

# Landlord Licensing

## Overview

Access to decent affordable housing is essential to support good health and wellbeing and a good quality of life. Ongoing pressures within the housing market mean that for many, including a rising proportion of families, the only chance of a decent home is a private rented tenancy.

Leicester City Council has an ambition to ensure the Private Rented Sector (PRS) in Leicester is fit for purpose and a key part of that is to ensure the council raises housing standards in the sector.

To help drive up standards in the private rented sector the city council has developed a Private Rented Sector Strategy. The overall objective of the Strategy is to have a holistic approach that ensures tenants and landlords are appropriately supported and engaged.

The Strategy is designed to work with all aspects of the sector with a core focus on retaining and improving the council's ability to protect tenants' safety and rights, and tackle rogue/poor landlords.

Maximising this, whilst maintaining a balanced, fair, and proportionate approach, will ultimately lead to the raising of housing standards within the sector.

A key part of the Strategy includes extending the council's powers by the introduction of a Discretionary PRS Licensing scheme (Additional and/or Selective Licensing).

The proposed schemes will support a balanced housing market which in turn will support sustainable communities, facilitate social and environmental improvement, and promote economic resilience and growth in Leicester.

Driving up standards in the PRS seeks to protect the council's most vulnerable residents.

In addition to this, we have recently re-launched our [private rented sector incentive scheme](https://www.leicester.gov.uk/your-community/housing/renting-private-housing/our-private-sector-lettings-schemes/) and will incorporate decisions resulting from our recent [Local Plan](https://www.leicester.gov.uk/your-council/policies-plans-and-strategies/planning-and-development/emerging-planning-policy/) (which will adopt national space standards) and a potential extension of the Article 4 Directive (which considers the concentration of HMOs in specific areas - [consultation currently open](/sec/article-4-direction-extension/) ). Each of these will play an important role in the strategy, and will contribute to improved standards in the sector and better neighbourhoods.

## About this consultation

Under the Housing Act 2004, the Government provided local authorities with the legislative powers to tackle poor quality Houses in Multiple Occupancy (HMOs) through a [Mandatory Licensing Scheme](https://www.leicester.gov.uk/your-community/housing/renting-private-housing/houses-in-multiple-occupation/) .

This requires all HMOs occupied by five or more tenants living in two or more separate households and share facilities such as kitchens and bathrooms, to have a licence, these are also known as large HMOs. Across Leicester we currently have over 1,000 properties licensed using these powers

In order to further improve housing standards and property management in the private rented sector, we are consulting on proposals that extend the regulations that are already in place. There are two types of Discretionary Licensing Schemes:

### Selective Licensing scheme

In an area subject to a Selective Licensing scheme, all private landlords must obtain a licence (a few exemptions do apply).

### Additional Licensing scheme

In an area subject to an Additional Licensing scheme, all houses in multiple occupations (HMO's) occupied by three or more tenants living in two or more households and share facilities such as kitchens and bathrooms, to have a licence, these are also known as small HMOs.

Based on evidence, both schemes can be introduced either citywide or targeted to areas there are known to have existing evidenced problems.

This consultation considers three potential alternatives:

Option A: Selective Licensing (Targeted)

Option B: Additional Licensing (City-wide)

Option C: Additional Licensing (Targeted)

A [data pack and maps](user_uploads/licensingevidencemaps.pdf) relating to these options is available for download. Detailed maps relating to the targeted schemes are also embedded in the consultation for reference.

A [recent report](user_uploads/landlord-licensing-osc-report.pdf) was taken to Leicester City Council's Overview Select Committee (also [Appendix A](user_uploads/appendix-a-landlord-licensing.pdf) and [Appendix B](user_uploads/appendix-b-landlord-licensing.pdf) ). Within this you will find more detail including a comparison of the risks and benefits associated with each scheme and details of exempt properties under a selective licensing scheme. This can also be found within the [full business case](user_uploads/discretionary-licensing-business-case.pdf) (alternatively, view [business case summary](user_uploads/discretionary-licensing-business-case-summary.pdf) ).

Please note that each scheme lasts for a five-year term, at which point it can be decided whether to renew. Where evidenced, both selective and additional licensing can co-exist.

Leicester City Council would like to encourage residents, tenants, landlords, businesses, voluntary and community sector organisations, key partners such as the Police, Leicestershire Fire and Rescue and others to participate in this consultation.

Every individual and every organisation's views count as we seek to determine if the options presented in this document are viable and useful in driving up housing standards in the private rented sector in Leicester.

## Are you responding as...

*Please select only one item*

- A private tenant
- A Leicester resident (not a private tenant)
- A private landlord
- A letting or managing agent
- A local business
- A charitable organisation providing accommodation
- An organisation representative
- Other

If Other, please specify

Charity / organisation name (if applicable)

## What is your home / work postcode? (as appropriate)

Please note: we collect postcode data to gain a better understanding of which parts of the city / county respond to our consultations. We cannot identify individual properties or addresses from this information.

## Generally speaking, do you think privately rented properties in your area are well managed?

*Please select only one item*

- Yes
- No
- No opinion either way
- Don't know

In relation to private rented accommodation, have you ever experienced problems with: (please tick all that apply)

Please select all that apply

- Difficulty getting repairs done
- Fear of reporting repairs
- Fly tipping
- Harassment / intimidation
- Housing conditions
- Issues with crime / anti social behaviour
- Lack of contact with landlord / agent
- Lack of contact with tenants
- Noise
- Notice to quit for no apparent reason
- Problems associated with certificates (electricity)
- Problems associated with certificates (fire)
- Problems associated with certificates (gas)
- Problems associated with certificates (HMO)
- Public health issues
- Unpaid rent
- Unruly tenants
- Other

If Other, please specify

What are your views on the following statements about landlord licensing?

|                                                                                                                                       | Agree                 | Disagree              | No opinion either way |
|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| Tenants can view landlord references if their landlord is licensed<br><i>Please select only one item</i>                              | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Tenants can access information about acceptable housing standards if their landlord is licensed<br><i>Please select only one item</i> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Licensing ensures landlords manage and maintain their property(s) correctly<br><i>Please select only one item</i>                     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Licensing sets specific standards that all landlords must follow<br><i>Please select only one item</i>                                | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Licensing enables better joint working between council departments and agencies<br><i>Please select only one item</i>                 | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| Licensing helps protect the health, safety and welfare of the community<br><i>Please select only one item</i>                         | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |





## Selective / Additional Licensing summary

**Selective Licensing** - all privately rented properties must have a licence (certain exemptions apply).

**Additional Licensing** - all small HMOs (3-4 unrelated tenants, sharing facilities such as kitchens and bathrooms) must have a licence. Large HMOs already require a licence under Mandatory Licensing.

### Prescribed conditions (also known as mandatory conditions)

We are required to always use a set of what are known as prescribed conditions. These are set out in legislation.

See lists below to view subject areas covered by each licensing option.

#### Selective Licensing

- Carbon monoxide alarms
- Furniture and furnishings
- Gas safety
- Safety of electrical appliances
- Smoke alarms
- Tenancy agreements

[Download PDF for more detailed information](#) <user\_uploads/selective-licensing-prescribed-conditions.pdf> .

#### Additional Licensing

- Bedroom sizes \*
- Carbon monoxide alarms
- Furniture and furnishings
- Gas safety
- Safety of electrical appliances
- Smoke alarms
- Tenancy agreements
- Waste management \*

(\* applies to Additional Licensing only)

[Download PDF for more detailed information](#) <user\_uploads/additional-licensing-prescribed-conditions.pdf> .

Do you have any comments about the prescribed conditions?

## Supplementary conditions

We are permitted to add conditions to Selective and Additional Licences. These are called supplementary conditions.

See lists below to view subject areas covered by each licensing option.

### Selective Licensing

- A licence holder must be 'fit and proper'.
- Additional measures around electrical safety covering fixed installations and remedial works.
- Fire safety to include a fire alarm system that meets an appropriate British Standard, escape lighting, fire fighting equipment and fire safety certification.
- Tenancy management covering the supply of an information pack to tenants, including an inventory, details of where a deposit has been lodged etc.
- Regular property Inspections, details of how to report disrepair and timescales for repairs.
- Where a property is furnished, that the furniture is safe and in good repair.
- Adequate security measures such as locks, latches, entry systems and where fitted alleygate keys.
- Information about waste management to include collection day and how to recycle.
- Tackling anti-social behaviour including what management arrangements are in place to prevent or reduce anti social behaviour .
- Licence holder training.
- A requirement to inform the council of any material changes to the licence holder, managing agent of property.
- Minimum energy efficiency

[Download PDF for more detailed information](#) <user\_uploads/selective-licensing-supplementary-conditions.pdf> .

### Additional Licensing

- A licence holder must be 'fit and proper'.
- Additional measures around electrical safety covering fixed installations and remedial works.
- Fire safety to include a fire alarm system that meets an appropriate British Standard, escape lighting, fire fighting equipment and fire safety certification.
- Tenancy management covering the supply of an information pack to tenants, including an inventory, details of where a deposit has been lodged etc.
- Regular property Inspections, details of how to report disrepair and timescales for repairs.
- Where a property is furnished, that the furniture is safe and in good repair.
- Adequate security measures such as locks, latches, entry systems and where fitted alleygate keys.
- Information about waste management to include collection day and how to recycle.
- Tackling anti-social behaviour including what management arrangements are in place to prevent or reduce anti social behaviour .
- Licence holder training.
- A requirement to inform the council of any material changes to the licence holder, managing agent of property.
- Minimum energy efficiency.
- Occupancy levels. \*
- Care of common area. \*

(\* applies to Additional Licensing only)

[Download PDF for more detailed information](#) <user\_uploads/additional-licensing-supplementary-conditions.pdf> .

Do you think it is beneficial for us to add supplementary conditions?

*Please select only one item*

- Yes
- No
- Partially

Do you have any comments or suggestions for the proposed supplementary conditions?

Do you have any further comments on licensing conditions?

### Selective Licensing

A Selective Licensing scheme would require all landlords to obtain a licence in order to rent out any accommodation (apart from those properties that are classified as exempt under the legislation). The landlord would also need to be a 'fit and proper person' and competent to manage the property.

The licence holder would also be required to meet specific conditions to ensure any licensed property they own or manage is safe, meets basic standards and is managed in a satisfactory way. If approved, the licence scheme would last for five years.

The penalties for not obtaining a licence (where one is required) include prosecution, fines, and being banned from operating as a landlord.

In the first instance Selective Licensing enables a conversation about and inspection of internal standards, educating both landlords and residents about appropriate safety standards. However, with a robust enforcement action plan, selective licensing can facilitate wider social and environmental improvement.

The council must consider that an area is experiencing one or more of the following conditions for a Selective Licensing Designation to be made:

- A significant and persistent problem caused by anti-social behaviour
- Poor property conditions
- High levels of migration
- High levels on deprivation
- High levels of crime

Option A provides a Selective Licensing scheme which, if accepted, will license all privately rented properties within selected areas (apart from those properties that are classified as exempt under the legislation).

The proposal covers parts of the wards of Westcotes, Fosse, Saffron, Braunstone Park & Rowley Fields and Stoneygate (see the maps below).

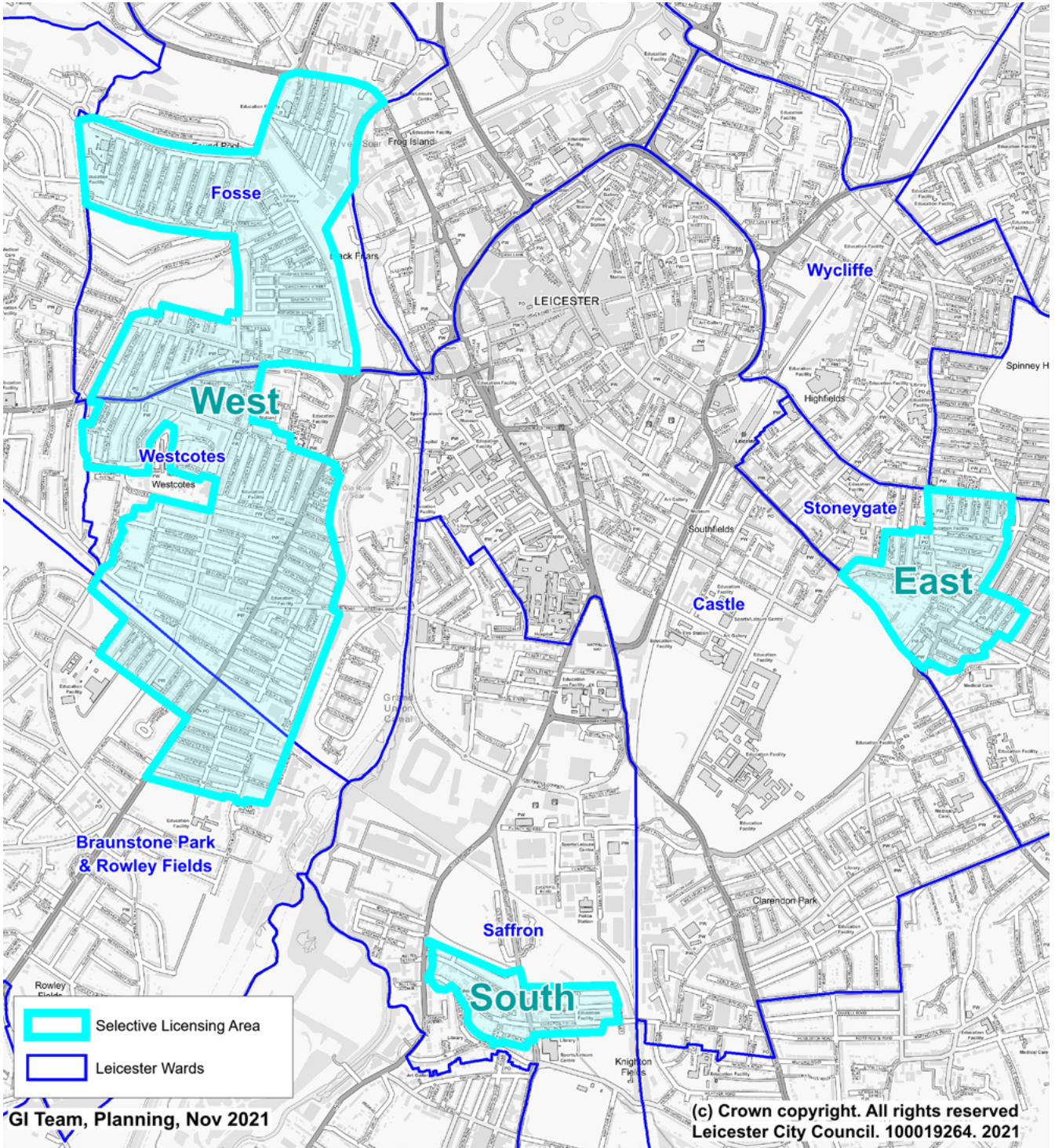
### Selective / Additional Licensing summary

**Selective Licensing** - all privately rented properties must have a licence (certain exemptions apply).

**Additional Licensing** - all small HMOs (3-4 unrelated tenants, sharing facilities such as kitchens and bathrooms) must have a licence. Large HMOs already require a licence under Mandatory Licensing.

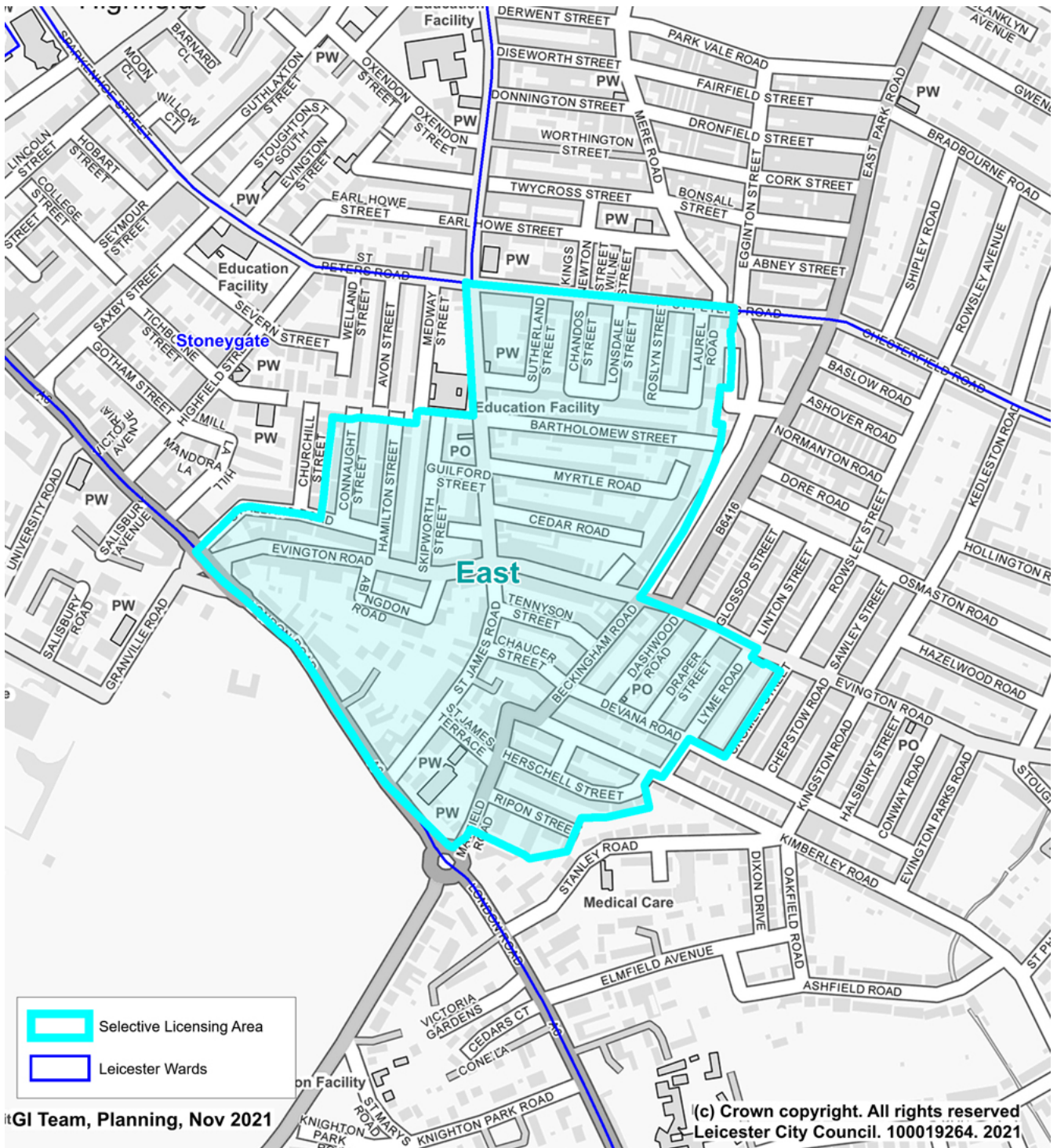


View map showing all areas covered by the scheme



East area

[View East area map](#)



Do you agree we should introduce a Selective Licensing scheme to this area?

Please select only one item

- Yes
- No
- Not sure
- No opinion either way

Should the area be expanded / reduced?

Please select only one item

- Expanded
- It's about right
- Reduced

If reduced or expanded, please indicate how much

Do you think a Selective Licensing scheme would improve housing standards in this area?

*Please select only one item*

- Yes
- No
- Don't know

What impact would a Selective Licensing scheme have on local businesses?

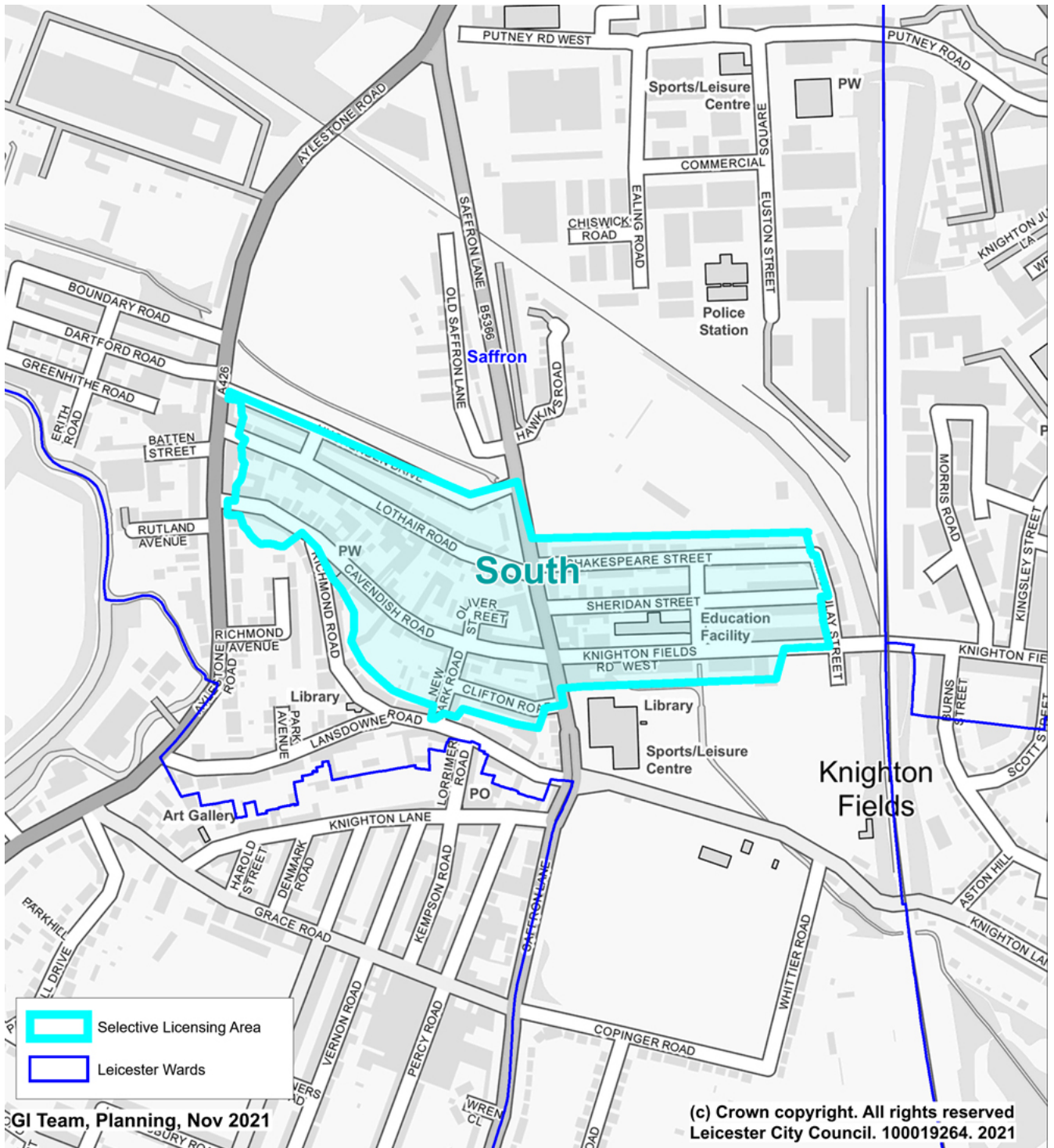
*Please select only one item*

- Extremely positive
- Positive
- No change either way
- Negative
- Extremely negative

Do you have any final comments on Selective Licensing in this area?

South area

[View South area map](#)



Do you agree we should introduce a Selective Licensing scheme to this area?

Please select only one item

- Yes
- No
- Not sure
- No opinion either way

Should the area be expanded / reduced?

Please select only one item

- Expanded
- It's about right
- Reduced

If reduced or expanded, please indicate how much

Do you think a Selective Licensing scheme would improve housing standards in this area?

*Please select only one item*

- Yes
- No
- Don't know

What impact would a Selective Licensing scheme have on local businesses?

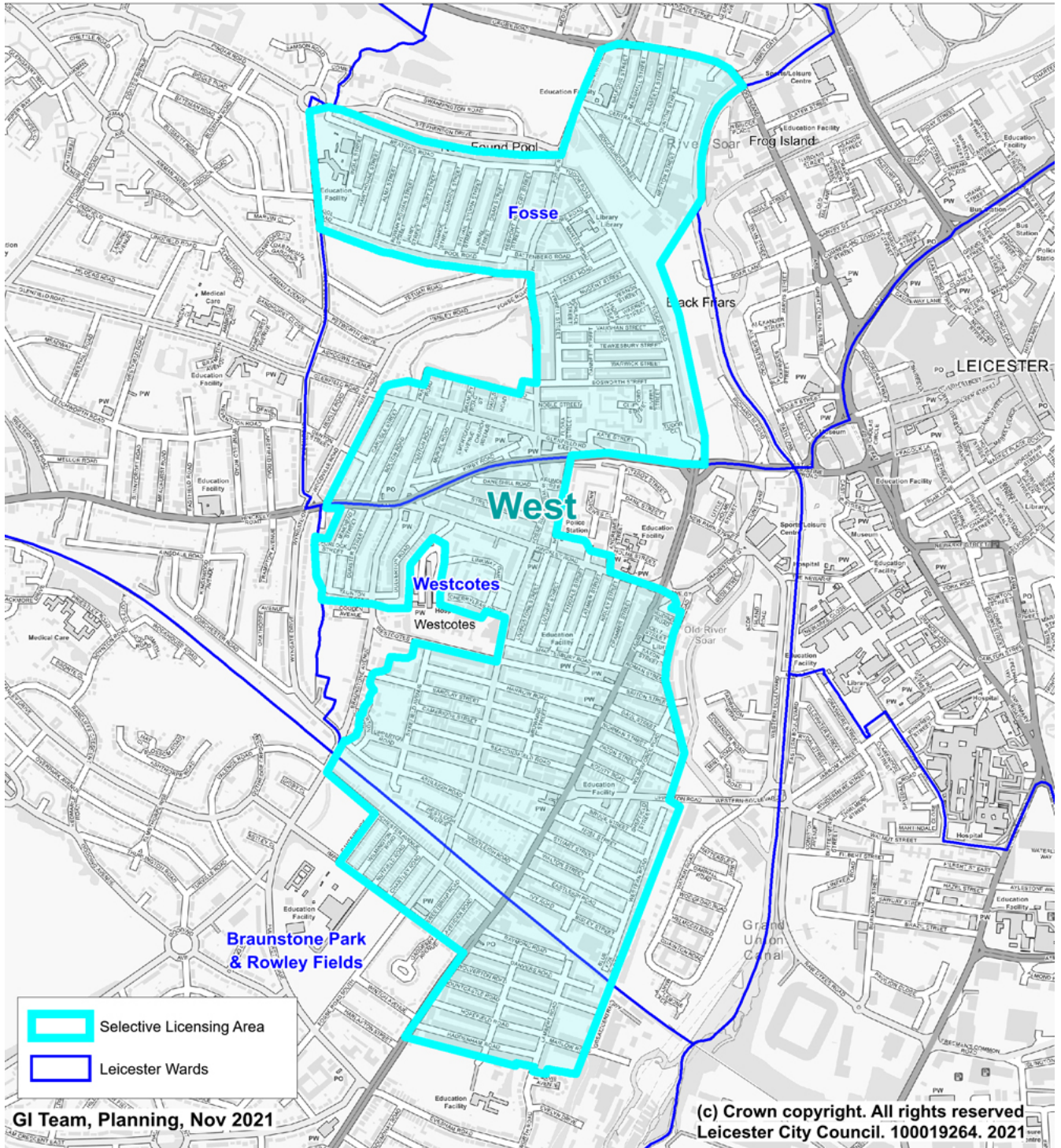
*Please select only one item*

- Extremely positive
- Positive
- No change either way
- Negative
- Extremely negative

Do you have any final comments on Selective Licensing in this area?

West area

[View West area map](#)



Do you agree we should introduce a Selective Licensing scheme to this area?

Please select only one item

- Yes
- No
- Not sure
- No opinion either way

Should the area be expanded / reduced?

Please select only one item

- Expanded
- It's about right
- Reduced

If reduced or expanded, please indicate how much

Do you think a Selective Licensing scheme would improve housing standards in this area?

*Please select only one item*

- Yes
- No
- Don't know

What impact would a Selective Licensing scheme have on local businesses?

*Please select only one item*

- Extremely positive
- Positive
- No change either way
- Negative
- Extremely negative

Do you have any final comments on Selective Licensing in this area?

## Additional Licensing

An Additional Licensing scheme would require all landlords to obtain a license in order to rent out small houses in multiple occupation (three or more unrelated people who share facilities such as kitchens and bathrooms) and where they currently fall outside of the mandatory HMO licensing definition.

The licence holder would also be required to meet specific conditions to ensure any licensed property they own or manage is safe, meets basic standards and is managed in a satisfactory way. If approved, the licence would last for five years.

The penalties for not obtaining a licence (where one is required) include prosecution, fines, and being banned from operating as a landlord.

In addition to the benefits seen by Selective Licensing, Additional Licensing also looks at internal space standards and waste management. With a robust enforcement action plan, additional licensing can also facilitate wider social and environmental improvement.

The council must consider that a significant proportion of HMOs in the designated area are being managed sufficiently ineffectively as to give rise to, or likely rise, to one or more particular problems either for those occupying the HMOs or for members of the public.

These include:

- Where external condition and curtilage (including yards and gardens) adversely impact on the general area in which they are located.
- Where internal standards, poor amenities, overcrowding etc adversely impact upon the health, safety and welfare of the occupiers.
- Where there is a persistent problem with anti-social behaviour and landlords of the HMOs are not taking reasonable and lawful steps to eliminate.
- Where lack of management or poor management adversely impact upon the health, safety and welfare of the occupier or wider community.

Option B provides an Additional Licensing scheme which if accepted will license all small HMOs across the whole of Leicester.

Option C provides an Additional Licensing scheme which if accepted will license all small HMOs in designated parts of Westcotes, Fosse, Braunstone Park & Rowley Fields and Stoneygate (see maps below). This option would not apply if option B was approved.

## Selective / Additional Licensing summary

**Selective Licensing** - all privately rented properties must have a licence (certain exemptions apply).

**Additional Licensing** - all small HMOs (3-4 unrelated tenants, sharing facilities such as kitchens and bathrooms) must have a licence. Large HMOs already require a licence under Mandatory Licensing.

Are you aware of any HMOs in the immediate area where you live?

Please select only one item

- Yes
- No
- Don't know

If there are HMOs in the area where you live, have you experienced any of the following problems? (please tick all that apply)

Please select all that apply

- Anti-social behaviour
- Empty unattended HMOs during term time
- Nuisance
- Overgrown gardens
- Poor external appearance of properties
- Poor property condition
- Poorly managed refuse / untidy or overflowing
- Other
- N/A

If Other, please specify

In your experience, have HMOs changed in the past five years?

|                                                                                               | Yes                   | No                    | Partially             | No opinion / don't know |
|-----------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-------------------------|
| HMO maintenance has improved<br><i>Please select only one item</i>                            | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   |
| HMO management has improved<br><i>Please select only one item</i>                             | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   |
| Living conditions in HMOs have improved<br><i>Please select only one item</i>                 | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   |
| There are fewer HMOs<br><i>Please select only one item</i>                                    | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   |
| There are more HMOs<br><i>Please select only one item</i>                                     | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   |
| There's less anti-social behaviour associated with HMOs<br><i>Please select only one item</i> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/>   |

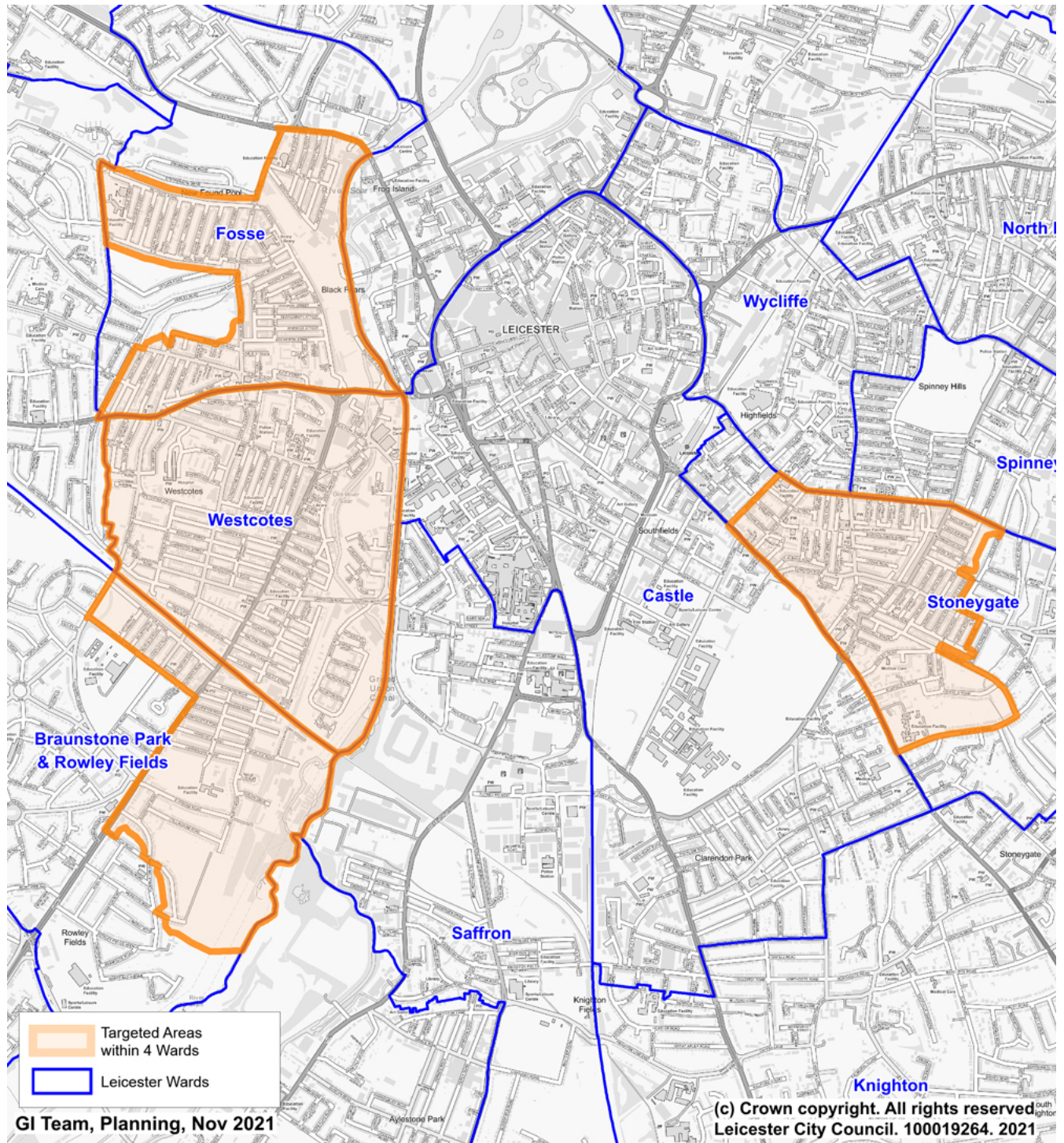


## Additional Licensing options

Two Additional Licensing options are available for small HMOs in Leicester (three or more households in each property):

- City-wide
- Targeted

View map showing targeted areas



## Do you support the introduction of Additional Licensing for HMOs?

*Please select only one item*

- Yes, in the specific areas shown on the map above
- Yes, across the whole of the city
- No
- No opinion / don't know

Do you have any comments on this?

## Fees

The Housing Act 2004 allows local authorities to recover the cost of implementing and administering a licensing scheme by charging fees.

A fee calculator is used to determine license fees, taking into account the amount of time required to administer, process and enforce licences. Leicester City Council does not profit financially from licensing schemes.

The current fee for mandatory licences is £900, a rate that has been in place since 2018.

**The estimated licence fee for Selective and/or Additional Licensing in Leicester would be between £1,000 and £1,150 (depending on which scheme is adopted).**

## Selective / Additional Licensing summary

**Selective Licensing** - all privately rented properties must have a licence (certain exemptions apply).

**Additional Licensing** - all small HMOs (3-4 unrelated tenants, sharing facilities such as kitchens and bathrooms) must have a licence. Large HMOs already require a licence under Mandatory Licensing.

## Do you think the estimated licence fee mentioned above is...

*Please select only one item*

- Too much
- About right
- Too little
- Don't know / No opinion either way

Do you have any comments on this?

Should we offer a 10% early bird discount for applications received within six months of a Selective or Additional Licensing scheme being introduced?

*Please select only one item*

- Yes
- No
- Don't know / No opinion either way

Do you have any comments on this?

Should we offer a 10% discount for charitable organisations who own / manage private rented accommodation?

*Please select only one item*

- Yes
- No
- Don't know / No opinion either way

Do you have any comments on this?

Should we offer a 10% discount to members of a private landlord accreditation scheme?

This is a voluntary scheme which recognises landlords, letting agents and managing agents who currently offer good-quality, well-managed accommodation.

*Please select only one item*

- Yes
- No
- Don't know / No opinion either way

Do you have any comments on this?

## Should we introduce a 20% late license penalty fee?

A late licence penalty would apply if a valid application for a property that is required to be licensed is not made within the first 12 months of an area being designated for either Selective or Additional Licensing (or within 12 months of it becoming a rented property that is required to be licensed).

\*The only proposed exceptions to this additional fee are if the property was empty during the application period or has recently been purchased.

Please select only one item

- Yes  
 No  
 Don't know / No opinion either way

Do you have any comments on this?

Do you have any comments on other discounts that could be applied?

## Final comments

### Selective / Additional Licensing summary

**Selective Licensing** - all privately rented properties must have a licence (certain exemptions apply).

**Additional Licensing** - all small HMOs (3-4 unrelated tenants, sharing facilities such as kitchens and bathrooms) must have a licence. Large HMOs already require a licence under Mandatory Licensing.

Which of these options do you think we should focus on? (please tick all that apply)

|                                                                                                | Targeted areas        | Citywide              |
|------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Selective Licensing of all types of rented accommodation<br><i>Please select only one item</i> | <input type="radio"/> | <input type="radio"/> |
| Additional Licensing of large HMOs<br><i>Please select only one item</i>                       | <input type="radio"/> | <input type="radio"/> |
| Additional Licensing of small HMOs<br><i>Please select only one item</i>                       | <input type="radio"/> | <input type="radio"/> |

Do you have any additional views on how we can improve the quality and management of privately rented properties across Leicester?

### Consultation update option

Please provide contact details if you would like us to send you information about our decision regarding this consultation.

The information you provide here will be kept in accordance with terms of current Data Protection legislation and will only be used to send you the information mentioned above.

Your details will not be passed on to any other individual, organisation or group. Leicester City Council is the data controller for the information on this form for the purposes of current Data Protection legislation.

Your name

Email

### Equality monitoring

The information you provide in this final section of the questionnaire will be kept in accordance with terms of current Data Protection legislation and will only be used for the purpose of monitoring.

Your details will not be passed on to any other individual, organisation or group. Leicester City Council is the data controller for the information on this form for the purposes of current Data Protection legislation.

### Ethnic background:

*Please select only one item*

- Asian or Asian British: Bangladeshi
- Asian or Asian British: Indian
- Asian or Asian British: Pakistani
- Asian or Asian British: Any other Asian background
- Black or Black British: African
- Black or Black British: Caribbean
- Black or Black British: Somali
- Black or Black British: Any other Black background
- Chinese
- Chinese: Any other Chinese background
- Dual/Multiple Heritage: White & Asian
- Dual/Multiple Heritage: White & Black African
- Dual/Multiple Heritage: White & Black Caribbean
- Dual/Multiple Heritage: Any other heritage background
- White: British
- White: European
- White: Irish
- White: Any other White background
- Other ethnic group: Gypsy/Romany/Irish Traveller
- Other ethnic group: Any other ethnic group
- Prefer not to say

If you said your ethnic group was one of the 'Other' categories, please tell us what this is:

### Age:

*Please select only one item*

- under 18
- 18 - 25
- 26 - 35
- 36 - 45
- 46 - 55
- 56 - 65
- 66+
- Prefer not to say

### Sexual orientation. Do you consider yourself to be ...

*Please select only one item*

- Bisexual
- Gay / lesbian
- Heterosexual / straight
- Prefer not to say
- Other (please specify)

## Disability

The Equality Act 2010 defines a person as disabled if they have a physical or mental impairment which has a substantial and long-term effect on their ability to carry out normal day-to-day activities and has lasted or is likely to last for at least 12 months. People with HIV, cancer, multiple sclerosis (MS) and severe disfigurement are also covered by the Equality Act.

Do you consider yourself to be a disabled person?

*Please select only one item*

- Yes  
 No  
 Prefer not to say

If you have answered **'Yes'** to the above, please state the type of impairment that applies to you. People may experience more than one type of impairment, in which case you may need to tick more than one box. If none of the categories apply, please tick 'Other' and state the type of impairment.

*Please select all that apply*

- A long standing illness or health condition such as cancer, HIV, diabetes, chronic heart disease, or epilepsy  
 A mental health difficulty, such as depression, schizophrenia or anxiety disorder  
 A physical impairment or mobility issues, such as difficulty using your arms or using a wheelchair or crutches  
 A social / communication impairment such as a speech and language impairment or Asperger's syndrome / other autistic spectrum disorder  
 A specific learning difficulty or disability such as Down's syndrome, dyslexia, dyspraxia or AD(H)D  
 Blind or have a visual impairment uncorrected by glasses  
 Deaf or have a hearing impairment  
 An impairment, health condition or learning difference that is not listed above (specify if you wish)  
 Prefer not to say  
 Other

If Other, please say

## How would you define your religion or belief?

*Please select only one item*

- Atheist  
 Bahai  
 Buddhist  
 Christian  
 Hindu  
 Jain  
 Jewish  
 Muslim  
 Sikh  
 No religion  
 Prefer not to say  
 Other

If Other, please specify

## What is your sex?

*Please select only one item*

- Female
- Male
- Prefer not to say

Is your gender identity the same as your sex registered at birth?

*Please select only one item*

- Yes
- No
- Prefer not to say

If No, what term do you use to identify your gender? (leave blank if prefer not to say)