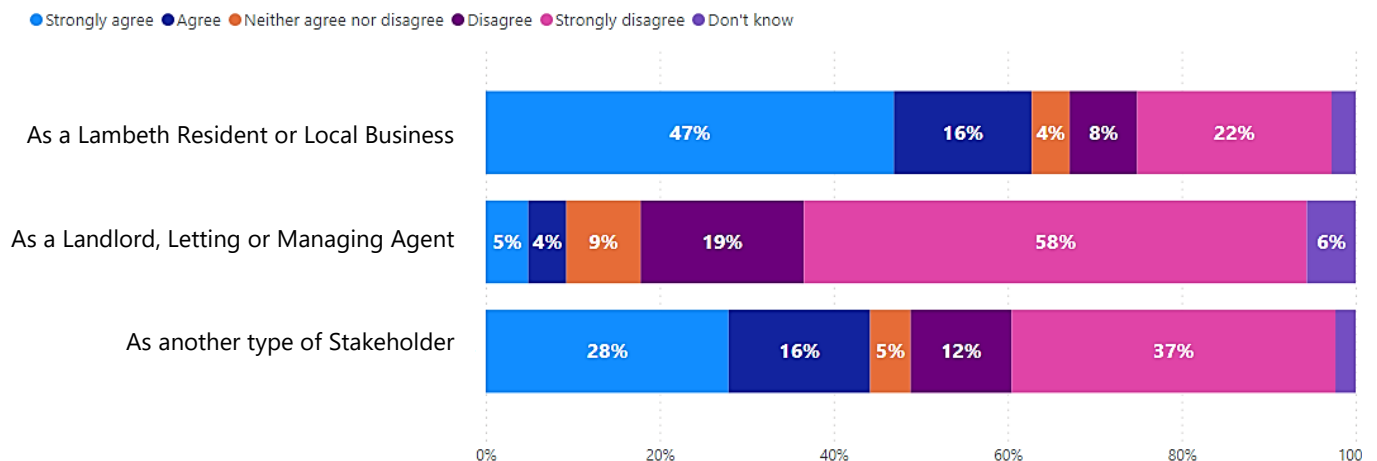
To what extent do you agree or disagree with the proposal for a selective licensing scheme to address poor property conditions in a further nineteen wards (excluding Vauxhall and Waterloo & South Bank)?



- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

Looking at the responses by group, residents/local business (940 total responses) are in favour of the proposals with **over 60** per cent agreeing. Landlords (410 total responses) are opposed to the proposals with **over 75** per cent disagreeing. Other Stakeholders' (43 total responses) views are more mixed, with the overall majority, **nearly 50** per cent disagreeing, and **nearly 45** per cent agreeing.

To what extent do you agree or disagree with the proposal for a selective licensing scheme to address poor property conditions in a further nineteen wards (excluding Vauxhall and Waterloo & South Bank)?

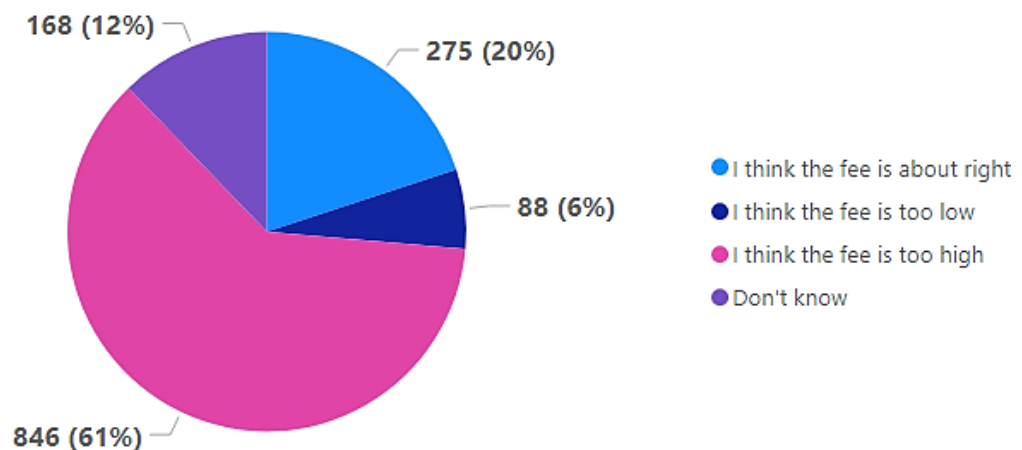


3.5 Views on the proposed licensing scheme fees

The consultation asked respondents for their views on the proposed licence fees for the proposed selective licensing scheme. Information about the proposed licence fees was provided within the consultation documents.

Respondents were asked how reasonable they feel the proposed selective licence fee of £923 for a five-year licence is.

What are your views on the proposed fee?



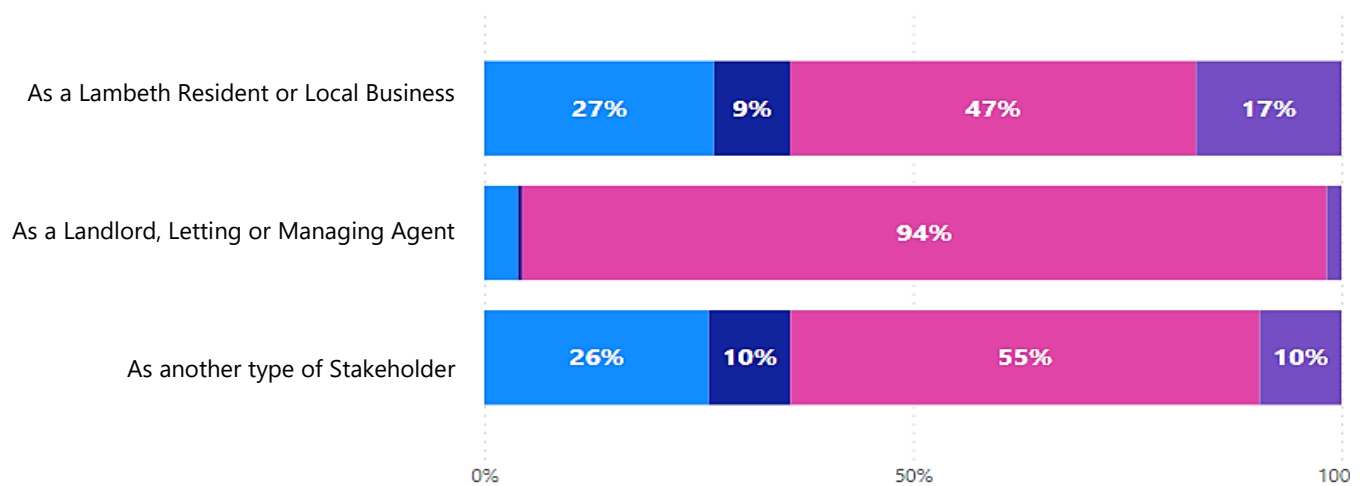
Of the **1377** respondents who answered this question, the overall majority of respondents, **61** per cent, said that they thought that the fee is too high.

Looking at the responses by group, **410** landlords/ agents, **925** residents/local business and **42** other stakeholders answered the question.

Although residents/local businesses and other stakeholders had a more mixed view of the fee, the majority, **47** per cent and **55** per cent respectively said that the fee was too high. However, **36** per cent of residents/local business and other stakeholders said the fee was about the right level or too low. Landlords/agents had a more consistent view, with **94** per cent saying that the fee was too high.

What are your views on the proposed fee?

● I think the fee is about right ● I think the fee is too low ● I think the fee is too high ● Don't know

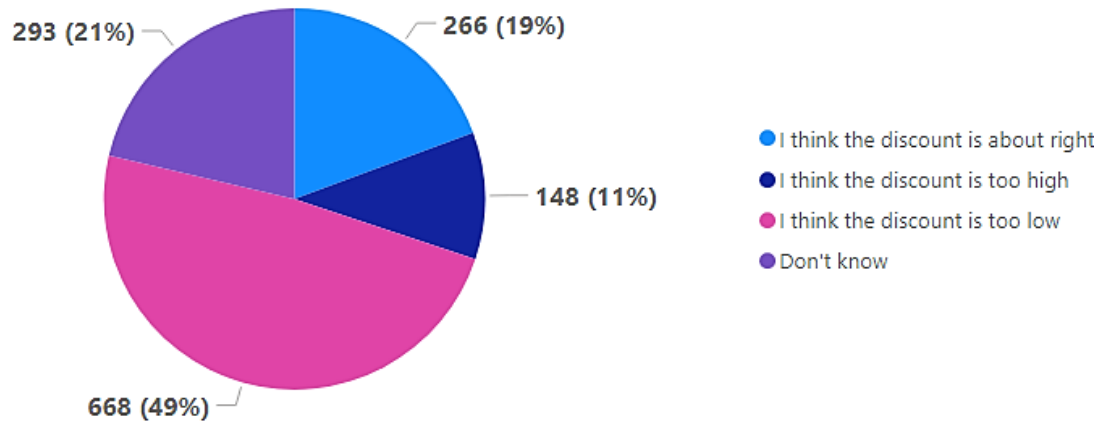


3.6 Views on the proposed licensing scheme discounts

The consultation asked respondents for their views on the proposed licence fee discount. Information about the proposed licence fee discount was provided within the consultation documents.

Respondents were asked how reasonable they feel the proposed selective licence fee discount of £75 for accredited landlords is.

What are your views on the proposed accredited landlords' discount?



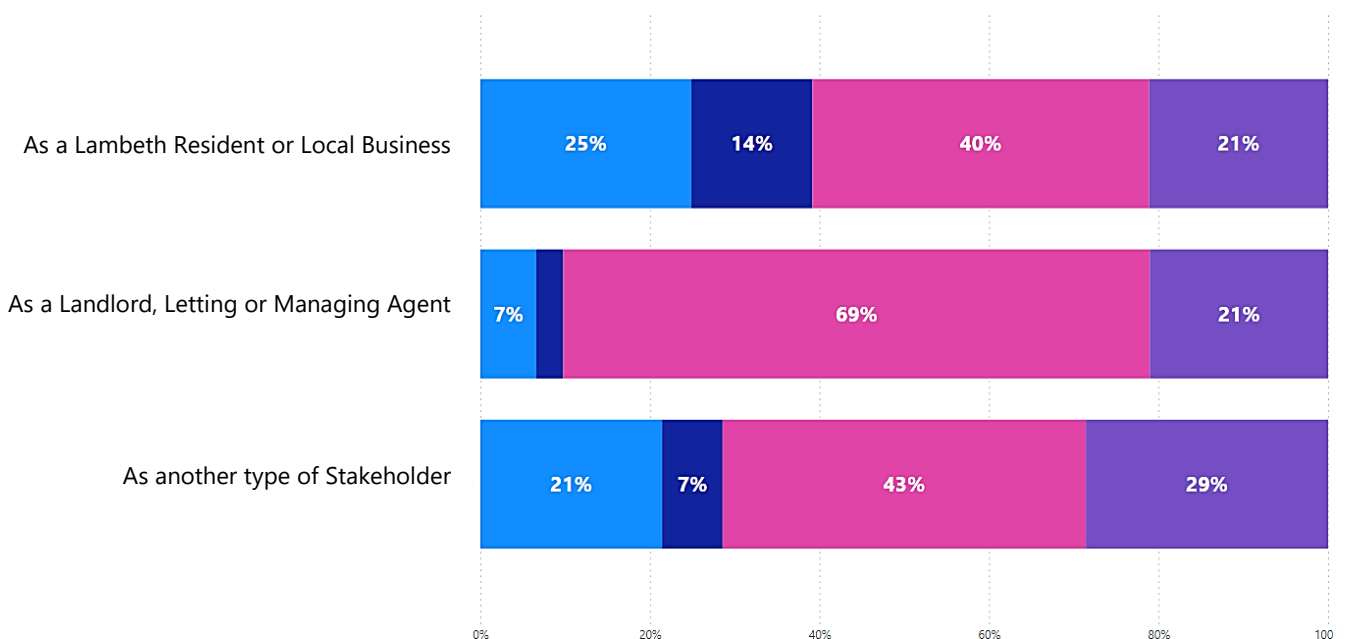
Of the **1375** respondents who answered this question, the overall majority of respondents, **49 per cent**, said that they thought that the discount was too low.

Looking at the responses by group, **409** landlords/ agents, **924** residents/local business and **42** other stakeholders answered the question.

Although residents/local businesses and other stakeholders had a more mixed view of the discount, the majority, **40** per cent and **43** per cent respectively said that the discount was too low. However, **39** per cent of residents/local business and **28** per cent of other stakeholders said the discount was about the right level or too high. Landlords/agents had a more consistent view, with **69** per cent saying that the discount was too low.

What are your views on the proposed accredited landlords' discount?

● I think the discount is about right ● I think the discount is too high ● I think the discount is too low ● Don't know



3.7 Free text comments

The free text comments for the questions asking respondents to explain why they disagreed with the proposed licence schemes and if they had any further comments/considerations were analysed. The analysis looked at the responses by stakeholder type.

Responses in support of the proposed scheme

It is worth noting that, although the majority of the free text questions invited responses, these were only when respondents were in disagreement. There were however many positive comments about the scheme. Some of these are listed below:

A very helpful and welcome development

Agree with the proposed scheme to protect tenants and deal with rogue landlords

Although I am an owner occupier I support this and also a rent cap as it is virtually impossible for young people to rent desirable or affordable property

Anything that holds landlords to account is a massive plus long overdue- far too many dangerous properties out there that have a seriously detrimental effect on people's lives and health

Having lived in poor quality PRS properties I think it's really important landlords are made accountable for them. Some landlords see tenants as cash cows and have no concern for their wellbeing whatsoever.

On the whole, I think this is a really good, proposed scheme. I believe it will help tenants to feel more secure by improving communication between landlord and tenant (e.g. knowing that rent has been received, that complaints have to be taken seriously, that reference requests cannot just be ignored). It's a huge step in improving rights for renters.

I am an architect and a tenant who has lived in and around Lambeth most of my life. Different members of my family have been both tenants and landlords in the borough since before the Second World War. I thus have a detailed and historically contextualised knowledge of housing provision, changing land values and the shameful persistence of poor maintenance. I therefore wholeheartedly support any proposal to improve housing conditions.

I am really in favour of any scheme that improves the conditions of privately rented properties in my borough and holds bad landlords to account. Just wanted to say I support it and hopes it has good results.

I commend the council for bringing forward this licensing scheme, it is much needed. Having been a private renter in Lambeth in an unlicensed (and potentially off-books) property, I urge the council to act against rogue and exploitative landlords.

Landlords/agents

For landlords/agents, five major themes can be drawn out from the responses:

1. *Opposition to the scheme as a whole:* Many landlords and agents expressed strong disagreement with the proposed selective licensing scheme, viewing it as unnecessary, burdensome, and a way for the council to generate revenue. They argued that existing laws and regulations are sufficient to address any issues with the property conditions and that the scheme unfairly penalises responsible landlords.

"The majority of rental properties are of a very good standard. - Council has enough power at present to fine landlords of poor standard properties ...alternatives: - use existing laws to prosecute and fine landlords of properties with inadequate conditions"

"Enforcement of existing health and safety laws. The legislation to enforce safe conditions already exists- the licensing scheme just looks like the council's attempt to make more money from licensing fees."

2. *Concerns about increased costs and rents:* landlords expressed concerns that the licensing scheme will lead to increased costs, which will ultimately be passed on to tenants in the form of higher rents. They argued that this will exacerbate the already difficult housing shortage and make it more difficult for tenants to afford rental properties.

"It is just a means for the council to make more money out of landlords. The cost of the licence will have to be passed on to tenants. Most private landlords provide safe, well-maintained housing when it is badly needed; it's poorly-maintained social housing that is always the problem. Private landlords are utterly beleaguered by red-tape, and many of us are making a loss. Yet more legislation will result in more yet landlords leaving the market, higher rents, and higher pressure on fewer rental places. Young people wanting to work in London (like my tenants) will simply not be able to find anywhere to live, with knock-on negative effects on the economy."

"Further legislation is unnecessary. This additional cost will only be passed on to tenants. Whoever came up with this idea didn't think it through!"

3. *Focus on targeting rogue landlords:* landlords suggested that instead of implementing a blanket licensing scheme, the council should focus on targeting and penalising rogue landlords who are not complying with existing regulations. They argued that this would be a more effective approach to improving property conditions and protecting tenants.

"So in my opinion rather than penalising all landlords, the majority of which are very good landlords, the alternative here is to seek remedies against rogue landlords which are sufficiently punitive to act as a deterrent and to fund enforcement. Make the bad guys pay not the good ones!"

4. *Lack of faith in council management:* some landlords expressed scepticism about the council's ability to effectively manage and enforce the licensing scheme. They cited examples of poor management of existing licensing schemes and lack of inspections as evidence that the scheme may not achieve its intended goals.

"You are not using existing powers - absolutely minimal enforcement of existing HMO registration, very delayed implementation of selective licensing scheme and NO INSPECTIONS. What is the point of a selective licensing scheme when you don't even inspect? Selective licensing schemes deter good landlords and do nothing to stop bad landlords, as they know you don't enforce."

"We all agree with raising rental standards. The issue is about enforcement. The local authorities are failing on this front across all of London. There are very few cases of successful enforcement against criminal landlords."

5. *Emphasis on the role of social housing:* several landlords highlighted the need for the council to address issues with social housing, which they argued is often in poor condition and contributes to housing problems in the borough. They suggested that the council should focus on improving its own housing stock before imposing additional regulations on private landlords

"Lambeth does NOT have a good record of addressing social housing problems let alone private rental."

"Some of the social housing in the area is in an awful state and looks to be a much higher priority."

Residents/local businesses

For residents/local businesses, similar themes were evidenced, with a greater emphasis on increased costs for tenants:

1. *Concerns about increased costs:* many respondents expressed concerns that the proposed licensing scheme would lead to increased costs for landlords which would ultimately be passed on to tenants in the form of higher rents. They argued that this would exacerbate the already high cost of living in Lambeth

"As Lambeth states, 'the private rented sector plays an important role in meeting housing needs'. If Lambeth chooses to impose an additional layer of bureaucracy on landlords then this may well result in less rental properties available as landlords choose to exit the sector. For those landlords who stay, the additional licencing fees would undoubtedly be passed on to the tenants, making housing even less affordable." First 4 wards question

"Licensing schemes consistently add costs to letting that are passed on to tenants." First 4 wards question

2. *Focus on enforcement and existing laws:* several respondents suggested that the council should prioritise enforcing existing laws and regulations rather than implementing a new licensing scheme. They argued that there are already measures in place to address poor housing conditions and that the council should focus on effectively enforcing these laws

"The existing laws and regulations adequately address the situation and should be used more effectively to deal with a small number of rogue landlords"

"It sounds like existing law applies and the problem is with enforcement of the law. I'm not sure what additional benefit of the scheme you are proposing would be."

3. *Criticism of Lambeth Council's own housing management:* many respondents criticised Lambeth Council for not adequately maintaining its own social housing properties. They argued that the council should address the issues within its own housing stock before targeting private landlords

"A majority of the housing stock which is in poor condition is Lambeth housing (ie social housing) NOT private housing."

"Clean up your own act with regard to social housing first Lambeth - biggest rogue landlord in Lambeth... stop going after the little guys ("private landlords" who are also trying to get by with 1-2 properties) in the name of the little guys (private renter) and deal with the large housing associations etc which will have a bigger impact."

4. *Impact on rental market and housing supply:* some respondents expressed concerns that the licensing scheme would discourage landlords from renting out their properties, leading to a decrease in the availability of rental housing. They argued that this would further worsen the housing crisis in Lambeth

"The danger is that this scheme will take properties off the Rental Market in an already grossly overheated and expensive Market as Landlords decide they will not want to comply."

"I am concerned about over regulation pushing even more landlords out of the market which will further exacerbate the shortage of supply and push up rents even more."

5. *Need for targeted approach:* several respondents suggested that the licensing scheme should be more targeted, focusing on specific problem areas or landlords rather than applying to all

properties. They emphasised the importance of addressing the issues caused by a minority of landlords without burdening all landlords with additional costs and regulations

"Also a one size fits all approach will hit good landlords more so than bad ones (which tend to be the minority). These additional costs will be passed on to the renter, making them suffer more than anyone and they already suffered enough."

"Within the poor areas there are decent landlords too. You should be targeting those landlords not all. This scheme doesn't identify."

Other stakeholders

For other stakeholders, a notable theme is a belief that the scheme is unnecessary and that there should be a focus on individual complaints as opposed to a blanket scheme.

1. *Opposition to the proposed scheme:* some stakeholders disagreed with the scheme and believe it is unnecessary and costly.

"No evidence has been presented to support the position that a problem exists. As presented the proposal is overly onerous and expensive."

2. *Focus on addressing tenant complaints:* stakeholders emphasised the need for an effective council inspection department to address tenant complaints instead of implementing blanket and expensive licensing.

"There should be a simpler mechanism for tenants to raise issues and have them dealt with. This would focus resources where there are actual problems and not affect the majority of conscientious landlords."

"Better response to tenants who raise issues rather than blanket and costly licensing which will not necessarily result in improvements. An effective council inspection department for tenant complaints."

3. *Council's role and priorities:* some stakeholders argued that it is not the council's responsibility to police private property and suggest that the council should focus on improving its own housing stock.

"It is not the council's place to police private property. Money would be better spent on its own housing stock where it is clearly failing by its own admission."

"The problems exist in the council and social housing sector not with the private sector. This is an attempt to look like Council is doing something. Improve social housing do not scape goat the private sector."

4. *Impact on rental supply:* concerns are raised about the potential reduction in the supply of rented properties due to the proposed scheme, with some stakeholders highlighting existing issues with council housing that need to be addressed

"It will reduce the supply of rented properties when there isn't an issue with private rented housing."

"This will force landlords out of the market, reducing the number of rentals available."

5. *Doubts about effectiveness and motives:* some stakeholders express scepticism about the effectiveness of the proposed scheme in raising standards and suggest that it is merely a way for the council to raise money without tangible benefits.

"So does licensing work? look elsewhere and I think you'll find that feeds an army of council workers but does not improve the lot of the tenant. What does licensing entail - will there be a meaningful annual inspection of each property or each new let? You know it won't happen, particularly if there is there is a bad landlord."

"Just trying to raise money, another tax. This won't do anything to help raise standards, laws already exist. Just trying to raise more money for Lambeth to waste. Leave well enough alone."

Alternative solutions, other comments and considerations

Some respondents suggested alternative approaches to improving housing standards, such as implementing an accreditations scheme for landlords or focusing on better management and enforcement of existing regulations. They emphasised the need for a more balanced and targeted approach that does not penalise good landlords or deter investment in the rental market. Open text responses were also requested to inspire any further comments, and to determine whether stakeholders felt that there was anything that the council should consider:

1. *Desire for Transparency and Accountability:* calls for transparency, including an open, online database of properties, landlords and issues; concerns about the potential lack of accountability in the administration of the scheme

"Don't know how it would legally work but I feel that having an open online database of properties/landlord/ problems, complaints and issues with conditions and whether they have been resolved. This would allow transparency and highlight if you are going to be renting from a potential troublesome landlord and would create a record of when a condition complaint is requested VS resolve." Another type of stakeholder – Any other comments question

2. *Desire for a broader scope, including Holiday Lets and Housing Associations:* several respondents expressed the view that the licensing scheme should not only cover private rentals, but also holiday lets and housing associations. They argue that all housing should meet certain safety and maintenance standards

"Airbnb and similar letting schemes, and holiday lets need to be very carefully controlled as well, as they cause ASB problems and lead to a breakdown in community. Airbnb and similar letting schemes / holiday lets cannot be left as an easy alternative for landlords who decide to avoid the selective licensing scheme: to simply drive landlords to convert their properties to Airbnb / other short /long term home stays etc would be a disaster."

3. *Tenant protection:* there was a call for better support and protection for tenants, including the establishment of a reporting system for tenants and the creation of a tenant review system.

"I would like more detail about how tenants go about reporting a poor landlord. There seems to be a lot of focus on the relationship between the landlords and the council, but a focus on the council-tenant relationship would empower tenants to stand up for their rights. It is a very intimidating thing to risk the roof over your head, and more accessible council support to do that must be an important part of this scheme."

4. *Rent Control:* some stakeholders suggested implementing rent control measures to address rising rental prices and make housing more affordable for tenants.

"I think the tenants whose rents are extortionate will end up paying any fees applied to landlords. Rent control has to be part of the programme."

"If you impose fees on landlords they will just pass them on to tenants. Measures should be taken to ensure this isn't the case. What we really need is rent controls, not more costs incurred on the landlord that they inevitably use to raise rents."

5. *Collaboration with landlords:* some stakeholders suggested working collaboratively with landlords to improve housing standards, rather than imposing burdensome fees and regulations

"Work with landlords rather than seeing them as the enemy. We are helping to provide much needed accommodation, we need more good-quality landlords to enter the rental market to help with supply, and the licensing fee will put people off."

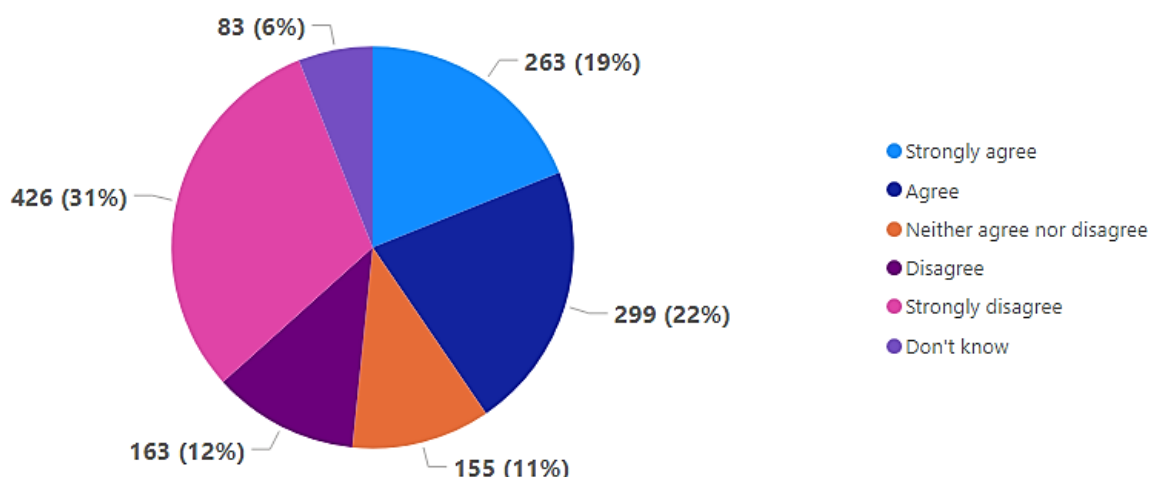
"A list of council accredited tradesmen would be very helpful; this could help landlords to have good reasonably priced work complete to improve properties for tenants. Increase community projects and policing to decrease ASB, putting it onto landlords is not a solution."

3.8 Views on the proposed licensing scheme conditions

The consultation asked respondents for their views on the proposed set of licence conditions. Information about the licence conditions was provided within the consultation documents.

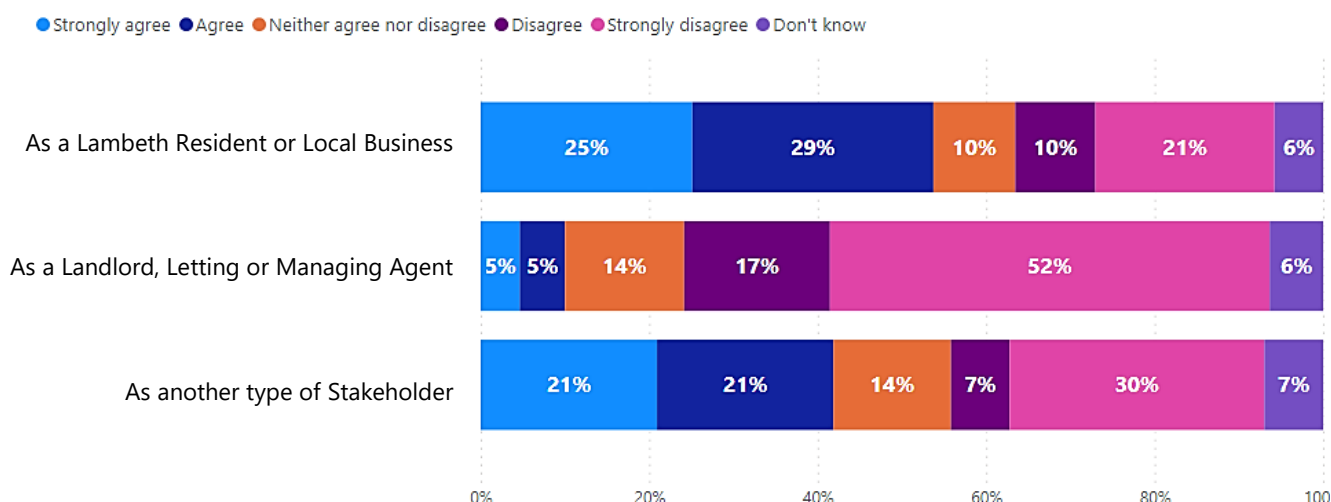
Of the **1389** respondents who answered this question, the overall majority of respondents, **43** per cent, disagreed with the proposed licence conditions, while **41** per cent of respondents agreed.

To what extent do you agree or disagree with the proposed selective licensing discretionary conditions?



Looking at the responses by group, residents/local businesses and other stakeholders are in favour, with nearly **55** per cent and over **40** per cent of each group agreeing respectively. Landlords are opposed, with nearly **70** per cent disagreeing with the proposed licence conditions.

To what extent do you agree or disagree with the proposed selective licensing discretionary conditions?



Free text comments regarding the licence conditions

The free text comments for the questions asking respondents to explain why they disagreed with the proposed licence conditions were analysed. The analysis looked at the responses by stakeholder type.

Landlords/agents

For landlords/agents, several themes emerged, but especially the notion that the current regulations and requirements are enough and that additional conditions are unnecessary.

1. *Excessive burden*: many landlords argue that the proposed licensing conditions are excessive and place an unfair burden on responsible landlords. They believe that the current regulations and requirements are already sufficient and that additional conditions will only increase costs and administrative work for landlords.

"Again it puts more onus on the landlord and will clearly lead to mistakes."

"If rented via an agent Gas, EICR, Smoke alarms, References, Agreements (EPC), etc are all already scrutinized. If rented privately laws are already in place to cover the above...Noise, nuisance, rubbish and anti-social behaviour are already covered by the council with various systems in place to report."

2. *Lack of clarity*: some landlords expressed frustration with the lack of clarity regarding the specific licensing conditions. They felt that without clear guidelines and details, it is difficult for them to fully understand and comply with the proposed conditions.

"The use of mandatory and discretionary conditions seems quite complicated in the sense that it is a lot of information and regulations that landlords have to fulfil."

"There are way too many of them! How is one to remember them all? They are written in a style that suggests they are more obligatory than discretionary!"

3. *Focus on existing regulations*: several landlords argued that the proposed conditions largely overlap with existing regulations and requirements. They believed that enforcing and ensuring compliance with these existing regulations would be more effective than introducing new licensing conditions.

"All these conditions are required by law now anyway. Not sure what value Lambeth council will add to this."

"There are already strict guidelines for landlords in place for rentals."

4. *Impact on rents:* landlords expressed concerns that the additional costs associated with meeting the licensing conditions will ultimately be passed on to tenants in the form of higher rents. They believed that this will further exacerbate the affordability crisis in the rental market

"The Licence cost will merely be reflected in the rent forcing rents higher. Higher rents more homeless."

"Penalising the vast majority of good landlords with further cost, which will leave them to sell up and further drive rents up."

"Because of issues around supply and demand for PRS properties - selective licensing will result in higher rents and an even more acute housing shortage than exists at present."

5. *Targeting bad landlords:* some landlords suggested that instead of imposing licensing conditions on all landlords, the focus should be on targeting and penalising landlords who are providing inadequate housing or failing to meet their responsibilities. They believed that this targeted approach would be more effective in improving housing standards.

"I believe good landlords should Not be charged money for this scheme. By all means go after bad landlords. I believe this already happens. Why turn it into a money grab against the landlord who keeps their property in a proper condition for people to live in?"

"This will not fix the problem. All it will do is penalise good Landlords and possibly force them out of the business or at the very least pass on the costs to the Tenant. You already know who the bad landlords are. Deal with them and leave the good ones alone."

Residents/local businesses

Similarly to the responses from landlords/agents, a common theme was that the licence conditions are covered by existing law. There was also a concern about the impact on tenants, and the general fairness of the conditions.

1. *Focus on existing regulations:* respondents expressed their disagreement, citing concerns about increased costs for landlords and potential rent increases for tenants. They questioned the need for additional regulations and suggested that existing laws and enforcement should be sufficient

"This just adds costs for compliant landlords, who are then driven out of the rental market, exacerbating the very problem you are trying to solve. The alternative is to enforce existing laws."

"The existing laws and regulations adequately address the situation and should be used more effectively to deal with a small number of rogue landlords."

2. *Exemptions and fairness:* there were criticisms regarding the exemptions outlined in the scheme, particularly for properties managed by housing trusts, local authorities and charities. Respondents

argued that all landlords should be held to the same standards and that exemptions create an unfair advantage

"The exemptions list is too broad, and will be abused in HMO circumstances."

3. *Impact on tenants:* several respondents raised concerns about the potential negative impact on tenants, such as increased rents, reduced housing options, and difficulties in obtaining references or finding accommodation due to stricter regulations

"As a PRS renter in one of the impacted wards, I want to know whether the changes proposed will simply lead to landlords passing on costs to tenants when rents are already exorbitant."

"I believe that the need to prevent ASB in (10.3) should be balanced with the need to ensure everyone has access to a home. This could disadvantage people with previous rogue landlords who refuse a good reference. (10.4) could define "reasonable" as it would risk someone's new tenancy if there are significant delays, and add a third condition saying that tenants have the right to see the reference and challenge - or something that gives tenants a right to reply if a bad landlord gives them a false or unfair reference. I disagree with (10.5) as it risks people seeking to rehabilitate after a criminal conviction being unable to find accommodation and encountering discrimination."

Other stakeholders

The main objections held by other stakeholders were the impact on tenants in terms of increased costs caused by the adherence to conditions, and the fact that there are existing regulations which render the conditions unnecessary. There was also some evidence of misunderstanding surrounding the existing mandatory and additional licensing schemes in Lambeth.

1. *Focus on existing regulations:* stakeholders argued that the focus should be on enforcing existing legislation for safety checks and certifications, rather than implementing a costly license

"This won't do anything to help raise standards, laws already exist."

"Any decent place let out has the usual Gas and other safety certs as required by law. Focus on legislation that will allow you to act on those that don't. If they can't be bothered to spent £100 on a gas certificate what makes you think they are going to pay you £923 for a 'license'?"

2. *Number of households:* stakeholders were confused about why the schemes only apply to properties with 1 or 2 households, leaving out properties with 3 or 4 households, which are common and may also need regulation (these are already regulated under mandatory and additional schemes)

"I don't understand why it is only limited to 1 or 2 households in a property. A large majority of properties (including ones I have stayed in) have been 3/4 households in 1 property and these will not be licensed?"

"When you reduced the HMO classification from five to three unrelated adults you caused an exodus. Why would a landlord let to three adults, and be a HMO (licensing, etc), when they can let to one family (which could be 10 people?!) and avoid it?"

3.9 Views on issues in the Lambeth PRS

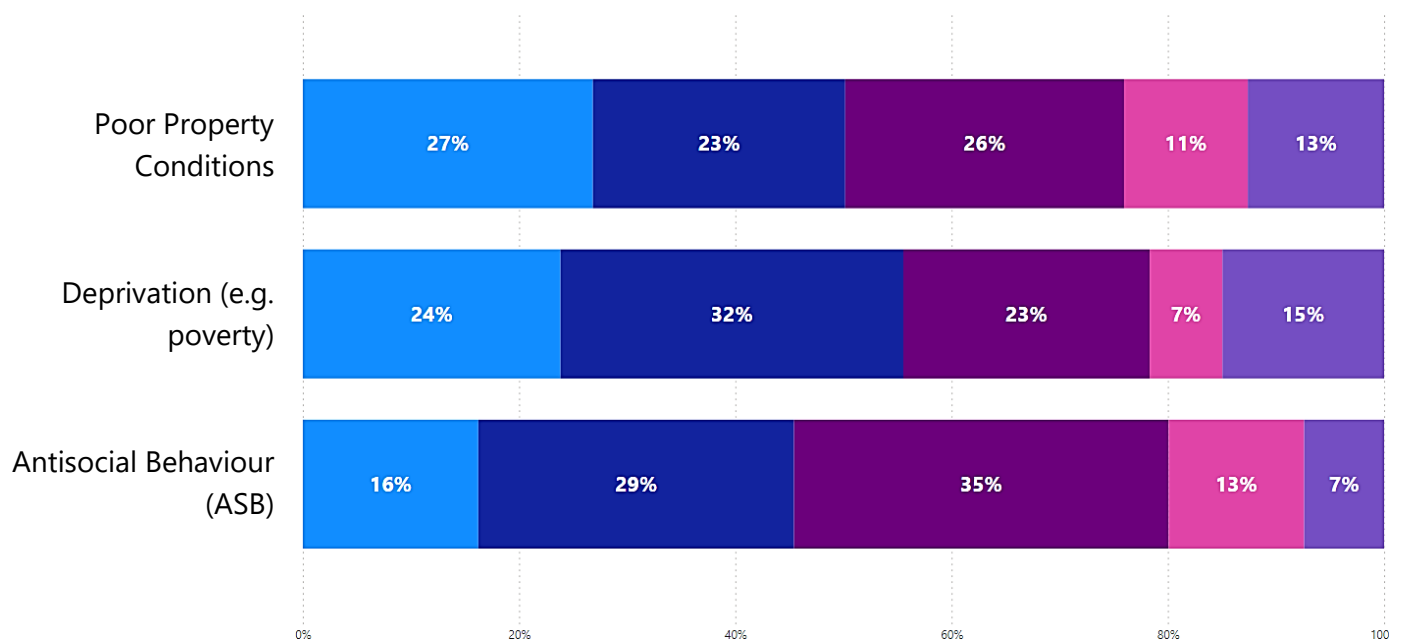
Respondents to the survey were asked their opinion of issues relating to poor property conditions, ASB and deprivation in private rented properties in the borough.

Respondents were asked to what extent they believed that ASB, poor property conditions and deprivation are problems in their local area of Lambeth.

1558 respondents in total answered this question.

How much of a problem do you think the following issues are in your area of Lambeth?

● A very big problem ● A fairly big problem ● Not a very big problem ● Not a problem at all ● Don't know



Poor property conditions (1555 responses)

The majority of respondents, **50** per cent, stated that they thought that poor property conditions a very big or a fairly big problem as opposed to **37** per cent who thought it was not a problem at all or not a very big problem.

Deprivation (1545 responses)

The majority of respondents, **56** per cent thought that deprivation was a very big or fairly big problem as opposed to **30** per cent who thought it was not a problem at all or not a very big problem.

ASB (1541 responses)

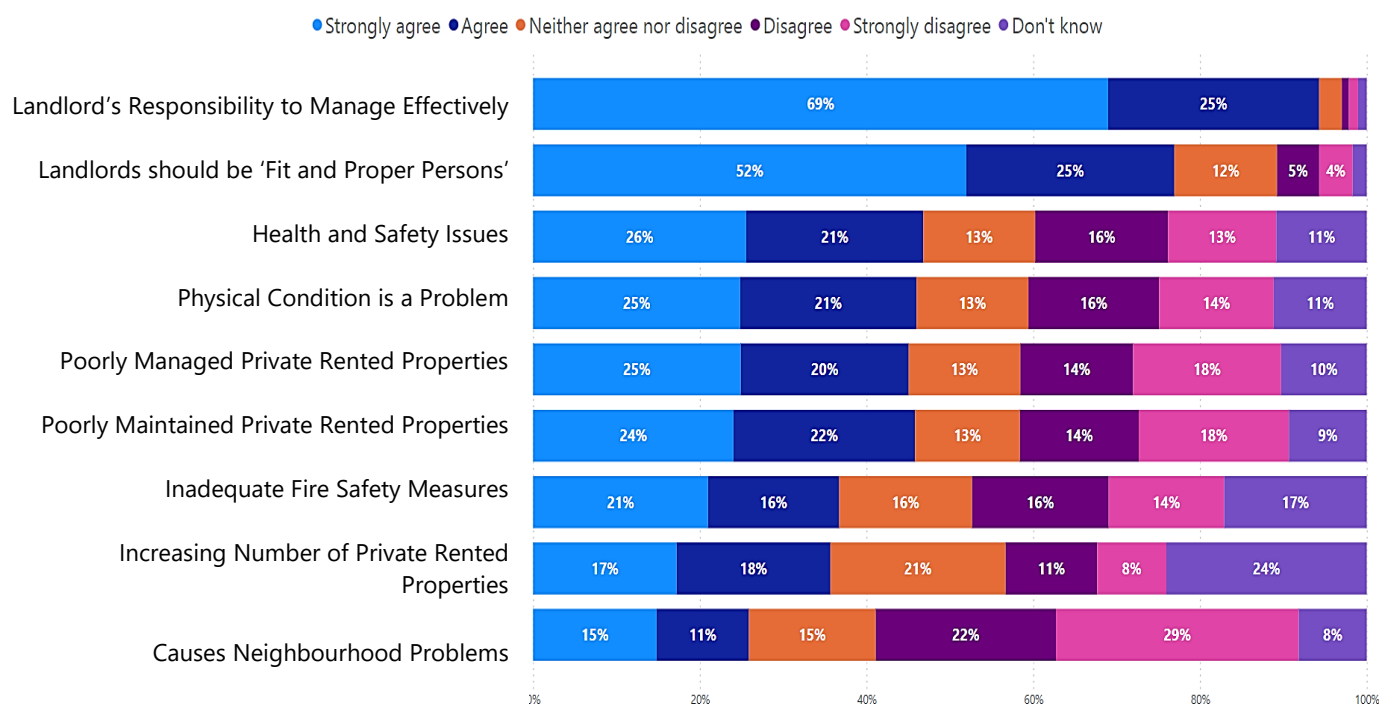
45 per cent of respondents thought that ASB was a very big or fairly big problem as opposed to **48** per cent who thought it was not a problem at all or not a very big problem.

Views on the PRS in Lambeth

Respondents were also asked about their views on the PRS in Lambeth as a whole.

1559 respondents in total answered this question.

Thinking about the private rented sector (PRS) as a whole in Lambeth, to what extent do you agree with the following statements?



Landlord responsibility (1541 responses)

When asked if landlords have a responsibility to manage their properties effectively, the overwhelming majority of respondents, **94** per cent, either agreed or strongly agreed.

'Fit and proper' person (1543 responses)

When asked if landlords should be 'fit and proper' persons (e.g. have proper management or financial arrangements in place, and not have convictions for certain types of offences), again, the overwhelming majority, **77** per cent, either agreed or strongly agreed.

Health and Safety Issues (1549 responses)

When asked whether there were health and safety issues with private rented properties in the borough, the majority, **47** per cent, agreed or strongly agreed.

Physical condition of properties (1550 responses)

When asked whether the physical condition of private rented properties in the borough was a problem, the majority, **46** per cent, agreed or strongly agreed.

Poorly managed properties (1538 responses)

When asked whether poorly managed private rented properties were contributing to the decline of some areas in Lambeth, the majority, **45** per cent, either agreed or strongly agreed.

Poorly maintained properties (1543 responses)

When asked whether poorly maintained private rented properties were contributing to the decline of some areas in Lambeth, the majority, **46** per cent, either agreed or strongly agreed.

Inadequate fire safety measures (1544 responses)

When asked whether there were inadequate fire safety measures in private rented properties in the borough, **37** per cent either agreed or strongly agreed, while **30** per cent disagreed or strongly disagreed.

Number of private rented properties (1556 responses)

When asked whether the number of private rented properties in the borough has been increasing, **35** per cent agreed or strongly agreed, while **19** per cent disagreed or strongly disagreed. The majority of respondents, **45** per cent, said they neither agreed nor disagreed, or they didn't know.

Neighbourhood problems such as noise, nuisance, rubbish and other ASB (1545 responses)

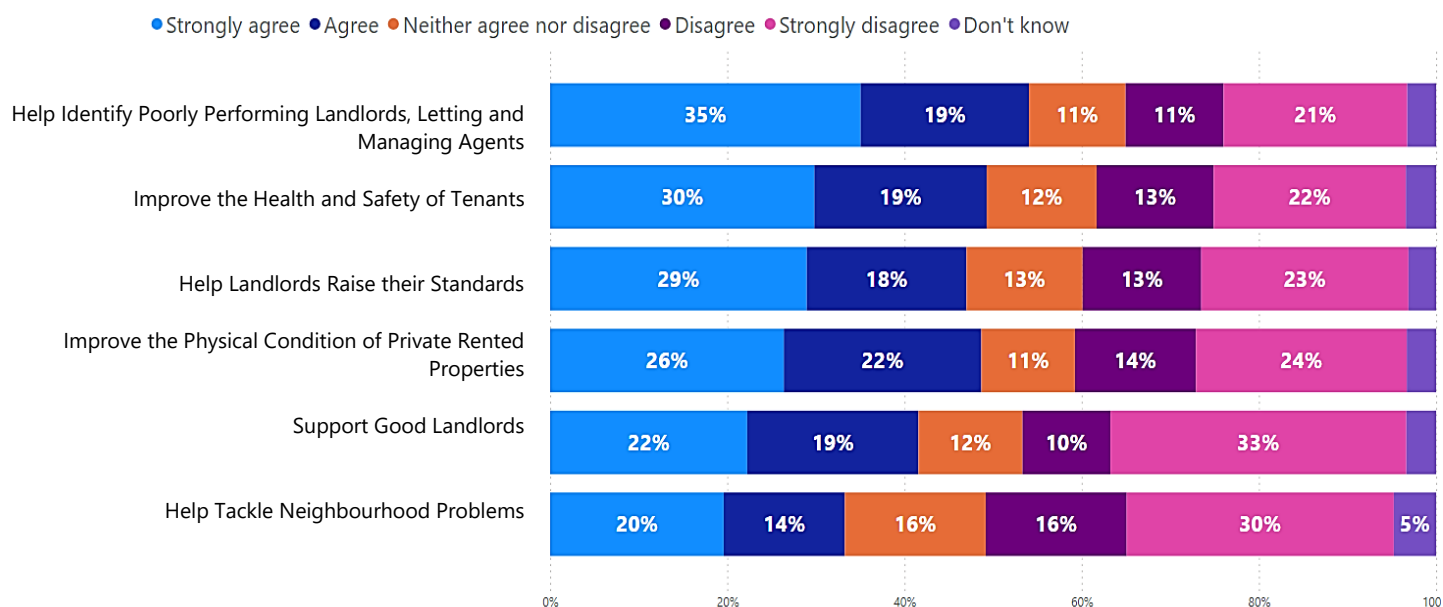
When asked whether the private rented sector causes neighbourhood problems, the majority, **51** per cent, disagreed or strongly disagreed.

Views on selective licensing scheme outcomes in Lambeth

Respondents were also asked about their views on whether they thought a selective licensing scheme in Lambeth would help to achieve certain outcomes.

1393 respondents in total answered this question.

To what extent do you agree or disagree that a selective licensing scheme will help to achieve the following outcomes?



The question asked to what extent they agreed that a selective licensing scheme in Lambeth would help to achieve the following outcomes:

Help identify poorly performing landlords, managing agents and letting agents (1384 responses)

The majority of respondents, **54** per cent, either agreed or strongly agreed.

Improve the health and safety of tenants (1378 responses)

The majority of respondents, **49** per cent, either agreed or strongly agreed.

Help landlords raise their standards (1381 responses)

The majority of respondents, **47** per cent, either agreed or strongly agreed.

Improve the physical condition of private rented properties (1391 responses)

The majority of respondents, **48** per cent, either agreed or strongly agreed.

Support good landlords (1371 responses)

The majority of respondents, **43** per cent, either disagreed or strongly disagreed, while **41** per cent said they agreed or strongly agreed.

Help to tackle issues of neighbourhood problems such as noise nuisance, rubbish and other ASB (1383 responses)

The majority of respondents, **46** per cent, either disagreed or strongly disagreed.

4. Public meetings and written responses

Lambeth Council held two virtual public forums to provide information about the proposed scheme and to gather feedback from stakeholders. Feedback was also gathered through formal written responses. Below is a summary of the key themes that came out of the forums and the written submissions.

Council officers also responded to email queries that were sent as part of the consultation.

4.1 Public online forums

The council, in conjunction with Cadence Innova, held two meetings aimed at engaging with landlords, agents and residents, to make them aware of the consultation and to gather their feedback. There was an online meeting (via Microsoft Teams) which was held on **17 January 2024** with around **64** attendees (the actual number of attendees fluctuated during the meeting as attendees joined late or left early), and a further virtual event held on **21 February 2024**, with **65** attendees.

Council officers were present at every public forum. Following on from a presentation about the proposals the majority of the meeting was used to undertake a question and answer session. Attendees had the opportunity to express their views and ask questions about the proposals. They were able to highlight areas requiring clarification and suggest matters for the council officers to consider. During each public forum, council officers attempted to address all questions posed by attendees or directed them to the consultation documents for further information (often when there were specific questions about the proposed licence conditions, fees etc).

The main themes of the questions and views expressed were as follows, categorised by theme:

Fees & discounts

Selective Licensing will result in a reduction of PRS Landlords and a rise in rents

High fees that will be passed on to tenants

Why is Lambeth's fee more expensive than anyone else's?

How is the fee-split justified?

Can the cost be split over the 5 years?

Are there exemptions for charities?

The scheme is designed to make a profit

Has the cost been benchmarked against other boroughs?

How will the £48 million be spent?

Could there be an 'early adoption' discount for the first four wards?

What about landlords who were planning to sell up in the near future? It seems extortionate to charge them the full fee; can this not be paid in yearly instalments and capped at sale of property?

The Accreditation Scheme joining fee is greater than the discount offered
Discounts should be larger and more inclusive, especially covering landlords with multiple properties

Effectiveness, enforcement and fairness/justification

Many of the conditions are already a legal requirement and existing laws and enforcement should be enough

May make sense for large property blocks, but doesn't make sense for landlords with private smaller properties

Council is not currently following up on reported transgressions, so how will a new scheme help?

The Renters' Reform Bill will require all of the safety certificates, so why is this scheme necessary?

Why did Lambeth Council not bring in a scheme years ago, instead of waiting until now, when the Renters' Reform Bill will arguably make a scheme obsolete?

How did Lambeth Council extrapolate the large numbers of properties with cat 1 hazards from the small number of complaints?

Why target areas where there are new-builds which are of high quality?

Why are the richer areas of Vauxhall and Southbank exempt?

Is there research on the effectiveness of licensing schemes?

Lambeth have not yet dealt with the mandatory HMO licence backlog

Social Housing is not covered under this scheme and it is in much worse condition

The council needs to address issues in with its own properties

Focus on poor landlords

How will the Council ensure that rogue landlords comply with this or anything else?

Why not just focus on poor landlords?

Concentrate on finding rogue landlords instead of penalising everyone

ASB

Landlords cannot be responsible for ASB

How will the council help to mediate when there are issues such as ASB?

Other

Have the Council considered the impact on affordable housing supply?

The solution should be targeted to the tenants, not landlords; they should be provided with a way to raise issues when they need to

Puts too much power in the hands of the tenants

How will this impact AirBnB?

In summary, many landlords and agents held strong views and were negative to PRS licensing in general. In particular, they were upset by the perceived unfairness of the scheme in targeting good

landlords and were concerned about the effectiveness of selective licensing schemes and the council's own ability to achieve its objectives. The main objections, however, were to the economic costs of licensing schemes on landlords, which they felt would inevitably be passed onto tenants.

Though a significant number of the attendees were landlords and managing/letting agents, a number of tenants were also among the participants. The views of tenants as a group were difficult to assess in the context of the forum because of a reluctance to speak publicly.

4.2 Written responses

Lambeth Council received four written submissions from landlord groups during the consultation period. Submissions were received from Safeagent, the NRLA, Grainger PLC and the UKAA. A summary of key themes and concerns are listed below and the full submissions can be found in Appendix 4:

Concern that the evidence-base is incomplete; a recommendation that the council not proceed with designation 2 until it has collected data on the efficacy of designation 1 (**Safeagent**)

Concern that the fee is significantly higher than in other London boroughs (**Safeagent**)

Questions and suggestions on individual licensing conditions (**Safeagent**)

General suggestions about enforcement and recognition of the important role of letting agents (**Safeagent**)

Concern that Additional Licensing was rolled out recently and has not been enforced, or that data about its success rate is unavailable (**NRLA**)

Concern about how far landlords will be expected to monitor the activities of tenants, including ASB (**NRLA**)

Questions about why licensing is necessary, with all the existing legislation on rented properties available to Lambeth not yet being utilised fully (**NRLA**)

A suggestion that Lambeth use council tax records to identify properties used in the PRS; this approach would be preferable to licensing as it does not require landlord self-identification (**NRLA**)

A suggestion that any scheme that might be implemented shows full transparency in its outcomes (**NRLA**)

Suggestion that the build-to-rent sector be exempt from licensing, given that its remit runs parallel to the aims of licensing and that the lack of inspections and document checks in areas already covered by licensing imply LAs' own risk-assessments agree it is unnecessary for the sector (**Grainger PLC & UKAA**)

Other issues with selective licensing for the BTR sector include:

BTR standards already exceed those detailed in selective licensing, therefore the wrong landlords are being targeted

It is onerous for large-scale landlords

There is no standardisation across LAs

A named individual landlord is required, which causes issues for BTR businesses when individuals leave

There are enforcement savings to be had as LAs only visit a sample of properties, and these are not currently passed on

There is no central database which leads to time-consuming searches by large portfolio holders

(Grainger PLC & UKAA)

The costs (including financial and administrative) for largescale BTR schemes are considerable and will necessitate an oncost to tenants unless some discounts and/or exemptions are put in place. Suggestions include exemptions for BTR landlords and/or a block licensing discount **(Grainger PLC & UKAA)**

5. Appendices

- Appendix 1 - Communications and Marketing
- Appendix 2 – Survey respondent profile
- Appendix 3 – Survey questionnaire
- Appendix 4 – Full written responses

Appendix 1 - Communications and Marketing

Communications & marketing

The Cadence Innova communication and marketing workstream has worked closely with the service area and corporate communications team to inform key stakeholders on the public consultation

Activities completed

- Online survey was live on Lambeth's website on 11 December
- Links to survey were placed on relevant PRS housing web pages and homepage carousel
- 1,787 consultees responded
- Paper copies of the consultation were available in all libraries
- Press release to announce consultation launch was disseminated to 111 recipients (picked up in trade and local press)
- Two online events were held – 229 tickets were issued, 129 stakeholders attended
- Organic social media campaign commenced across Lambeth's Facebook, Instagram, LinkedIn, Nextdoor and X (formerly known as Twitter)
- CAN Digital programmatic campaign
- London Property Licensing web site campaign
- Lambeth Eye article distributed to 58 Labour Councillors & 10 members of the Leader's office
- Email to three MPs and 64 Councillors sent from the Leader's office
- Two direct emails sent to 1,178 known landlords, letting and managing agents operating in the borough



Further activities

- Internal communications – Intranet homepage carousel, intranet article, staff bulletin & Yammer article
- Two newspaper advertisements – South London Press & The Voice
- Borough wide leaflet drop to every residential address
- Posters, leaflets and pull up banners in Lambeth owned buildings - leisure centres, libraries
- Posters to partners – day centres, food banks, workspaces
- Out of home campaign – JC Decaux sites across Lambeth, Croydon, Merton, Southwark & Wandsworth
- Direct letter to 37 voluntary and community sector groups in Lambeth
- Cllr Kay video recorded – used on Lambeth's social media channels, YouTube & programmatic campaign
- Direct email requesting letter of support to all London LAs & Lambeth stakeholders (emergency service commanders and integrated care systems)



Assets

Have your say on licensing of private rented properties in Lambeth



We want to hear your views on our proposals to introduce a **selective licensing scheme** in parts of Lambeth. The scheme, if approved, will improve the standards of privately rented properties in the borough.

If you are a resident, tenant, landlord, managing or letting agent, organisation, student or business, please share your views with us by completing our online survey at www.lambeth.gov.uk/propertylicensing before 4 March 2024.

You can contact our property licensing team by emailing PRSLicensing@lambeth.gov.uk or by telephone 020 7926 8091.



Scan the QR code for more information.



A4 poster

Pull up banner

Have your say on licensing of private rented properties in Lambeth



Scan the QR code before 4 March for more information.

Contact our property licensing team at PRSLicensing@lambeth.gov.uk or by telephone 020 7926 8091.



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Scan the QR code for more information.



Digital screen banner

Have your say on licensing of private rented properties in Lambeth



HAVE YOUR SAY!

Do you live, work or study in Lambeth?

We need to hear from you.



Have your say on licensing of private rented properties in Lambeth



Do you live, work or study in Lambeth?

We need to hear from you.



Social media file

A5 leaflet

The private rented sector in Lambeth has an important role in meeting housing needs in the borough. We know that most landlords operating in Lambeth are responsible and ensure that tenants live in good condition and safe homes. However, some landlords are not aware of their responsibilities and a minority knowingly flout the law and our code books as a means of getting out from under, unregulated or sub-standard properties.

In 2021, we introduced a boroughwide Additional HMO licensing scheme to ensure safety standards for tenants living in small houses in multiple occupation (SHMO).

We are now proposing that privately rented houses of all types and just HMOs should be licensed in the 13 wards with the highest levels of properties in your condition. This would be introduced in two phases. This is known as selective licensing.

If you are a tenant or homeowner, or if you study or work in the borough, we need to hear from you. Your views are important and can make a real difference to the living conditions of many.

How can I find out more?

We are holding online meetings on the following dates:

- Wednesday 17 January 2024 at 6.30 pm
- Wednesday 21 February 2024 at 6.30pm

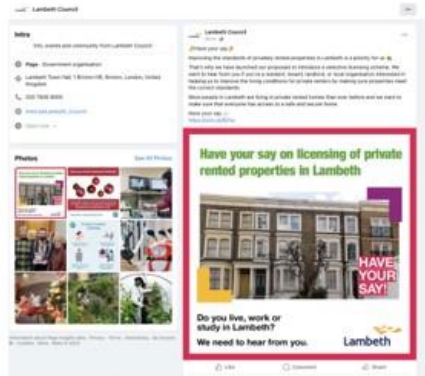
You can attend to find out more and tell us your views on our proposals. If you would like to attend a meeting, visit www.lambeth.gov.uk/propertylicensing, or register or sign the QR code overleaf. Spaces will be limited, so please ensure you register early to reserve your place.

You can contact our property licensing team by emailing PRSLicensing@lambeth.gov.uk or by telephone 020 7926 8091.

HAVE YOUR SAY!

Lambeth channels

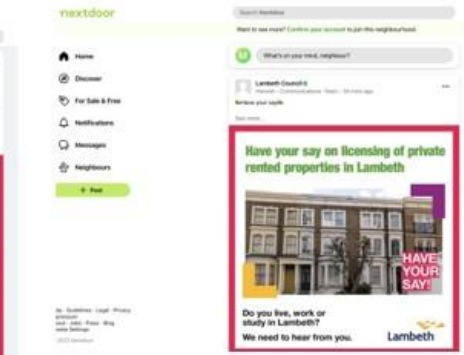
Nextdoor



Facebook



LinkedIn



Homepage carousel



Landlord accreditation web page

Landlord forum web page



YouTube



X (Twitter)

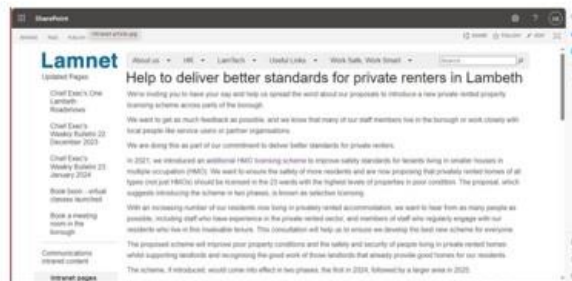


Internal communications

Staff bulletin



Intranet article



Direct email to all MPs & Councillors



Lambeth Eye - Friday 15th December 2023 - Edition 47/2023

Lambeth's Office - enquiries@lambeth.gov.uk
 To: @ Michael Brown
 If there are problems with how this message is displayed, click here to view it in a web browser.

13 Posts

Lambeth Eye

News and Reports

Private rented Sector Consultation now open

The Council has begun its consultation on our proposals to introduce a **selective licensing scheme** in Lambeth which will improve the standards of privately rented properties in the Borough. The **consultation** closes on the 4th March so we would like to encourage you to share the details with your residents and interested parties and encourage them to participate. [Read more here...](#)

List of providers for HAF

Jennifer Riley Harrison
 Feb 12

Seen by 793 ...

Help to deliver better standards for our private renters

Private Sector Enforcement & Regulations have launched a consultation on plans to introduce a new private rented property licensing scheme across parts of the borough.

They are doing this as part of our commitment to deliver better standards for private renters, and they need your help.

The proposed scheme will improve safety and security for people living in private rented homes, whilst providing landlords with support and recognising the work of good landlords.

We want to hear from as many people as possible, including staff who have experience of the private rented sector, and members of staff who regularly engage with our residents who live in the sector.

If introduced, the scheme would come into effect in two phases, the first in 2024, followed by a larger area in 2025 and is known as selective licensing.

Your views are important and can make a real difference to the living conditions of many. Head on over to the [consultation page](#) to take part. [see less](#)

Like Comment Share

You and 1 other

Yammer article

5

Online articles



Love Lambeth

Press release



LLAS

Landlord Knowledge



The Negotiator



Letting Agent Today

Brixton Buzz

Brixton Buzz

Lambeth Council wants your feedback on their proposals to introduce a licensing scheme for private rented property

For 12th December 2023 by Catherine 27 Comments



Lambeth is inviting residents to have their say about their proposals to introduce a new licensing scheme for private rented properties across parts of the borough.

The council says that it is consulting to deliver better standards for private renters, with the launch of a consultation on the proposed selective licensing scheme.

With an increasing number of households in Lambeth being let through private landlords, the council has made it a priority to ensure that everyone has access to safe and secure homes.

To help meet this priority, the council has launched a consultation on proposals that, if approved, will help to improve housing conditions, and enhance poor standards of the private sector.

In 2021, the council introduced a borough-wide private rented property (PRP) licensing scheme for private landlords to improve safety standards for tenants living in low-quality private rented properties.

Over Maria Fisk, Cabinet Member for Housing & Homelessness, said:

"We have already taken significant action to help to raise the standard of the private rented sector, and although most landlords operating in Lambeth already do this, we

Consultation

Lambeth Selective Licensing Consultation - 11 December 2023 to 4 March 2024

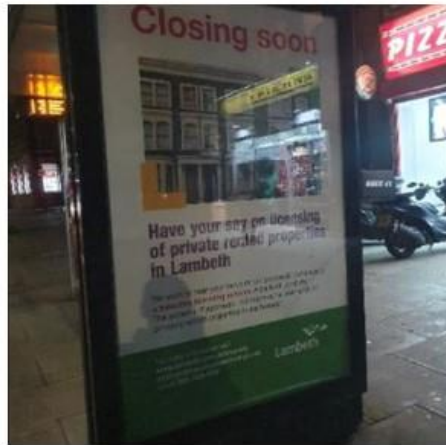
11th December 2023 - Lambeth Council



London Property Licensing web site

Out of home

35 sites



14 days



Five boroughs



5,754,105 impressions

This figure represents the total number of times that the public are likely to view the advertisements. The figure is based on the number of locations, the duration of the postings, the general population, footfall and traffic data.



Organic social media analytics



24 posts



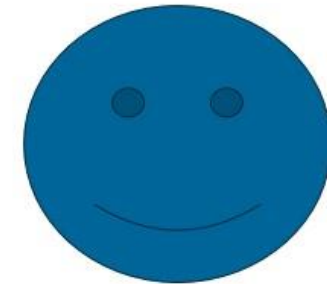
311 clicks



7.2k reach



17.6k impressions



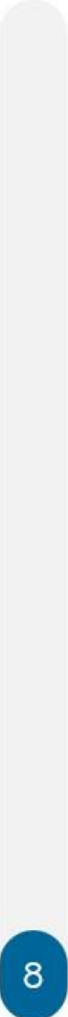
93 likes



100 comments



22 reposts



Organic social media geographical analytics

Link clicks [Ⓢ]

ALL NETWORKS X FACEBOOK INSTAGRAM LINKEDIN YOUTUBE NEXTDOOR NEXTDOOR US



Locations

United Kingdom	254
Finland	7
Austria	6
Canada	6
France	6
United States	6
Turkey	5
Portugal	4
Netherlands	3
Philippines	3
Switzerland	2
Hong Kong	2
Australia	1
Grenada	1
Greece	1
Ireland	1
India	1
New Zealand	1
South Africa	1

Global Link Clicks [?]



Google

(<https://maps.google.com/maps?ll=43.325178,-41.859375&z=2&t=m&hl=en-GB&gl=US&mapclient=api3>)

Map data ©2024



Councillor Maria Kay video analytics

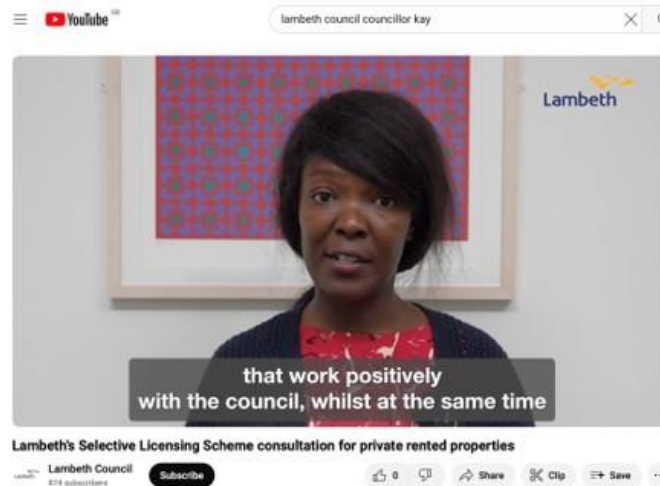
2.1k reach



Four posts



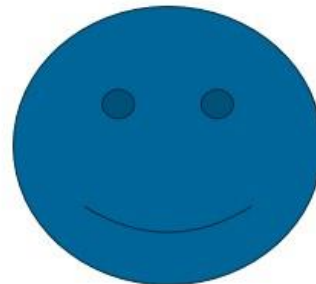
6.4k impressions



40 clicks



Five reposts



39 likes



10

Programmatic campaign analytics



Impressions
1,879,667

Clicks
5,484

CTR
0.29%

Interactions
12,007

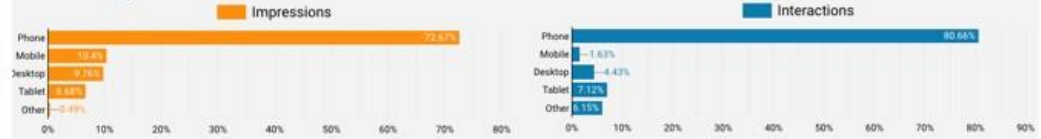
IR
0.64%

Reach Min
205,352

Reach Max
230,757

Device Type	Impressions	Clicks	Interactions	More
Phone	1,365,870	4,688	9,685	0.71%
Mobile	195,461	196	196	0.1%
Desktop	183,482	212	532	0.29%
Tablet	125,650	387	855	0.68%

Percentage share



Impressions - The number of digital views Reach Min - Largest device reach on the largest platform Reach Max - Device reach added together across all platforms CPC - Cost per Click
Interactions - Clicks, swipe ups, likes, shares, video views over 10 seconds CTR (Click Through Rate) - Clicks/Impressions IR (Interaction Rate) - Interactions/Impressions

Strategy	Impressions	Clicks	CTR	Interactions	IR
portuguese (youtube)	12,981	22	0.17%	4,667	35.95%
tenants 19-54 - phase #1	55,898	1,243	2.22%	2,141	3.83%
tenants 19-54 - phase #3	65,835	921	1.4%	1,525	2.32%
tenants 19-54 - phase #2	28,874	578	2%	887	3.07%
landlords - phase#2	740,558	630	0.09%	630	0.09%
landlords - phase#1	305,267	594	0.19%	594	0.19%
portuguese 18+ - phase #1	114,790	591	0.51%	591	0.51%
small business owners - phase#1	161,259	391	0.24%	391	0.24%
small business owners - phase#2	390,754	387	0.1%	387	0.1%
phase #1 - tenants 19-54	3,459	127	3.67%	194	5.61%



London Property Licensing

Have your say on licensing of private rented properties in Lambeth



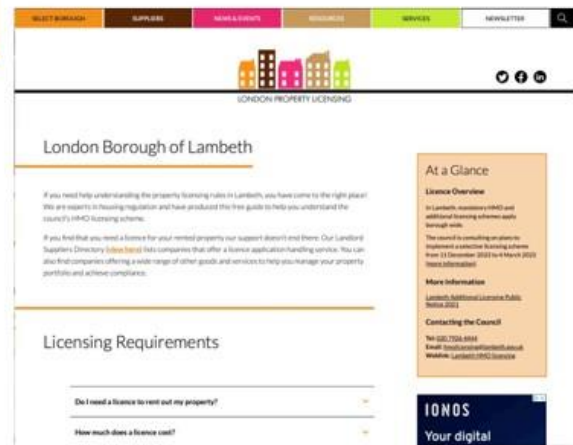
**Do you live, work or study in Lambeth?
We need to hear from you.**



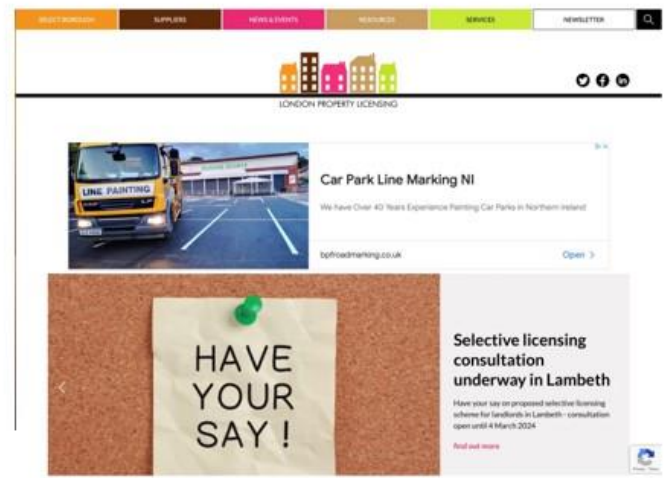

Social media posts across 11 weeks to 2.5k followers



Three newsletters to 3.7k subscribers

The screenshot shows the website's navigation bar with categories: HOME, SUPPLIES, NEWS & EVENTS, RESOURCES, SERVICES, and NEWSLETTER. The main content area includes a section for 'London Borough of Lambeth' with introductory text, a 'Licensing Requirements' section with dropdown menus for 'Do I need a licence to rent out my property?' and 'How much does a licence cost?', and an 'At a Glance' sidebar with 'Licence Overview' and 'More Information'.



The screenshot shows a newsletter article with a header 'Car Park Line Marking NI' and a sub-header 'We have Over 40 Years Experience Painting Car Parks in Northern Ireland'. Below the article is a corkboard graphic with a note that says 'HAVE YOUR SAY!' and another note titled 'Selective licensing consultation underway in Lambeth'.

News article, homepage listing, Events listing



South London Press

Award winning newspaper covering Lambeth, Southwark, Lewisham, Wandsworth, Merton, Greenwich, Bexley and Croydon



47.5k copies printed weekly



42k social media followers



220k online views per week



The Voice

the only British Afro Caribbean newspaper operating in UK since 1982

615k page views



350k online users



98.6k social media followers



20k monthly print circulation



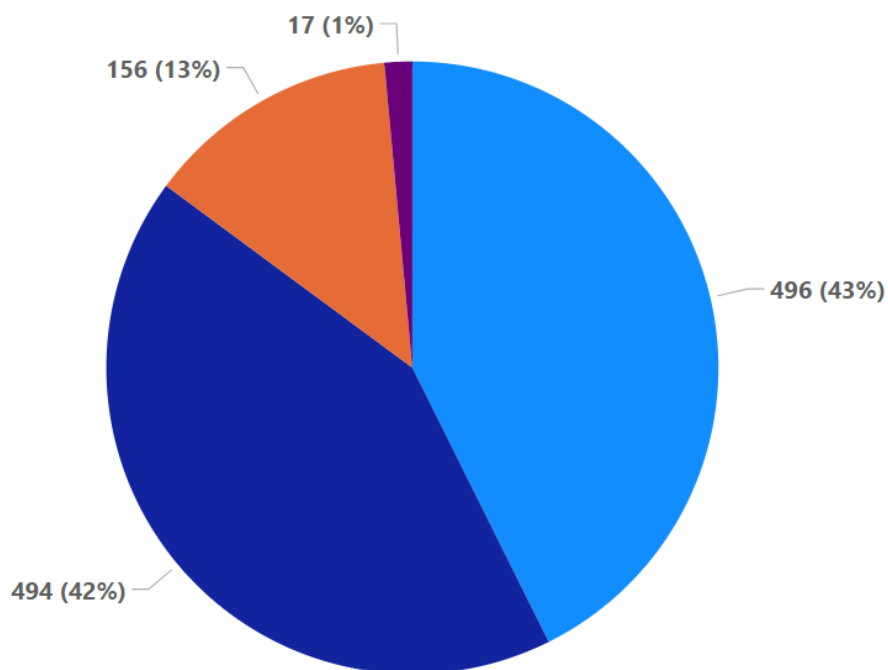
Appendix 2 - Survey respondent profile

The respondents to the consultation survey were asked if they would give their age range, sex and their ethnic background. Their responses were compared with benchmarks for the borough.

Gender

Of the **1163** respondents who answered this question, **43** per cent said they were male and **42** per cent said they were female.

What best describes your gender?



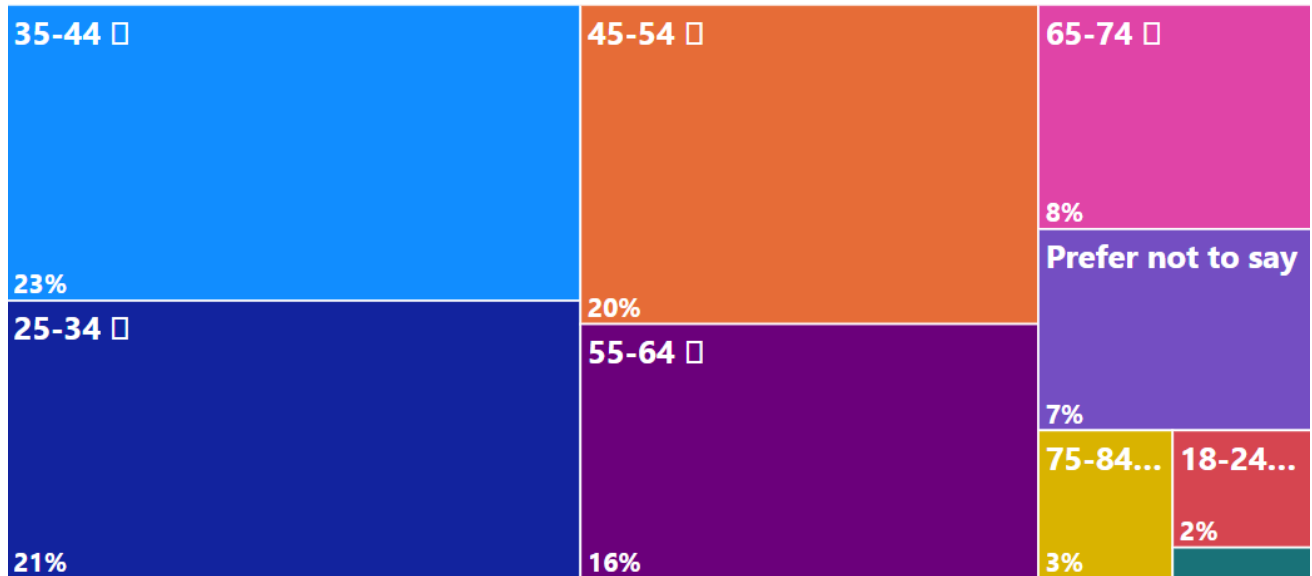
- Male
- Female
- Prefer not to say
- I use another term (for example, non-binary)

A proportion (**13** per cent) of those who answered the question gave the response of 'Prefer not to say', with **1** per cent saying that they used another term.

According to the 2021 Census, the population of Lambeth is **51.5** per cent female and **48.5** per cent male, so male respondents are slightly over-represented in the survey.

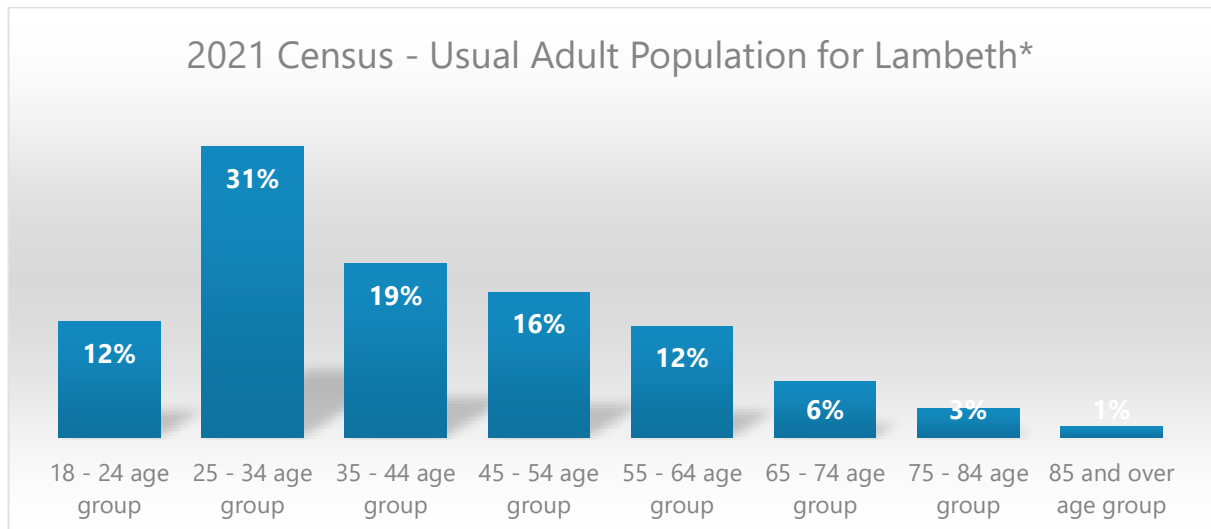
Age

Which Age Group Applies to You?



1200 respondents answered this question. The age groups of **25 to 34**, **35 to 44**, and **45 to 55** were evenly represented by the respondents, with each group making up roughly **20 per cent** of the total. The age group of **55 to 64** made up **16** per cent of the respondents who answered.

Compared to the Census data for the borough, the **18 to 24** age group is underrepresented at **2** per cent compared to the Census figure of **12** per cent. The **25 to 34** age group is also underrepresented at **21** per cent compared to the Census figure of **31** per cent for that age group. Other age groups up to and including **65 to 74** are somewhat overrepresented in the consultation compared with Census data for the London Borough of Lambeth.

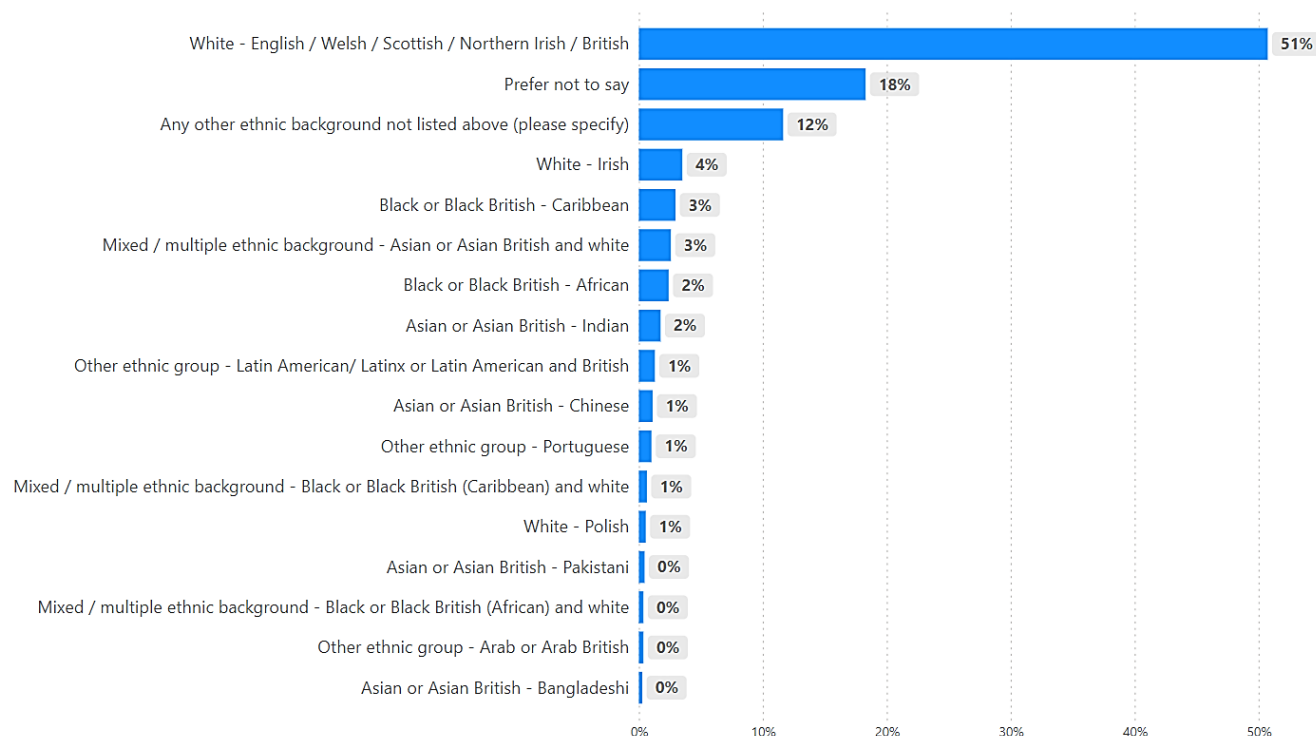


*Please note that the Census figures are the percentage of the total adult population in Lambeth (percentage based on census figures with ages 0-17 removed)

Ethnic origin

Respondents were asked “What is your race or ethnic group?”. **1082** respondents chose to answer this question.

What is your race or ethnic group?



What is your race or ethnic group?	%GT Count of What is your race or ethnic group?
White - English / Welsh / Scottish / Northern Irish / British	50.74%
Prefer not to say	18.30%
Any other ethnic background not listed above (please specify)	11.65%
White - Irish	3.51%
Black or Black British - Caribbean	2.96%
Mixed / multiple ethnic background - Asian or Asian British and white	2.59%
Black or Black British - African	2.40%
Asian or Asian British - Indian	1.76%
Other ethnic group - Latin American/ Latinx or Latin American and British	1.29%
Asian or Asian British - Chinese	1.11%
Other ethnic group - Portuguese	1.02%
Mixed / multiple ethnic background - Black or Black British (Caribbean) and white	0.65%
White - Polish	0.55%
Asian or Asian British - Pakistani	0.46%
Mixed / multiple ethnic background - Black or Black British (African) and white	0.37%
Other ethnic group - Arab or Arab British	0.37%
Asian or Asian British - Bangladeshi	0.28%

A notable proportion (**18%**) of those who answered the question gave the response of: ‘Prefer not to say’.

The 2021 Census results for Lambeth regarding ethnic groups are shown below:

Ethnic Group	Percentage (2021 Census)
Asian, Asian British or Asian Welsh: Bangladeshi	0.8
Asian, Asian British or Asian Welsh: Chinese	1.6
Asian, Asian British or Asian Welsh: Indian	1.9
Asian, Asian British or Asian Welsh: Pakistani	1.2
Asian, Asian British or Asian Welsh: Other Asian	1.8
Black, Black British, Black Welsh, Caribbean or African: African	11.8
Black, Black British, Black Welsh, Caribbean or African: Caribbean	9.1
Black, Black British, Black Welsh, Caribbean or African: Other Black	3.1
Mixed or Multiple ethnic groups: White and Asian	1.4
Mixed or Multiple ethnic groups: White and Black African	1.3
Mixed or Multiple ethnic groups: White and Black Caribbean	2.6
Mixed or Multiple ethnic groups: Other Mixed or Multiple ethnic groups	2.7
White: English, Welsh, Scottish, Northern Irish or British	37.6
White: Irish	2.1
White: Gypsy or Irish Traveller	0.0
White: Roma	0.5
White: Other White	14.8
Other ethnic group: Arab	0.8
Other ethnic group: Any other ethnic group	4.8

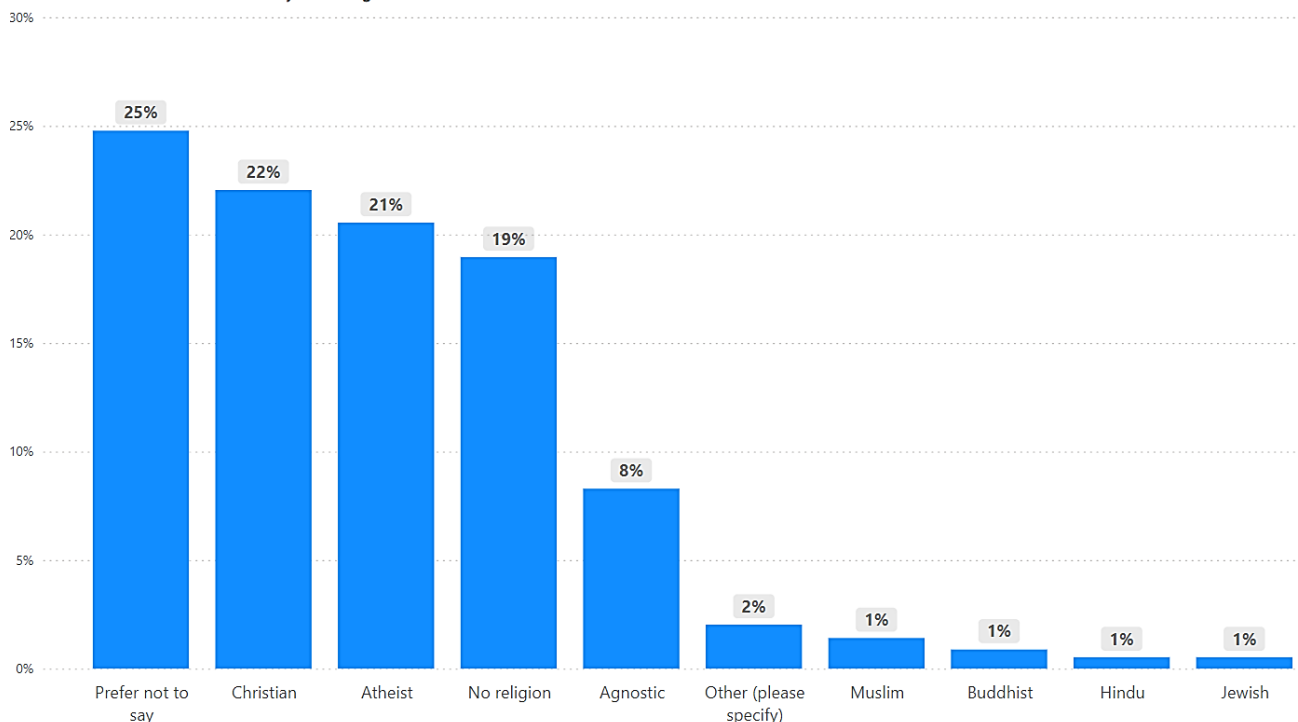
The largest group of consultation respondents were people of White British ethnic origin (**51** per cent), which is above the borough's demographic figure of **38** per cent. The proportions of Asian or Asian British – Indian (**1.8** per cent), Asian or Asian British – Pakistani (**0.5** per cent) and Asian or Asian British – Bangladeshi (**0.3** per cent) respondents were more representative of borough figures (at **1.9** per cent, **1.2** per cent and **0.8** per cent respectively). The proportion of Asian or Asian British – Chinese respondents (**1.1** per cent) was close to the borough figure of **1.6** per cent.

The proportion of respondents of Black or Black British – African (**2** per cent) and Black or Black British - Caribbean (**3** per cent) are below the borough figures of **12** per cent and **9** per cent respectively.

Religion and beliefs

Respondents were asked their religion or beliefs. **1134** respondents chose to answer this question. The largest proportion of respondents, **25** per cent, gave 'Prefer not to say' as their response.

Which of these best describes your religion?



The 2021 Census results for Lambeth regarding religion or beliefs are shown below.

Lambeth

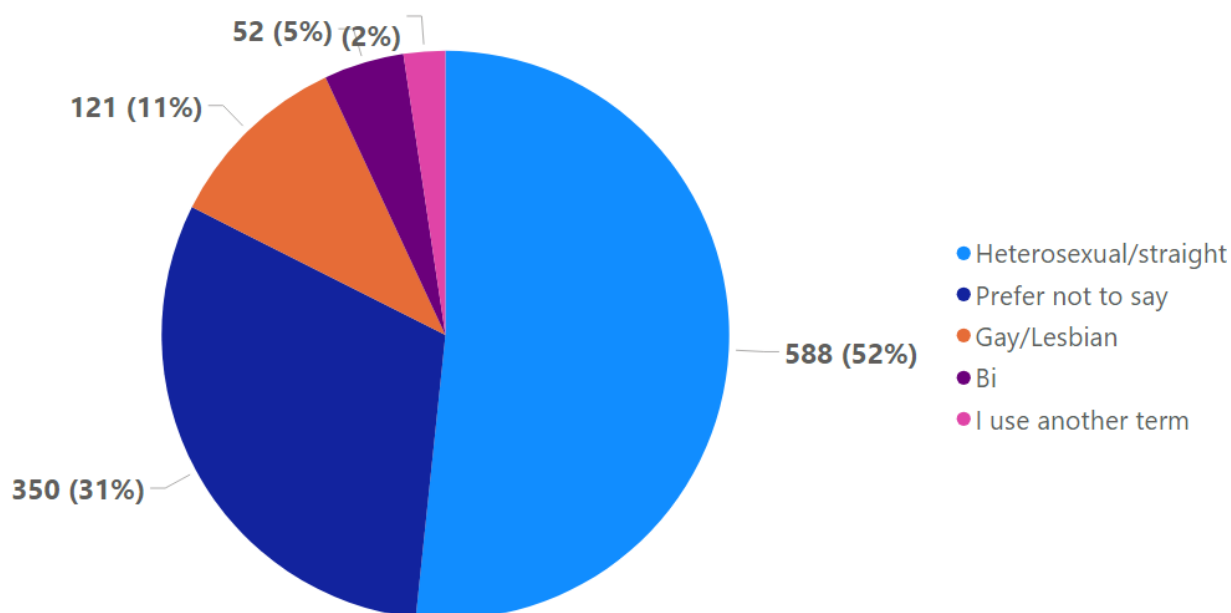
Religion or beliefs	Percentage (2021 Census)
No religion	37.5
Christian	43.7
Buddhist	0.8
Hindu	1.0
Jewish	0.4
Muslim	8.1
Sikh	0.2
Other religion	0.7
Not answered	7.6

Based on the answers of those who gave their religion or beliefs, Christians and Muslims were underrepresented in the survey.

Sexual orientation

Respondents were also asked their sexual orientation. **1138** respondents chose to answer this question. The largest proportion of responses were from people who identified as heterosexual/straight (**52** per cent). A large proportion of respondents, **31** per cent, gave the response: 'prefer not to say'.

What best describes your sexual Orientation?



The 2021 Census results for Lambeth regarding sexual orientation are below.

Lambeth

Sexual orientation	Percentage (2021 Census)
Straight or Heterosexual	82.7
Gay or Lesbian	5.3
Bisexual	2.3
Pansexual	0.2
Asexual	0.1
Queer	0.1
All other sexual orientations	0.3
Not answered	9.1

Straight/heterosexual respondents are underrepresented by the consultation responses (**52** per cent compared to **83** per cent according to 2021 Census). Gay and lesbian respondents were

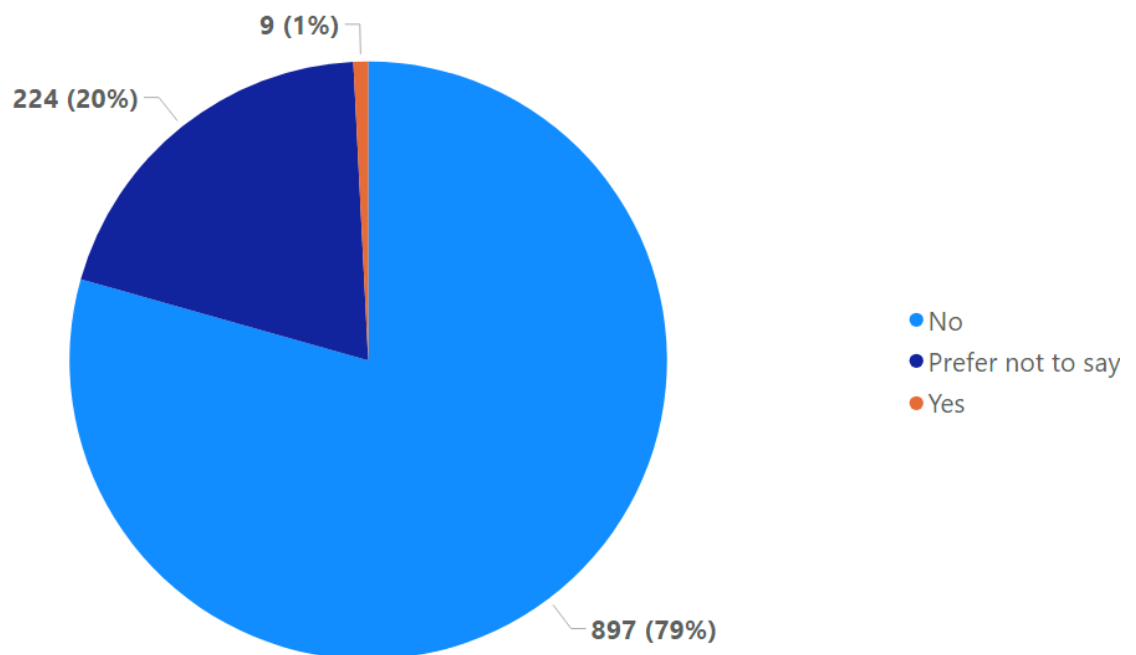
overrepresented, as were bisexual respondents. Given the large proportion of respondents to this question who gave the response: 'prefer not to say' (**31** per cent), combined with the proportion of survey respondents who chose to answer this question, these representations cannot be assumed to be comparable to the wider borough, however.

Transgender identity

Respondents were also asked whether they considered themselves to be trans (with a definition of 'trans' being given as: *Trans is an umbrella term to describe people whose gender is not the same as, or does not sit comfortably with, the sex they were assigned at birth*).

1130 respondents chose to answer this question. The largest proportion of responses were from people who did not identify as trans (**79** per cent). A large portion of respondents, **20** per cent, gave the response: 'prefer not to say'.

Do you consider yourself to be trans?

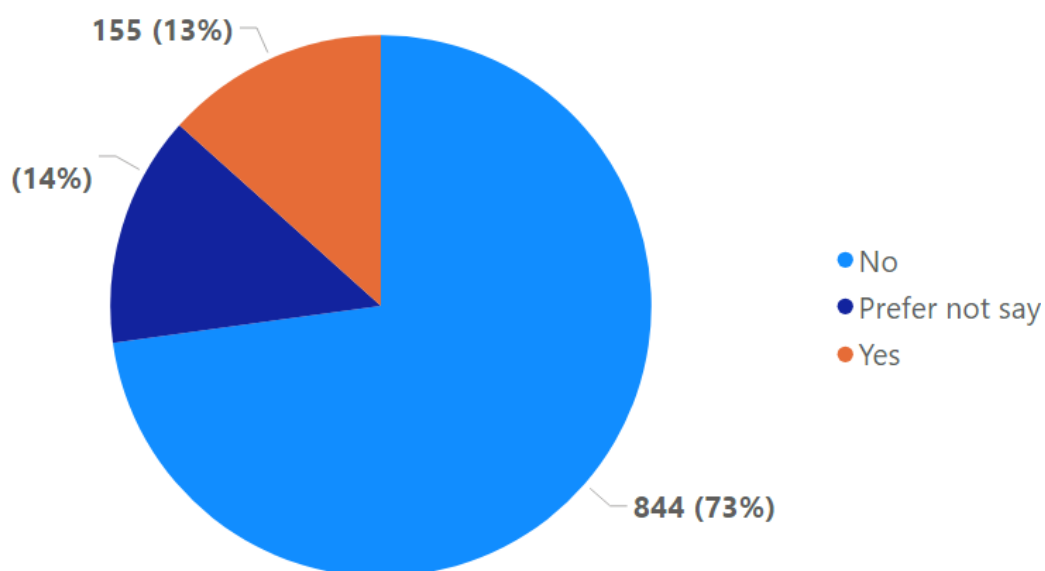


The 2021 census has **92** per cent of Lambeth residents saying their gender identity is the same as their sex registered at birth, and **1** per cent saying their gender identity is different.

Disability or long-term health condition

Respondents were also asked if they had a disability or long-term health condition. **1159** respondents chose to answer this question.

Do you consider yourself to have a disability or long term health condition?



A proportion (**14** per cent) of those who answered the question gave the response: 'prefer not to say'.

13 per cent of the respondents to the question said they have a disability or long-term health condition, which is comparable with the combined figures of **5.4** per cent of people in Lambeth who are disabled under the equalities act and their day-to-day activities are limited a lot, and the **7.8** per cent of people in Lambeth who are disabled under the equalities act and their day-to-day activities are limited a little (figures from 2021 Census).

Appendix 3 - Survey questionnaire

Selective licensing survey (private sector housing)

Introduction

In order to improve the standard of privately rented property in the borough, Lambeth Council is proposing to introduce a selective licensing scheme for all privately rented homes in twenty-three of the twenty-five wards of Lambeth. These wards have been chosen because they have high levels of privately rented accommodation which is in poor condition.

It is proposed that the scheme will be introduced in two phases. The first phase, if approved, will apply to four wards: Knights Hill, Streatham Common & Vale, Streatham Hill East and Streatham St Leonard's. The properties in these wards have poor property conditions, double the national average. If agreed this scheme would come into force late 2024.

The second phase, if approved, will extend to a further 19 other wards (excluding the wards of Vauxhall and Waterloo & South Bank). The properties in these wards are also suffering from poor conditions, significantly higher than the national average. If agreed this scheme would come into force early 2025.

If the scheme is implemented, landlords will be required to apply to the council for a licence for each privately rented property they own or manage in the area. Each licence application must be accompanied by a licence fee. Conditions will be attached to each licence and landlords would be bound by these conditions. Details of the proposed areas, licence conditions and fees can be found on the [consultation page](#)

Your responses will be shared with Cadence Innova, consultants working with Lambeth Council, who will be analysing the data. Please be aware that Lambeth Council are the data controllers and the data processors for this survey and that any contact details you provide will not be shared with Cadence Innova. Your contact details will be separated from your survey response before being sent; therefore, you will not be identified in the results and report of findings received by the council. We will not pass your details on to any third parties. The council's Data Protection Officer can be contacted via infogov@lambeth.gov.uk, or 020 7926 1000.

Please share your views with us by completing the following survey. This should take no longer than fifteen minutes to complete.

Your connection to the London Borough of Lambeth

*** 1. In what capacity are you responding to this survey?**

- As a Lambeth resident or a local business in Lambeth (but not a landlord)
- As a landlord, letting or managing agent with properties in Lambeth
- As another type of stakeholder

Lambeth resident/local business (but not landlord)

2. Which of the following best describes you?

- Private tenant living in a single family dwelling (e.g. a self-contained flat or house)
- Private tenant living in a house in multiple occupation (HMO) or bedsit where you share some basic amenities (e.g. toilet, bathroom, kitchen) with others
- Lambeth Council tenant
- Housing association tenant
- Owner occupier
- Shared owner - with a share in the equity of the home
- Local business in Lambeth (but not a landlord)
- Other (please specify)

Landlord/letting agent/managing agent

3. Which of the following best describes you?

- Landlord who manages their own property
- Landlord who uses a managing agent
- Letting agent
- Managing agent
- Registered social landlord
- Other (please specify)

4. If you are a landlord, how long have you owned property in Lambeth?

- Less than one year
- 1-2 years
- 2-5 years
- 5-10 years
- 10+ years
- Not applicable

5. Please indicate how many properties you own/manage in Lambeth, for each of the following types

	0	1	2-10	11-50	51-100	101+
Single family occupancy house/bungalow	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Self-contained flat converted	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Self-contained flat purpose built	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
House in Multiple Occupation (3 or more people)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

6. Are you accredited with or a member of any of the following (please tick all that apply)

National Residential Landlords Association (NRLA)

London Landlord Accreditation Scheme (LLAS)

UK Association of Letting Agents (UKALA)

Safeagent

Association of Residential Lettings Agents (ARLA)

Royal Institution of Chartered Surveyors (RICS)

Other (please specify)

None of the above

* 7. Do you live in Lambeth?

Yes

No

Stakeholders

8. Which organisation do you represent?

9. What is your connection with Lambeth?

Local issues

10. How much of a problem do you think the following issues are in your area of Lambeth?

	Not a problem at all	Not a very big problem	A fairly big problem	A very big problem	Don't know
Poor property conditions (eg properties in a poor state of repair)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Anti-social behaviour (ASB)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deprivation (eg poverty)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

11. Thinking about the private rented sector (PRS) as a whole in Lambeth, to what extent do you agree with the following statements?

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	Don't know
The number of private rented properties has been increasing in Lambeth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The physical condition of private rented properties is a problem	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There are health and safety issues with private rented properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There are inadequate fire safety measures in private rented properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The private rented sector causes neighbourhood problems such as noise, nuisance, rubbish and other anti-social behaviour	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Poorly maintained privately let properties are contributing to the decline of some areas in Lambeth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Poorly managed privately let properties are contributing to the decline of some areas of Lambeth	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Landlords have a responsibility to manage their properties effectively	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Landlords should be 'fit and proper' persons (e.g. have proper management or financial arrangements in place, and not have convictions for certain types of offences)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Selective licensing schemes (the licensing of properties occupied by a single family or household)

If a selective licensing scheme is introduced, all landlords with private rented property in the designated area will be required to obtain a licence. The licence can contain two types of conditions: mandatory and discretionary.

The mandatory conditions are those relating to electrical, gas and fire safety, tenancy agreements and references. These are required by law and must be applied. These mandatory conditions do not form part of the consultation.

The discretionary conditions are part of the consultation, and the council can decide on these in order to deal with the management, use and occupation of the licensed property. The discretionary conditions provide additional requirements to ensure that properties are and continue to be safe and well-managed.

Please answer the following questions based on the evidence provided in the evidence pack and your own knowledge of the area.

12. To what extent do you agree or disagree with the proposal for a selective licensing scheme to address poor property conditions in the four wards of Knights Hill, Streatham Common & Vale, Streatham Hill East and Streatham St Leonard's?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

13. If you disagree with the proposal for a selective licensing scheme to address poor property conditions in the four wards of Knights Hill, Streatham Common & Vale, Streatham Hill East and Streatham St Leonard's, please explain why and what alternatives you think should be considered

14. To what extent do you agree or disagree with the proposal for a selective licensing scheme to address poor property conditions in a further nineteen wards (excluding Vauxhall and Waterloo & South Bank)?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

15. If you disagree with the proposal for a selective licensing scheme to address poor property conditions in a further nineteen wards (excluding Vauxhall and Waterloo & South Bank), please explain why and what alternatives you think should be considered

16. To what extent do you agree or disagree that a selective licensing scheme will help to achieve the following outcomes?

Improve the physical condition of private rented properties	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Improve the health and safety of tenants	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Help to tackle issues of neighbourhood problems such as noise, nuisance, rubbish and other anti-social behaviour	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Help identify poorly performing landlords, managing agents and letting agents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Help landlords raise their standards	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Support good landlords	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

17. To what extent do you agree or disagree with the proposed selective licensing discretionary conditions?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know

18. If you disagree with any of the discretionary conditions for selective licensing, please explain why

Licence fees

The Housing Act 2004 permits the council to set licensing fees to cover the costs of administering the licensing scheme over five years. Licence fees cannot be used elsewhere in the council or used to generate a profit. As long as the licence conditions are complied with, the licence would remain valid up to a maximum of five years.

The council proposes to charge £923 per property licence. The law requires that the payment is collected in two parts. The initial part of the fee (£650) is charged to cover the cost of processing the application. If the application for a licence is successful, the remainder of the fee (£273) will be charged before the full licence is issued. This part of the fee is a contribution to the other costs incurred by the council in running and administering the licensing scheme, for example the cost to the council for enforcement of licences.

We are also proposing to offer a £75 discount to applicants who are members of a Landlords Accreditation Scheme.

The licence fee will be kept under review at least annually.

Please answer the following questions based on the [evidence provided](#) in the evidence pack and your own knowledge of the area.

19. What are your views on the proposed fee?

- I think the fee is too high
- I think the fee is about right
- I think the fee is too low
- Don't know

20. What are your views on the proposed accredited landlords' discount?

- I think the discount is too high
- I think the discount is about right
- I think the discount is too low
- Don't know

Further comments

21. If you have any other comments about the proposed selective licensing scheme, please tell us about them here

22. If there is anything else you think the council should consider to help improve the condition and management of private rented sector housing in Lambeth, please tell us about it here

Licensing designation

Lambeth Council is legally obliged to offer to send you a copy of the licensing designation(s) before any licensing scheme is introduced. These are supporting documents that define various things including the area where licensing will be required, as well as detailing the commencement and duration of the designation(s).

If you would like to receive a copy of the licensing designation(s) please provide your name with either an email or postal address in the box below.

Your contact details will be used by Lambeth Council only for the purpose of the notification under the Housing Act 2004, and of issuing the licensing designation(s), as required to fulfil the council's duties under Regulation 9 (3) - The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 - the publication requirements relating to designations made under the Housing Act 2004, require that within two weeks after the designation was confirmed or made, the local housing authority must send a copy of the notice to any person who responded to the consultation.

The contact information will not be shared, shall be retained for no more than three years after decisions have been finalised, and shall be processed in adherence to your legal rights, including but not limited to the right to withdraw consent, right to copies of your information and right to be forgotten. If you are dissatisfied with the processing of your information, you can raise your concern with the council's Data Protection Officer. You have a right to lodge a complaint with the Information Commissioner's Office (www.ico.org.uk). Further information can be found at [Privacy notice | Lambeth Council](#)

23. Please provide your contact details

Name	<input type="text"/>
Address	<input type="text"/>
Address 2	<input type="text"/>
Post Code	<input type="text"/>
Email Address	<input type="text"/>

About You

To make sure we are providing fair services to all of Lambeth's diverse communities, and meeting the needs of different groups, it is important that we ask you a few questions about yourself. You are under no obligation to provide the information requested, but it would help us greatly if you did. The information will be used to help us plan services that meet the needs of all their users. Your responses will be kept confidential and any information published will be made anonymous. No information that can identify you, your home or your household will be passed to any other organisations without asking you first.

24. Which age group applies to you?

- Under 18
- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65-74
- 75-84
- 85+
- Prefer not to say

25. What is your race or ethnic group?

26. What best describes your gender?

- Female[]
- Male
- Prefer not to say
- I use another term (for example, non-binary)

27. Do you consider yourself to have a disability or long term health condition?

- Yes
- No
- Prefer not say

28. What best describes your sexual orientation?

- Heterosexual/straight
- Gay/Lesbian
- Bi
- Prefer not to say
- I use another term

29. Do you consider yourself to be trans?

***Note: Trans is an umbrella term to describe people whose gender is not the same as, or does not sit comfortably with, the sex they were assigned at birth.**

- Yes
- No
- Prefer not to say

30. Which of these best describes your religion?

- Atheist
- Agnostic
- Buddhist
- Christian
- Hindu
- Jewish
- Muslim
- Sikh
- No religion
- Prefer not to say
- Other (please specify)

31. Please provide the first part of your postcode, eg SE27, SW4

32. How did you hear about this consultation? (tick all that apply)

- Leaflet
- Email
- Lambeth Talk
- Poster
- Lambeth website
- Through a community group or network
- Local newspaper
- Word of mouth
- Other (please specify)

Thank you for taking part in our survey

Appendix 4 - Full written responses

Safeagent



Proposed Selective Licensing Scheme in the London Borough of Lambeth

Safeagent Consultation Response

4 March 2024

An Introduction to safeagent

Safeagent is a not for profit accrediting organisation for lettings and management agents in the private rented sector. Safeagent (formerly NALS) provides an overarching quality mark, easily recognised by consumers, with minimum entry requirements for agents. Safeagent operates a government approved client money protection scheme and is a training provider recognised by the Scottish and Welsh governments for agents meeting regulatory requirements in those devolved nations.

Safeagent agents are required to:

- deliver defined standards of customer service
- operate within strict client accounting standards
- maintain a separate client bank account
- be included under a Client Money Protection Scheme

Agents must provide evidence that they continue to meet safeagent criteria on an annual basis to retain their accreditation. The scheme operates UK wide and has 1,700 firms with over 3,000 offices, including agents within the London Borough of Lambeth.

We very much welcome the opportunity to contribute to this consultation exercise.

Overview

We understand that Lambeth Council is seeking to roll out new selective licensing schemes in two phases. Firstly, a smaller scheme focused on four council wards. Secondly, an expansive licensing scheme covering a further nineteen council wards. In preparing this consultation response, we have carefully considered the information published on the council's website.

As an overarching point, we would encourage the council to reflect on proposals in the Renters Reform Bill to implement a Property Portal. All private landlords in Lambeth will be required to register on the portal and upload relevant gas, electrical and other safety certification. Enforcement of the property portal is likely to be delegated to the council. With this enhanced information on the private rented sector and the opportunity to scrutinise safety certification on every property, we would ask the council to consider whether a smaller more targeted scheme would make better use of limited resources.

Current licensing schemes

We note the council introduced a borough wide additional licensing scheme covering most Houses in Multiple Occupation (HMOs) in December 2021.

Before embarking on new licensing schemes, we would ask the council to provide information on the implementation, resourcing and enforcement of the current scheme. The consultation report provides very limited information in this regard. We are concerned to see less than half of additional licence applications have been processed over two years after the scheme started, and no information about property inspections. We would encourage the council to focus on implementing the current additional licensing scheme and share the outcomes before embarking on any new schemes.

We would highlight that Croydon Council's application to the Secretary of State for borough wide selective licensing was refused in 2021. One of the reasons given by the Secretary of State was failure to demonstrate strong outcomes or efficient delivery of their previous scheme.

We anticipate the Secretary of State will apply similar considerations to an application from Lambeth Council. For this reason, we would encourage the council to evaluate the implementation of mandatory HMO and additional licensing and share that information with all interested parties.

Evidence base

We note the council are proposing a staged approach to selective licensing, starting with a smaller scheme covering four council wards.

Whilst the consultation report provides evidence on different scheme criteria, section 7 makes clear the sole driver for this scheme is poor property conditions. This would necessitate physical inspections of a significant proportion of licensed properties.

If the four wards in phase 1 represent the council's highest priority, we would encourage the council to focus on that area and demonstrate positive outcomes before deciding if resources should be scaled up for a larger scheme. Even within four wards, the council predict over 2,500 properties with category 1 hazards, which would necessitate over 500 inspections during each year of the scheme. The consultation report provides no information on the proposed staffing structure to deliver this outcome and the associated financial modelling.

With the council's evidence based indicating almost 49,000 private rented homes in the borough, there is almost no prospect the council could inspect 8,000 to 10,000 properties a year if the full scheme was rolled out. If the key driver for selective licensing is poor property conditions, the scheme cannot achieve its objectives without a realistic inspection programme. This is why we would suggest a staged approach. If all the selectively licensed properties in four wards can be inspected and improved within five years, resources can then be reallocated to the next priority area.

Licensing fees

We recognise that the council need to charge a reasonable fee to cover the cost of administering and enforcing the licensing scheme. It is important that the council implement an efficient and streamlined licence application processing system. This will help to minimise costs and keep fees at a reasonable level, thereby minimising upward pressure on the rent that is charged to tenants.

We understand the council is proposing to charge a selective licence application fee of £923 per property. This would be the highest selective licensing fee in London and significantly above the London average selective licensing fee which is currently £720 (Source: London Property Licensing, 2024).

We are unsure why it is more expensive to operate a selective licensing scheme in Lambeth than in any other borough. No financial modelling has been provided. The schedule of fees shows 70% of the licence fee is for processing the licence application and only 30% for operating the scheme and enforcing against landlords who fail to apply. We would encourage the council to review their financial modelling as it should not cost £630 to process one selective licence application using a modern integrated online application and payment system.

We welcome the proposed £75 fee discount for licence applications where the licence holder or property manager is a member of safeagent. We note it says the discount 'may' apply. We would ask the council to clarify any additional eligibility requirements being considered so we can comment on those.

Licence Conditions

We have studied the proposed list of standard licence conditions in Appendix 2.

We have made some suggestions to help improve and fine tune the wording of the conditions. This in turn should help landlords and agents to understand and comply with the requirements.

Introduction

Inserted at the start of the proposed licence conditions is a summary of statutory selective licensing exemptions. This section is misplaced within licence conditions as these conditions will only be inserted on selective licences granted by the council. This information could instead be included within general guidance.

Condition 1.7

This condition about lighting and ventilation cannot be added as a selective licensing condition. Selective licensing conditions can only relate to the management, use and occupation of the property. The Court of Appeal has confirmed that licence conditions cannot relate to property condition and contents (Brown v Hyndburn Borough Council [2018]). This condition should be deleted.

Condition 1.8

We found the wording about written declarations confusing as it leaves it unclear to whom, and when, such a declaration must be given. Far simpler wording would be to require the landlord to give their tenants an out of hours contact number for emergencies. We see no need to give an address for the out of hours contact, as any emergency situation would need to be reported online or by phone. There may be different emergency contact numbers for different situations.

Condition 1.12

This somewhat overlaps with condition 1.8 which both refer to emergency repairs. The two conditions should be merged and simplified. The reference to a complaints policy is unclear as it says the policy must explain about repairs reporting. Reporting a repair is not the same as making a complaint.

Condition 1.15

We agree it is reasonable to require any conviction or caution involving the licence holder or property manager to be disclosed. However, we think extending this clause to cover any informal warning or reprimand is unreasonable. How would these terms be defined and what would be the rationale for requiring disclosure where there has been no offence?

Condition 1.16

We would suggest this condition is deleted. The council waste collection authority is required to collect normal domestic refuse and recycling from residential properties. Properties licensed under a selective licensing scheme will all be single family houses or flats. We can foresee no circumstances where the council's waste collection scheme will not be suitable for a single family property.

Condition 1.19

We are unsure the purpose of this condition as it appears to contradict 1.3 and 1.5 which set out alternative arrangements for the appointment of a managing agent. There is no requirement for a managing agent to agree to be bound by licence conditions as set out in 1.19 as the licence holder remains the liable party until the licence expires or is revoked.

Condition 1.20

The wording needs to be revised as it puts the landlord and agent in a difficult legal position. Whilst tenants can be asked to allow access on giving at least 24 hours notice and any safeagent member would assist in requesting access, the tenant can refuse entry if it is not convenient. Only the council has legal power of entry under section 239 of the Housing Act 2004.

Condition 1.22

Subsection (c) duplicates condition 1.3 and should be deleted. Subsection (d) needs to define 'substantial works' and 'any emergency'. For example, does a planned retiling of the main roof or a water leak from a faulty pipe that is repaired require notification to the council, and what is the purpose of the notification? Subsection (e) seems muddled and misplaced. Any such issues prior to licence application must be stated on the application form. Any such issues post approval are covered by condition 1.15.

Condition 3.3 / 3.4

We accept a condition must be imposed requiring references from potential tenants. However, we have some concern about the council seeking to dictate what constitutes a suitable reference and that too onerous requirements risk excluding some of the most vulnerable people from the private rented sector. Whether it is women fleeing domestic violence, people released from prison or those people granted asylum, it would be for the landlord and their agent to carry out all statutory checks and determine whether a tenancy offer can be made. As the council is seeking to roll out selective licensing across most of the borough and given minimal access to social housing, the council should recognise that people unable to access private rented sector will either be housed in temporary accommodation by the council or face homelessness.

Condition 3.5

We have concerns about the practicality of carrying out such checks on every tenancy and would ask the council to reflect carefully on the unintended consequences this could have. What evidential checks would the council require to determine children are related to their parents, that a child has been adopted or is in foster care, or whether two people are in a relationship? Whilst we recognise HMO use requires a different licence, this is an onerous and unnecessary condition that would impact on every family trying to rent a home in the borough.

Condition 3.8

We would ask that this condition is deleted. The council cannot dictate what conditions must be imposed in a tenancy agreement between the landlord and tenant. Clearly, such a requirement would also be inappropriate in a property that has no front or rear garden and no external space within the curtilage of the property. The correct approach is to ensure tenants are given information about refuse and recycling collections which is already covered in condition 1.17(d).

Condition 4.2

Whilst any gas safety concern must be immediately addressed, there is no requirement to recheck all gas appliances in the property and obtain a new Landlord gas safety record if one issue arises. It would be reasonable for the council to seek confirmation from a gas safe registered engineer that any safety fault has been rectified.

Condition 5.2

Conditions 5.2 and 5.5 both cover testing of portable electrical appliances provided by the landlord but each impose slightly different requirements which creates confusion. The two conditions should be combined and the wording standardised to make clear what is required.

Condition 5.4

The condition requires electrical contractors to be approved but does not say by whom. We would encourage the council to adopt the same approach as set out in current electrical safety regulations and guidance. Departing from existing electrical safety requirements will lead to inconsistency and confusion.

Condition 7.3

We are unsure the intended meaning of this condition with respect to a single family property. For example, in an HMO, the landlord and property manager must ensure the fire escape route from each bedroom to the final exit door is kept clear. There is no similar provision for single family lets and neither the landlord or agent have any control over where the tenant places furniture or possessions during the tenancy. This condition should either be deleted or altered to explain precisely what it means.

Condition 9.1

Second paragraph. As mentioned above, notifying a repair request is quite different to making a complaint. We assume the council would differentiate repair requests and complaints in a similar way for their own property portfolio. Repair request rather than complaint would be a better term to use.

Conditions 9.3 / 9.4

We accept six monthly interim inspections are appropriate and would suggest these two conditions are combined as it would be one inspection covering both issues. In relation to condition 9.3, we note a single family let has no common parts and that terminology is not applicable to single family properties. In relation to condition 9.4, some pest issues will be the responsibility of the tenant rather than the landlord. Where responsibility lies will depend on the nature of the issue.

Condition 9.5

Whilst it is reasonable to require any outbuildings are lockable and the tenant is provided with keys, the licence holder has no control over whether the tenant engages the lock when the outbuilding is not in use during their tenancy.

Condition 9.6

We would suggest this condition is deleted. Selective licensing conditions can only relate to the management, use and occupation of the property. The Court of Appeal has confirmed that licence conditions cannot relate to property condition and contents (*Brown v Hyndburn Borough Council* [2018]). Other licence conditions already refer to repair reporting arrangements and identifying issues on six monthly inspections. Plus, in leasehold flats, maintenance of the external structure of the building will be the freeholder's responsibility.

Condition 9.7

This duplicates conditions 9.3 and 9.4 and should be combined into one six monthly inspection covering all relevant issues.

Condition 9.8(a)

This part should be deleted as the council cannot impose minimum security requirements by way of licence conditions. Selective licensing conditions can only relate to the management, use and occupation of the property. The Court of Appeal has confirmed that licence conditions cannot relate to property condition and contents (*Brown v Hyndburn Borough Council* [2018]).

Condition 10.2

We do not agree it is reasonable for the council to require every landlord and agent to develop a bespoke action plan and procedures for dealing with any anti-social behaviour. Whilst such arrangements would be reasonable for a large social housing landlord like the council, it would be unreasonable for a landlord renting out one or two properties. Further, it says this must be done at time of application. A licence condition cannot impose requirements that must be complied with before the licence is granted. The council's approach with HMO licence holders is more reasonable. It sets out a sensible and pragmatic step by step process to be followed as and when any issues arise. We see no need to go beyond that for landlords of single family lets and would urge the council to reconsider this requirement.

Condition 10.3

We strongly object to this condition. Firstly, it duplicates and contradicts condition 3.4. Secondly, it imposes an unreasonable, impractical and discriminatory condition that licence holders must not rent to tenants unless they are satisfied the tenant (or their family) is unlikely to cause anti-social behaviour.

Condition 10.4

We have some serious reservations about this condition. Clause 10.4(ii) would require the licence holder to reveal what could be sensitive personal information under GDPR to a third party without the tenant's consent. We would urge the council to seek advice from the ICO or the council's in-house GDPR team about whether this can be imposed as a legal requirement. Unfortunately, the very prescriptive nature of this condition is likely to result in many landlords and agents opting for the other option and declining to provide a reference. This condition could unintentionally make it harder for tenants to obtain a reference, which may preclude them from renting another property in the borough.

Condition 10.5

We do not think the council can insist that a licence holder demands prospective tenants disclose all unspent criminal convictions. Nor is it reasonable to require the licence holder to risk assess whether any prior convictions should bar the tenant from renting privately in the borough. Criminal conviction data has additional data handling requirements under GDPR and it seems unlikely the council can insist such data is collected, analysed and stored by a third party landlord or agent. We would urge the council to seek advice from the ICO or the council's in-house GDPR team about whether this can be imposed as a legal requirement.

Condition 10.7

This duplicates conditions 9.3, 9.4 and 9.7. These four conditions should be combined into one six monthly inspection covering all relevant issues.

General

We would encourage the council to standardise the timescale and process for providing documentation to the council. Firstly, we think it should be a written request. A request made verbally could lead to misunderstanding and unintended non-compliance. Secondly, we think the timescale should be standardised. The conditions impose timescales of between 7 days and 28 days for providing information. We would suggest this is standardised to 21 or 28 days. We think 7 days is unreasonably short, particularly if an email is sent to someone on holiday or absent from the office due to illness.

Delivering effective enforcement

It is vital that the council have a well-resourced and effective enforcement team to take action against those landlords and agents that seek to evade the licensing scheme.

Without effective enforcement, new regulatory burdens will fall solely on those that apply for a licence whilst the rogue element of the market continue to evade the scheme and operate under the radar. This creates unfair competition for safeagent members who seek to comply with all their legal responsibilities. They are saddled with extra costs associated with the licence application process and compliance, whilst others evade the scheme completely.

Recognising the important role of letting agents

Letting agents have a critical role to play in effective management of the private rented sector. We would encourage the council to explore mechanisms for effective liaison with letting agents and to acknowledge the benefits of encouraging landlords to use regulated letting agents such as safeagent licensed firms.



London Borough of Lambeth

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4th March 2024

Dear Sir or Madam,

Selective Licensing Proposals

The NRLA is an association following the merger of the National Landlords Association and the Residential Landlords Association. Our membership represents over 100,000 landlords and agents, the largest organisation in the sector.

Thank you for the opportunity to respond to the above consultation regarding the introduction of selective licensing in Lambeth. The NRLA objects to the relevance of the introduction of Selective licensing by Local Authorities. Although we sympathise with the aims of Lambeth council, we believe that selective licensing does not align with the successful completion of these objectives.

The NRLA seeks a fair legislative and regulatory environment for the private rented sector while ensuring landlords know their statutory rights and responsibilities.

Main Objections

Existing Additional Licensing Scheme Data

The NRLA submitted a Freedom of Information request requesting information on the current levels of enforcement activity of the council's additional licensing scheme, which has been in force since December 2021. Despite submitting the request in mid-January this year, a response has not been received due to a delay in obtaining the information from a staff member. Consequently, it is a little unclear how effective additional licensing has been in detail.

Antisocial behaviour and low housing

Landlords are not experienced in managing antisocial behaviour and do not have the professional capacity to resolve tenants' mental health issues or drug and alcohol dependency. Suppose there are any allegations about a tenant causing problems, and a landlord ends the tenancy. In that case, the landlord will have fulfilled their obligations, even if the tenant has any of the above issues.

Company No. 55127575

This moves the problems around Lambeth but does not help the tenant, who could become lost in the system, or worst, move towards the criminal landlords. They will also blight another resident's life.

Furthermore, the overcrowding issue is complicated for a landlord to manage if the tenant has overfilled the property. A landlord will tell a tenant how many people are permitted to live on the property and that the tenant is not to sublet it or allow additional people to live there. Beyond that, how is the landlord managing this matter without interfering with the tenant's welfare? Equally, how will the council assist landlords when this problem arises?

It is impractical for landlords to monitor tenants' everyday activities or sleeping arrangements.

Regarding reducing antisocial ~~behaviour~~ and those landlords must tackle such activity within their properties, landlords and agents can only enforce a contract; they cannot manage ~~behaviour~~.

Existing Enforcement Powers and Activity

Lambeth council has many existing enforcing powers that can rectify the identified problems as part of the council's housing strategy. These include:

1. Criminal Behaviour Orders
1. Crime Prevention Injunctions
1. Interim Management Orders
1. Empty Dwelling Management Orders
1. Improvement Notices (for homes that do not meet the Decent Homes Standard)
1. Litter Abatement Notices (Section 92 of the Environmental Protection Act 1990)
1. Fixed Penalty Notices or Confiscation of equipment (Sections 8 and 10 of the Noise Act 1996)
1. Directions regarding the disposal of waste (for example, Section 46 of the Environmental Protection Act 1990)
1. Notices to remove rubbish from land (Section 2-3 of the Prevention of Damage by Pests Act 1949)

The council also has a wealth of housing enforcement legislation that can be used to enforce against poor standards in the PRS, such as the Housing, Health, and Safety Rating System (HHSRS), Improvement Notices, Hazard Awareness Notices, Prohibition Orders and Emergency Remedial Action, civil penalties, and criminal prosecutions. These powers are available to the local authority now and do not need consultation to use.

Recent FOI data shows that Lambeth has a poor record of enforcement when it comes to existing enforcement powers. The council reported they had issued zero civil penalties for

an array of offences such as failure to comply with HMO management regulations and MEES regulations.

Only 11 Improvement Notices were served between 2021-2023, and information could not be provided on the number of civil penalties served for smoke and carbon monoxide regulations (2015) and electrical safety standards regulations (2020).

Information on the number of HHSRS inspections for 2021/2022 could not be provided either, with the council reporting 103 inspections for 2022/2023. This relatively low compared to other councils, such as Lewisham for example, who reported 872 HHSRS inspections in total for both years. Limited action has been taken to tackle hazards in PRS properties, so the NRLA is unsure why selective licensing has been considered when existing enforcement powers are available to the council but have not been fully utilised.

Conclusions and alternatives

The NRLA advocates using council tax records to identify tenures used by the private rented sector and those landlords in charge of those properties. Unlike discretionary licensing, landlords do not require self-identification, making it harder for criminal landlords to operate under the radar. With this approach, the council would not need to consult and implement changes immediately.

Should the scheme be approved and implemented, the council should provide an annual summary of outcomes to demonstrate to tenants and landlords' ~~behaviour~~ improvements and the impact of licensing on the designated area over the scheme's lifetime. This would improve transparency overall.

The NRLA has a shared interest with the London borough of Lambeth in ensuring a high-quality private rented sector but strongly disagrees that the introduction of selective licensing is the most effective approach to achieve this aim both in the short term and long term.

Yours Faithfully,

██████████
Senior Policy Officer
National Residential Landlords Association
██████████



1. Executive Summary

This paper is intended to provide additional information to the consultation being held by Lambeth Council on the proposed introduction of Selective licensing schemes across the city.

Grainger PLC, a FTSE 250 and FTSE4Good business, is the UK's largest listed residential landlord and the market-leader in the growing build-to-rent (BTR) sector, providing nearly 10,000 rental homes across the country, and investing another £1.8bn to create nearly 7,000 new homes across multiple regional UK towns and cities. Within Lambeth, Grainger has an operational and pipeline portfolio of 490 properties of which 259 fall under the proposed selective licensing schemes.

Grainger, an award-winning business, prides itself in its leading, responsible approach to housing provision. We are recognised by numerous external benchmarks for our environmental and social credentials. Our market leading Live.Safe programme ensures our residents are safe in their homes. Our residents tell us we're doing good job, with 9 in 10 telling us that "they really like their Grainger home". We measure customer satisfaction annually through the widely recognised Net Promoter Score, which now stands at +34 points, higher than many leading consumer brands. We have our own in-house affordable housing arm, a Registered Provider, and through that we provide nearly 1,000 affordable homes across the country. 70% of Grainger's properties are at rents less than £1500 per month, with 75% of our customers earning below £50k, with average affordability ratios of between 28-30% of income, depending on household type. These are just a few examples of Grainger's position as a market-leading, responsible landlord.

As a national business, Grainger selects which cities to invest in, dependent on a number of factors including regulatory and political risk, and whilst we do not yet operate any properties in the city, Brighton and Hove has been one of our key targets over the past five years because of its strong economy, strong growth prospects, need for new housing supply and strong demand for good quality rental homes. That said, we wanted to highlight the potential detrimental impact that an expansion of licensing requirements and associated costs would have on these future plans.

At present, Grainger is subject to selective, additional or HMO licenses in at least 12 of our buildings across the country. Grainger is hence well placed to accurately assess the impact of such schemes on build-to-rent and its impact on operational costs and investment viability, as well as the knock-on impact on S106 and affordable housing contributions.

We understand and support the primary purpose of licencing schemes to improve the quality of private rental properties and to reduce antisocial behaviour. There is however a strong case for BTR to be exempt from selective licensing or, alternatively, for the selective licensing framework to be reformed to make it fit-for-purpose for large scale landlords.

Further reasons cited for implementing selective licensing include to address high levels of crime and deprivation, reduce antisocial behaviour, support regeneration, stimulate investment and boost job opportunities. By their nature, BTR schemes are already contributing to these objectives and have been integral to countless regeneration schemes across the country – therefore the application of selective licensing to BTR schemes, and subsequent impact on BTR supply, runs counterintuitive to these objectives.

Grainger is subject to numerous licensing schemes across different boroughs, however very few local authorities have attended any of our properties to complete inspections and check documentation. In most situations there have been no formal checks and little work undertaken to ensure properties are of a suitable standard. This may be a result of a risk-based approach taken by local authorities who will focus resources on those properties most likely to be problematic or in breach of the licensing scheme. That said, this reinforces the point that the scheme adds little to no value in its application to build-to-rent properties, managed by professional companies.

Grainger and peers in the BTR sector deliver a high standard of accommodation to our customers in compliance with all legal and health & safety requirements. Grainger residents benefit from Grainger's use of the 'Property Redress Scheme' and residents are made aware of this information. As such, by holding the proposed licence, there is no beneficial impact on the quality of product Grainger offers, nor can we identify how this would reduce ASB cases that may be caused by our residents.

Grainger and the wider BTR sector's quality standards exceed the quality standards that selective licensing schemes seek to address. BTR resident satisfaction is high and is evidenced by independent research data that we are happy to share. Given BTR's track record in quality and customer care, we reasonably question the value of selective licensing to drive standards in the BTR sector.

In practice, we do not believe that Selective Licensing is suitably applicable for the BTR sector. This is due to a number of reasons including:

- Licensing is a tool for addressing poor quality PRS, which is unnecessarily catching responsible actors and thereby discouraging investment by the very type of landlords we should be encouraging – The BTR business model relies on high occupancy based on customer satisfaction. As such the offering provided by the BTR sector already far-exceeds the standards seeking to be set by licensing schemes, and is unnecessarily caught by such schemes, adding administrative costs on both sides, local authority and landlord, with no discernible benefit.
- The Onerous nature for large-scale landlords – with a form being required for each home, which are repetitive and often paper-based, there are no economies of scale and the administrative time and cost to BTR operators is significant.
- Varying licensing requirements across local authorities – schemes vary significantly between Local Authorities, meaning there is no ability to create efficiencies in our operations from site to site, local authority to local authority.
- Licensing forms require a named individual – this means that, should that individual leave the business, we are required to re-apply for all licenses associated with that individual. The scheme is not designed for landlord businesses, such as Grainger and other BTR landlords and operators.
- Enforcement savings – due to both the high standards and nature of BTR developments, often with over 200 homes on each site, the monitoring costs to Local Authorities is significantly reduced, with only a sample of homes needing to be inspected in a single visit. This may also be in-part the reason for the lack of enforcement we have seen to date.
- No central database, making portfolio management challenging – There is no central government database where a landlord/ investor can determine where licensing schemes are in force. This makes investment decisions, and ongoing operational decisions challenging. We are required to manually search Local Authorities and correlate on a case-by-case basis across our 10,000-home portfolio and 6,000-home pipeline to ensure compliance.

£1m cost to Grainger for licensing schemes – With licensing schemes now costing Grainger in excess of £1m, the additional cost of licencing is not insignificant and, with additional pressures on construction costs and finance rates, has the ability to have a major impact on project viability and housing delivery. This will lead to an increase in viability challenges to s106 and affordable housing contributions, as well as forcing many landlords to increase the rents charged to their customers.

By way of example, under the proposed scheme in Lambeth with a full license cost of £923 and based on a 300-home BTR scheme, we would see a reduction in the net income of £55,350 per annum and drop in investment value of £1.32m. This cost has the ability to significantly impact development viability and would likely lead to increased challenges to s.106 contributions. Should this not be possible, we would be forced to increase rents to ensure viability is maintained, something we would be reluctant to do because of affordability.

The viability impact and subsequent hit to affordable housing was demonstrated on the recently approved planning permission at 100 Broad Street, Birmingham (application no 2023/04261/PA). In this case, the City Council accepted that the total Selective Licensing cost of £1,175,000 (equivalent loss of 18 affordable housing units, page 3), together with CIL and public realm works, were a sufficient challenge to viability to reduce the affordable housing contribution to just 3.10% at a 30% discount – considerably below the 35% contribution which the Council seek to achieve.

2. Administrative Cost of Licensing

In our experience of property licensing requirements around the country, we have found that applications for licenses are often overly burdensome and repetitive for large-scale landlords with hundreds of properties within a single building ownership. This is largely due to the inability for any efficiency savings when completing forms for a large number of homes within single buildings where many of the details are identical. Requirements often include:

- Written Statement of Terms of Occupancy
- Gas Safety Certificate
- Fire Alarm / Emergency Lighting Test Certificate (Including battery powered smoke detectors and battery powered Carbon Monoxide alarms)
- Electrical Installation Condition Report (EICR)
- Electrical appliance test certificate
- Property Inspection Records
- Tenancy Deposit Scheme Paperwork
- Copies of References for Occupants
- Floor Plans / exact property areas
- Identification of the landlord / named responsible person

c.30min per application - Based on our experience of complying with existing licensing schemes, we estimate that each license would take approximately 30 minutes to complete. This is an average, estimated figure from the information we have gathered, however it is expected that initial licenses may take longer due to information gathering processes.

There is a considerable indirect cost borne from the administration of licencing. The internal management time taken to obtain all relevant information and process licenses for each property held in a block is significant.

With 1,302 licenses across our organisation, this equates to 651 employment hours. A conservative estimate places this indirect additional cost approaching £10,000.

Due to the fractured and decentralised nature of licensing schemes, there are additional difficulties for large-scale landlords to ensure compliance. With Local Authorities rarely directly notifying landlords of their intention to implement licensing schemes and no centralised way of understanding if there is a licensing requirement. At present, we are required to manually search Local Authorities and correlate these to our portfolio and pipeline. Whilst this is not necessarily within the gift of Brighton and Hove City Council, we would suggest that the council endeavours to notify all landlords of properties which will be subject to licensing ahead of its implementation, and allow time for licenses to be obtained prior to enforcement action being taken in instances whereby landlords are unaware.

3. Cost of Licences at Grainger PLC

3.1 Direct Cost

Whilst London borough councils were initial adopters and advocates of the licencing schemes, we have now seen councils across the country adopting licencing schemes.

We are now subject to Selective, Additional and HMO licencing schemes in at least 12 boroughs, affecting 1,302 homes and at a total cost to Grainger of £1,023,099.

Within Lambeth, we have an operational and pipeline portfolio of 490 homes, 259 of which will be subject to the proposed selective licencing regulations. Based on the proposed fee of £923 per unit, this would have a direct cost to Grainger of £239,057..

By targeting responsible landlords who are providing high-quality homes we feel this will inadvertently undermine the aims of many local authorities to improve the overall standards of its residents and provide additional affordable homes in the city.

3.2 Indirect Cost

In addition to the direct cost of licenses discussed above, there is a considerable indirect cost borne from the administration of licencing. The internal management time taken to obtain all relevant information and process licenses for each property held in a block is significant.

Given our extensive experience in operating buildings under licencing schemes, we estimate that a license renewal takes approximately 30 minutes to complete – and considerably longer for initial application where information must be gathered.

With 1,302 licenses across our organisation, this equates to 651 employment hours. A conservative estimate places this indirect additional cost approaching £10,000.

In Lambeth alone, this would equate to an additional 130 employment hours, or £2,000.

It should be noted that this figure is simply the cost of completing the license application, with considerable additional time needed to gather the required information.

3.3 Investment Impact

Private rented developments are typically appraised on an income capitalisation approach whereby the net rental income is capitalised at a market yield. As such the viability of new privately rented developments is directly linked to the operational expenditure and resultant net income. It is hence essential that all operational costs are accounted for prior to investments being made.

It is important to note that, from an institutional investment point of view, the additional cost of licencing is not insignificant and, with additional pressures on construction costs and finance rates, has the ability to have a major impact on project viability and housing delivery. This will likely lead to a significant increase in viability challenges to s106 and affordable housing contributions, as well as forcing many landlords to increase the rent they charge to tenants.

The impact on affordable housing has recently been demonstrated through the planning approval at 100 Broad Street, Birmingham (application no 2023/04261/PA). In this case, the City Council accepted that the total Selective Licensing cost of £1,175,000 (equivalent loss of 18 affordable housing units, page 3), together with CIL and public realm works, were a sufficient challenge to viability to reduce the affordable housing contribution to just 3.10% at a 30% discount – considerably below the 35% contribution which the Council seek to achieve.

Whilst it is clear that the cost of licencing is significant, there appears to be very little consistency in the approach taken to setting licencing fees by local authorities. Whilst we understand the need for councils to ensure the scheme is self-funding, we are not aware of a viability report having been obtained by any council when considering licencing schemes - as would be required when setting all other development policies and levies such as affordable housing or CIL rates.

Should these reviews have been undertaken they would clearly show the impact that the scheme would have on development viability and therefore the ability to deliver new homes and make affordable housing contributions.

3.4 Illustrative Example

To put this into context, we have provided an illustrative example below which considered an average 300 homes BTR scheme and a licencing charge of £923 – as is proposed in Lambeth.

	# Units	Average NIA / sqft	Rent / sqft	Gross ERV / year	GtN	Net ERV / year	Yield	IV
Scenario 1: No Licence	300.0	700.00	29.00	6,090,000	25.00%	4,567,500	4.20%	108,750,000
Scenario 2: Licence	300.0	700.00	29.00	6,090,000	25.91%	4,512,120	4.20%	107,431,429
				-	0.91%	- 55,380	-	- 1,318,571

Licence	Per Year
923 Per unit / 5 years	55,380.00

We have assumed an average unit size of 700 sqft and local rents at £29psf, generating a gross rent of £6.09m per annum. In scenario 1, with no licence, the gross rent is reduced by a market standard 25% gross to net leakage with the resultant £4.56m net rent capitalised at 4.2% yield to generate an investment value of £108.75m.

However, under Scenario 2, with the licence in place, the gross rent is reduced by the standard 25% plus the impact of the licence cost (cost amortised across 5 years) which increases the GtN to 25.91% which in turn reduces the net rent to £5.51m and when capitalised at 4.2% yield to generates an investment value of £107.43m.

In summary, the net income reduces by £55,380 per annum, the gross to net increases by 91bps and the investment value reduces by £1,318,517.

As such this cost has the ability to significantly impact development viability and would likely lead to increased challenges to s.106 contributions. Should this not be possible, we would be forced to increase rents to ensure viability is maintained, something we would be reluctant to do because of affordability.

4.0 Policy Alternatives

We remain supportive of the principle of licensing schemes to improve standards in the Private Rented Sector. However, any such scheme should be brought forward with a fee structure which is reflective of both the high standards and reduced enforcement cost associated with the BTR sector.

4.1 Landlord Accreditation exemption / discount

It is clear that property licensing is not suitable for the BTR sector and will only stymie future investment into and development of new high-quality rental homes across the UK.

This is particularly true for the BTR sector, which is exponentially growing and driving a significant improvement in rental standards across the board, whilst also contributing to the increasing supply of UK homes and

As a result of the high standards, there is very little need for council enforcement of licensing schemes in BTR homes and as such, the administrative cost to the council is significantly reduced.

To reflect this, local authorities should consider recognising a scheme of accreditation for responsible landlords who provide high-quality rental homes, which would allow councils to grant an exemption to BTR landlords, reflecting their existing contribution to the policy objectives of licensing schemes. This would be the most appropriate option to ensure future development of BTR homes is not affected.

4.2 Block License

An alternative policy option would be to provide a block license option for larger residential blocks which are held under a single ownership. This would allow councils to implement a charging structure which is reflective of the reduced administrative burden associated with these properties, whilst also reducing the administrative burden on large landlords in processing licenses.

We are aware of at least one local authority, Nottingham City Council, who offer an alternative fee structure for larger residential blocks. The fee structure here is explained below, as it would apply for a non-accredited but standards-compliant landlord:

Item	Standard Charging Schedule	Block Charging Schedule
License cost	£887	£2,244 per block + £527 per home
Application cost	£65 per home	£65 per home
Cost across 200-home scheme	£190,400	£120,644

For landlords accredited with DASH, Unipol or ANUK, there are also reduced fees available. This would bring the cost down to £1,771 per block + £512 per home.

Whilst this does reduce the administrative burden on large landlords and offers a reduced fee, we do not believe it sufficiently addresses the admin cost-saving to the council nor the significantly increased standards of BTR, and will continue to discourage residential investment into the city. This is due to the still-onerous license cost which remains significantly above the administrative cost to the council, the difficulty in making large payments under the current system, and the inability to also process additional HMO licenses on a block basis (these are needed for larger units when being let to sharers).

We encourage policymakers to engage with industry, and in particular the BTR sector, to agree a way forward which is both of benefit to tenants and supports the future delivery of high-quality rental homes.

1. Executive Summary

The purpose of this report is to share information on the licensing requirements set by Local Authorities (LA) and the impacts on the Build to Rent (BTR) Sector.

We understand that the primary purpose of licencing schemes is to improve the quality of private rental properties and reduce antisocial behaviour. The BTR sector deliver a high standard of accommodation to our customers in compliance with all legal and health & safety requirements. By holding a property licence, there is no beneficial impact on the quality of product offered to residents, nor can we identify how this would reduce ASB cases that may be caused by our residents.

Further reasons cited for implementing selective licensing include to address high levels of crime and deprivation, supporting regeneration, stimulate investment and boost job opportunities. By their nature, BTR schemes are already contributing to these objectives and have been integral to countless regeneration schemes across the country – therefore the application of selective licensing to BTR schemes, and subsequent impact on BTR supply, runs counterintuitive to these objectives.

Our members are subject to numerous licensing schemes across different boroughs, but in their experience very few local authorities have attended properties to complete inspections and check documentation. In most situations there have been no formal checks and little work undertaken to ensure properties are of a suitable standard. This may be a result of a risk-based approach taken by local authorities who will focus resources on those properties most likely to be problematic or in breach of the licensing scheme. This reinforces the point that these schemes add little to no value in its application to BTR properties, managed by professional companies. When councils do attend to inspect properties, our members' experience is that a sample of units will be taken – resulting in a dramatically reduced administrative cost to the council for wholly-owned apartment blocks. We agree that in these instances a single inspection visit is sufficient, however this administrative saving should be reflected in the fee schedule applied to these properties over individual homes for rent.

In some instances we have also seen significant delays in the processing of license applications by local authorities, adding to the uncertainty and staffing costs associated with the scheme.

BTR resident satisfaction is high and is evidenced by independent research data that we are happy to share. Given BTR's track record in quality, customer, we reasonably question the value of selective licensing to drive standards in the sub sector we represent. This is supported by the decision of the London Borough of Brent's to exclude Wembley Park, an area in which the rental made is made up almost entirely of BTR stock, from its Selective Licensing regime as 'the number of disrepairs in private rentals does not meet the critical threshold set by the government'. This has also been seen in Newham, where the council have excluded Royal Victoria and Stratford Olympic Park wards from the selective licensing scheme – both of which have a rental market dominated by BTR.

In practice, we do not believe that Selective Licensing is suitably applicable for the BTR sector. This is due to a number of reasons including:

- The existing high-standards across the BTR sector – the BTR business model relies on high occupancy based on customer satisfaction. As such the offering provided by the BTR sector already far-exceeds the standards seeking to be set by licensing schemes.
- The onerous nature for large-scale landlords – with a form being required for each home, which are repetitive and often paper-based, and include questions that further highlight the unsuitability of the scheme for the BTR sector. The admin time and cost to BTR operators is significant.
- Varying Licensing requirements – schemes vary significantly between local authorities, meaning there is no ability to create efficiencies in large scale operations from site to site. In addition, forms require a named individual to be responsible – this means that, should that individual leave the business, we are required to re-apply for all licenses once again.

- Enforcement savings – due to both the high standards and nature of BTR homes – often with over 200 homes on each site, the monitoring costs to local authorities is significantly reduced. This may be in-part the reason for the lack of enforcement we have seen to date.

Likewise, we do not believe that HMO Licensing is applicable to the BTR sector for the same reasons outlined above. When local authorities choose to implement Additional HMO Licensing schemes, it means that even if two unmarried couples wish to share a 2-bedroom property the landlord would be required to apply and pay for an HMO license. Within the BTR sector we are keen to provide larger homes which are suitable for families and many of our members already have a large number of families in their developments – this is often also a desire shared by local authorities. However Additional HMO Licensing schemes directly disincentivise the provision of larger homes and jeopardise their viability.

The cost of licencing is not insignificant and, with additional pressures on construction costs and finance rates, has the likely potential to have a major impact on project viability and housing delivery. This will likely lead to a significant increase in viability challenge to s106 and affordable housing contributions, as well as forcing many landlords to increase the rents charged to their customers. This is through the recently approved planning permission at 100 Broad Street, Birmingham (application no 2023/04261/PA). In this case, the City Council accepted that the total Selective Licensing cost of £1,175,000 (equivalent loss of 18 affordable housing units, page 3), together with CIL and public realm works, were a sufficient challenge to viability to reduce the affordable housing contribution to just 3.10% at a 30% discount – considerably below the 35% contribution which the Council seek to achieve.

By way of example, under the proposed Lambeth scheme with a license charge of £923 per unit (plus admin cost), and on an average scheme of 400 units, (assuming unit sized of 700 sqft and local rents at £22.50psf), selective licensing would have the effect of reducing the net income by £74,640 per annum, increasing the gross to net by 118bps and reducing the investment value by £1.79m. Such an impact would clearly affect development viability and would lead to increased challenges to s.106 contributions and/or increased rents for tenants.

2. What is BTR?

Build to Rent is the term given to purpose built rental homes which are professionally managed and institutionally invested in. The National Planning Policy Framework (NPPF) defines BTR as *'Purpose built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising either flats or houses, but should be on the same site and/or contiguous with the main development. Schemes will usually offer longer tenancy agreements of three years or more, and will typically be professionally managed stock in single ownership and management control.'*

Currently there are over 263,600 BTR homes complete, under construction or in planning across the UK. The projected capacity of the BTR markets is two million new homes, all institutionally funded and professionally managed. BTR is an important component in helping to address the UK's housing supply crisis and as a sector we are making a significant and growing contribution to the UK's housing stock by creating and nurturing new communities across the UK.

As BTR homes are intended to be rented out and held as an investment for the long-term, they provide a vehicle for patient, responsible capital investors to invest into the UK housing market. These investors are providing capital to develop new homes which are a net addition to the UK housing supply through an investment model which is based on a stable but not-excessive return profile over the long-term. This model also means that BTR operators are interested in the long-term operational quality of both the building and the surrounding public realm and will continue to invest in ensuring these are maintained.

The BTR sector are supporting a number of other policy objectives. These include:

- Supporting the increased supply of UK homes – The BTR sector is providing a net additional supply of new homes with capital that would not otherwise be deployed into UK housing development. These do not replace homes for the traditional sale market.
- Increasing standards in the rental market – the BTR sector is leading the way in driving standards in the UK rental market. Professionally-managed, high-quality buildings operated by companies which have a brand to uphold, mean that renters living in BTR homes experience a very high standard of rental living. As BTR grows this will drive standards up across the wider PRS market.
- Economic Growth – by both providing a vehicle for long term-patient capital to invest in the UK rental sector and increasing the supply of high-quality, flexible rental homes across the UK. Provision of these rental homes also allows UK professionals to pursue job opportunities across the country – further supporting economic growth.
- Urban Regeneration – BTR is at the centre of countless urban regeneration projects across the UK and is often the first aspect to be built out. This is due to its ability to prime a regeneration scheme through quick build-out & occupation and its inherent community-building ability.
- Brownfield regeneration - the vast majority of BTR projects come forward on unattractive and disused brownfield sites, bringing them back into use and improving the public realm.
- Public sector finance –public sector bodies are increasingly entering JVs with the BTR operators/investors – thus facilitating a long-term alternative income model for those bodies and supporting the financial stability of the UK public sector.

By contributing to these policy objectives, the BTR sector is supporting often-cited aims of Selective Licensing schemes including, reducing deprivation, job creation and making an area more attractive. Therefore, the application of selective licensing to BTR, and its subsequent impact on the delivery of new BTR schemes, is counter-intuitive to the very purpose of selective licensing schemes.

3. Licence Overview

3.1 What is a Selective, Additional and HMO license?

Under the Housing Act 2004, local authorities can introduce Additional and Selective Licensing Schemes. Under selective licensing, the landlord would need to apply for a license for each individual property they wish to let. The purpose of the Selective Licence scheme is to aid the quality of private rental properties and to reduce antisocial behaviour.

Additional Licensing extends the requirement for HMO licenses and means that licenses are required when 3 people from 2 or more households are occupying a property – regardless of whether they hold the property on a single tenancy or multiple individual agreements.

All properties in England or Wales that are rented out by 5 or more people forming more than 1 household, must have a House in Multiple occupation (HMO) licence.

That said, there are a number of landlords who are already exempted from HMO or selective licensing obligations. These include Registered Social Landlords, Educational establishments, Councils and fire, police or health services.

3.2 Cost of licences

The cost of the licence can vary and is set by the issuing local authority. Some authorities may offer discounts, this could be if the property is a new build or multiple licences are required.

In the experience of our members, Selective Licenses range in cost from around £450 - £1,000 per home, whilst HMO licenses can cost up to £1,250 per home.

Depending on the requirement an individual property can have two licences e.g. A Selective and Additional or HMO licence. Once the licence has been granted it will be valid for a period of 5 years, or until there is a change in circumstances wherein a new license may need to be applied for and the previous license forfeited without financial refund.

3.3 The requirements

When applying for the licence, the Council will advise of the required documentation that needs to be provided. Evidence of the following may need to be provided for the application or during an inspection visit.

- Written Statement of Terms of Occupancy
- Gas Safety Certificate
- Fire & CO Alarm / Emergency Lighting Test Certificate (including battery powered alarms)
- Electrical Installation Condition Report (EICR)
- Electrical appliance test certificate
- Property Inspection Records
- Tenancy Deposit Scheme Paperwork
- Copies of References for Occupants
- Floor plans or specific room measurements.
- Identification of the landlord / named responsible person.

Based on our member's experience of complying with existing selective and HMO licensing schemes, we estimate that each license would take approximately 30 minutes to complete. This is an average figure with information gathered, initial licenses may take considerably longer due to information gathering processes.

4. Cost of Property Licencing

4.1 Direct Cost

Whilst London borough councils were initial adopters and advocates of the licencing schemes, we have now seen councils across the country adopting licencing schemes.

In the experience of our members, Selective Licenses range in cost from around £450 - £1,000 per home, whilst HMO licenses can cost up to £1,250 per home. However, a small number of councils have put in place discounts for multiple property applications or otherwise.

Whilst it is clear that the cost of licencing is significant, there appears to be very little consistency in the approach taken to setting licencing fees by local authorities. Whilst we understand the need for councils to ensure the scheme is self-funding, we are not aware of a viability report having been obtained by any council when considering licencing schemes - as would be required when setting all other development policies and levies such as affordable housing or CIL rates.

Should these reviews have been undertaken they would clearly show the impact that the scheme would have on development viability and therefore the ability to deliver new homes and make affordable housing contributions.

4.2 Indirect Cost

In addition to the direct cost of licenses discussed above, there is a considerable indirect cost borne from the administration of licencing. The internal management time taken to obtain all relevant information and process licenses for each property held in a block is significant.

Given our member's extensive experience in operating buildings under licencing schemes, we estimate that a license takes approximately 30 minutes to complete, with additional resource required to gather the required information. With many of our members having large portfolios, the administrative costs have the potential to run into tens of thousands of pounds. One member has experienced a process whereby 200 applications took c.10 full working days to complete.

Due to the distinct BTR business model, the time taken to process license applications has a further impact on scheme viability. As properties are unable to be let until a license application has been completed, no pre-letting is allowed, and all lets are delayed. This means a delayed income profile must be included in the investment underwriting process, which increases the cost of financing projects and further impacts viability.

4.3 Investment Impact

Private rented developments are typically appraised on an income capitalisation approach whereby the net rental income is capitalised at a market yield. As such the viability of new privately rented developments is directly linked to the operational expenditure and resultant net income. It is hence essential that all operational costs are accounted for prior to investments being made.

It is important to note that, from an institutional investment point of view, the additional cost of licencing is not insignificant and, with additional pressures on construction costs and finance rates, has the ability to have a major impact on project viability and housing delivery. This will likely lead to a significant increase in viability challenge to s106 and affordable housing contributions, as well as forcing many landlords to increase the rent they charge to tenants. This is demonstrated through the recently approved planning permission at 100 Broad Street, Birmingham (application no 2023/04261/PA). In this case, the City Council accepted that the total Selective Licencing cost of £1,175,000 (equivalent loss of 18 affordable housing units, page 3), together with CIL and public realm works, were a sufficient challenge to viability to reduce the affordable housing contribution to just 3.10% at a 30% discount – considerably below the 35% contribution which the Council seek to achieve.

4.4 Illustrative Example

To put this into context, we have provided an illustrative example below which considered an average 400 homes BTR scheme and a licensing charge of £923 per home, plus a £10 per unit administrative cost for processing the application – as would be the cost under the proposed scheme in Lambeth.

	# Units	Average NIA / sqft	Rent / sqft	Gross ERV / year	GIN	Net ERV / year	Yield	IV
Scenario 1: No Licence	400.0	700.00	22.50	6,300,000	25.00%	4,725,000	4.15%	113,855,422
Scenario 2: Licence	400.0	700.00	22.50	6,300,000	26.18%	4,650,360	4.15%	112,056,867
				-	1.18%	- 74,640	-	- 1,798,554

Licence	Per Year
933 Per unit / 5 years	74,640.00

We have assumed an average unit size of 700 sqft and local rents at £22.50psf, generating a gross rent of £6.3m. In scenario 1, with no licence, the gross rent is reduced by a market standard 25% gross to net leakage with the resultant £4.725m net rent capitalised at 4.15% yield to generate an investment value of £113.85m.

However, under Scenario 2, with the licence in place, the gross rent is reduced by the standard 25% plus the impact of the licence cost (cost amortised across 5 years) which increases the GIN to 26.18% which in turn reduces the net rent to £4.65m and when capitalised at 4.15% yield generates an investment value of £112.05m.

In summary, the net income reduces by £74,640 per annum, the gross to net increases by 118bps and the investment value reduces by £1.79m. As such this cost has the ability to significantly impact development viability and would likely lead to increased challenges to s.106 contributions. Should this not be possible, landlords would be forced to increase rents to ensure viability is maintained, something our members would be reluctant to do because of affordability.

5.0 Policy Alternatives

We remain supportive of the principle of licensing schemes to improve standards in the Private Rented Sector. However, any such scheme should be brought forward with a fee structure which is reflective of both the high standards and reduced enforcement cost associated with the BTR sector.

5.1 BTR Accreditation exemption / discount

It is clear that property licensing is not suitable for the BTR sector and will only stymie future investment into and development of new high-quality rental homes across the UK.

This is particularly true for the BTR sector, which is exponentially growing and driving a significant improvement in rental standards across the board, whilst also contributing to the increasing supply of UK homes.

As a result of the high standards, there is very little need for council enforcement of licensing schemes in BTR homes and as such, the administrative cost to the council is significantly reduced.

To reflect this, local authorities should consider recognising a scheme of accreditation for responsible landlords who provide high-quality rental homes, which would allow councils to grant an exemption to BTR landlords, reflecting their existing contribution to the policy objectives of licensing schemes. This would be the most appropriate option to ensure future development of BTR homes is not affected.

5.1 Block License

An alternative policy option would be to provide a block license option for larger residential blocks which are held under a single ownership. This would allow councils to implement a charging structure which is reflective of the reduced administrative burden associated with these properties, whilst also reducing the administrative burden on large landlords in processing licenses.

We are aware of at least one local authority, Nottingham City Council, who offer a block license option. The fee structure here is explained below, as it would apply for a non-accredited but standards-compliant landlord:

Item	Standard Charging Schedule	Block Charging Schedule
License cost	£887	£2,244 per block + £527 per home
Application cost	£65 per home	£65 per home
Cost across 200-home scheme	£380,800	£239,044

For landlords accredited with DASH, Unipol or ANUK, there are also reduced fees available. This would bring the cost down to £1,771 per block + £512 per home.

Whilst this does reduce the administrative burden on large landlords and offers a reduced fee, we do not believe it sufficiently addresses the admin cost-saving to the council nor the significantly increased standards of BTR, and will continue to discourage residential investment into the city. This is due to the still-onerous license cost which remains significantly above the administrative cost to the council, the difficulty in making large payments under the current system, and the inability to also proceed additional HMO licenses on a block basis (these are needed for larger units).

We encourage policymakers to engage with industry, and in particular the BTR sector, to agree a way forward which is both of benefit to tenants and supports the future delivery of high-quality rental homes.