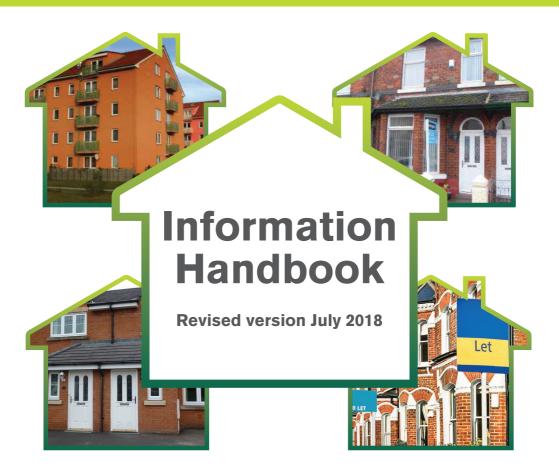
# Quality Tousing Gentled Sector for Nottingham A Better Quality Private Rented Sector for Nottingham



# The Selective Licensing Scheme

www.nottinghamcity.gov.uk



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## What is Selective Licensing and what properties require a licence?

Selective Licensing is a scheme that requires private rented properties to be licensed. The scheme provides for the regulation of 'houses' as defined by section 99 of the Housing Act 2004.

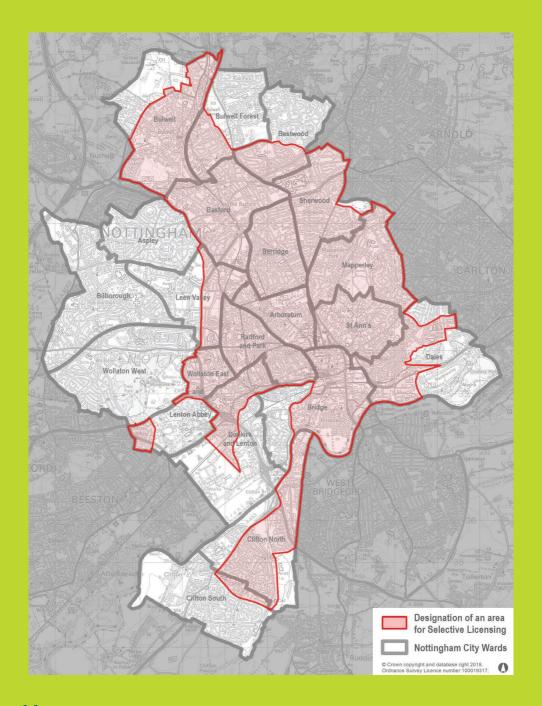
It would be unlikely that a House in Multiple Occupation (HMO) property will fall within this scheme as it is intended to cover properties which are occupied by, for example, one or two tenants or a family. In addition, HMOs that are licensed under the Council's existing additional and mandatory licensing schemes would not be required to be licensed under the selective licensing scheme. If you are unsure about whether your HMO would fall within the scheme, please contact the Selective Licensing Team on selective.licensing@nottinghamcity.gov.uk for further advice.

There is a designated area within Nottingham city that Selective Licensing applies to. A map of this can be seen on page 4.

You can also check by address at: **geoserver.nottinghamcity.gov.uk/myproperty/** or by searching 'myproperty' on the Nottingham City Council website **www.nottinghamcity.gov.uk** 

This scheme will apply a minimum standard to all private rented properties and also apply the Housing Health and Safety Rating System (HHSRS). More on this can be found on page 17.

The conditions set out in the licence will require landlords to achieve certain standards of management and maintenance, helping to bring about better quality housing in the private rented sector (PRS).



### Why is Selective Licensing being introduced?

Improving the quality of housing in the city is one of the council's main priorities as detailed in the current council plan.

The aim of the scheme is to raise the standards in the PRS ensuring that all tenants are able to enjoy a safe, comfortable and well-managed home. The council recognises the importance of the PRS for the city, and its role in providing homes for people who cannot, or do not, wish to buy their home. Given that so many of our citizens rely on the PRS we need to make sure it is of good quality and that the citizens live in safe well-managed properties.

The evidence that the council collected shows that for many people living in the PRS improvements can be made to their property. Through detailed research, we have found that there are problems associated with privately rented properties, including high crime, high antisocial behaviour, poor property conditions and high levels of deprivation. The selective licensing scheme will significantly assist in dealing with the problems identified.

In February 2018 the Secretary of State confirmed the council's proposals for a selective licensing scheme in Nottingham.

### The council is introducing a selective licensing scheme in Nottingham to:

- -> Ensure that these properties are managed properly
- -> Improve neighbourhoods in the designated area
- Reduce complaints of noise, rubbish, housing disrepair and other anti-social behaviour related to the PRS, by making landlords accountable for their tenants
- Continue to improve the private rented sector
- Ensure the licence holder and manager are suitable
- Ensure fundamental basic standards of accommodation are provided including safe gas and electrics and room sizes for an appropriate number of occupants
- → Assist in identifying and dealing with rogue landlords.

### Which properties need a licence?

Currently there are three licensing schemes within Nottingham city covering the majority of the PRS.

#### **Selective Licensing**

Any privately rented property within the designated area requires a licence (unless it falls within one of the statutory exemptions). See the map of the area on Page 4. It is unlikely that a HMO will require a licence under this scheme, however please refer to the further information on Page 3 of this handbook.

Visit **geoserver.nottinghamcity.gov.uk/myproperty** and enter your address to find out if your property falls within the area. See also the map on page 4.

You can also enter the details of a property on our 'Do I need a licence page' on our website which can be found by typing in the search bar <a href="http://geoserver.nottinghamcity.gov.uk/myproperty">http://geoserver.nottinghamcity.gov.uk/myproperty</a>

### Mandatory and Additional Licensing (for houses in multiple occupation)

There is also information on our website in relation to the other licensing schemes, the requirements for all types of properties, amenity information and much more. Please familiarise yourself with this content regularly and take steps to be certain that you are up to date with changes to legislation and so on.

You can find out more information on them by searching for 'HMO' on our website.





# I am currently a licence holder under another scheme; do I need to apply again for a licence?

If a rented property is already licensed (under the Additional or Mandatory licensing scheme), then this selective licensing proposal is separate to those schemes and you will not need to licence the property under more than one scheme.

Whilst the council does its best to publicise the licensing schemes, it is not the responsibility of the council to remind you to apply for a licence or to keep you up to date on legislation and your legal requirements.

Selective licensing will require an application to be made for each property, not for each landlord.

There may be buildings that have different 'units of accommodation' within them that fall under different schemes, i.e. a shared house is licensed under the additional scheme, with a singly occupied flat that requires licensing under the selective scheme, within the same building, but none of these individual 'units' will need more than one licence.

### Who will need to apply for a licence?

It is the responsibility of the person in control of the property (usually the owner and / or manager) to apply for a licence. It is important, that this person has access to all of the relevant information and documents needed to submit the application. (The list of requirements is on page 14)

The licence is granted to the proposed licence holder and relates to a specific property.

A separate licence will be needed for every property that the scheme applies to even if the owner / licence holder will be the same person.

Licences are also non-transferable, so if for example, a licensed property is sold, the new owner will need to apply for a licence.

A licence is granted based on the council considering the following:

Are the proposed licence holder and manager deemed 'fit and proper persons'? Are the arrangements for managing the property satisfactory? Is the property suitable for the number of persons requested?

### Who can be the licence holder?

The licence holder should be the person who has control of the property. Usually this person receives the rent (usually the owner or manager). They will be bound by the licence conditions and should be competent in managing and maintaining the property.

(Information on licence conditions are on page 18)

Sometimes the manager or managing agent is the licence holder as they fully manage the property. Where this is the case, the manager may apply to be the licence holder, which is common. This manager and therefore, the licence holder, may be a company.

The licence holder does not have to be the owner of the property.

Where there are two owners or persons involved with a property, for example a husband and wife, partners, siblings and spouses, both can propose themselves as licence holders.

The licence holder cannot be based outside the UK as the council cannot enforce legal documents abroad.

A manager and owner can be joint licence holders, but both parties would be jointly liable as the licence holder. However, if for whatever reason one party no longer wanted to be the licence holder, a new licence holder could not be automatically added in their place. Any new licence holder would have to make a new application.

### **Fees and discounts**

Description	Fee	Comments
Standard fee	1st payment £460	For non-accredited landlords.
	2 <sup>nd</sup> payment £320	1st payment on application. 2nd payment due when draft licence issued.
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Fee for accredited landlords properties	1 <sup>st</sup> payment £360 2 <sup>nd</sup> payment £120	The proposed licence holder is accredited with the Nottingham Standard (either Unipol or DASH).
	Total £480	1st payment on application. 2nd payment due when draft licence issued.
Finder's fee	£150	Where the council has to do more than the normal amount of work to ensure a licence application/renewal is made.
Fee for moving between mandatory / additional to selective or vice versa	25% of the appropriate application fee	This is to ensure appropriate cost recovery of costs associated with the licence, which will be issued under a different Part of the Act. Any new licence that is issued will run to same expiry date of the earlier licence.
10.02		Please note – no fee will be payable for changes between mandatory / additional licensing, as these are under the same part of the Act (Part 2).
Missed inspections	£50	Failure to attend an agreed inspection may result in a charge being levied.
Part 1 Housing Act 2004	£350	Not all costs can be recovered from the licence fee. Under Part 1 of the Housing Act 2004 (section 49), the council can charge for relevant costs linked to enforcement work.
		NB: Once an invoice is issued; this charge becomes a local land charge on the property.
Extra correspondence	£30	Where the council has to e.g. do more than normal to obtain further information to secure a valid licence application or provide copies of documents requested.
Application to vary a licence	No charge	Includes applications to change the manager, address, number of occupants.

### What is accreditation?

Accreditation is a set of standards relating to the management and physical condition of privately rented accommodation. Landlords who join a scheme and who meet the standards are 'accredited'. Accreditation schemes are voluntary and there is no obligation on landlords to join. However, accredited landlords show a commitment to providing good quality, well-managed accommodation.



### What is the Nottingham Standard?

The Nottingham Standard is an accreditation mark, unique to Nottingham and supported by Nottingham City Council, that has established an overarching minimum standard for privately rented accommodation across the city. The Nottingham Standard refers to those who are accredited with DASH or UNIPOL.

Where the proposed licence holder and / or manager is accredited with one of these, they will receive discounts on their licence fee. In addition, if you are accredited with ANUK, you will also receive a discount but will not be exempt from the selective licensing scheme.

The licence holder or manager must be accredited at the time of application and must remain accredited throughout the course of the scheme. If they do not remain accredited throughout the licence period then we will recover the remaining cost.

Currently the council only recognises DASH and Unipol as Nottingham Standard accreditation providers, however, the council will continue to monitor this and consider any additional providers that come forward if they are able to demonstrate that they meet the criteria laid down in the framework.



### Benefits of being accredited

- Discounted licence application fee
- 15% off the first year's membership of the Landlords National Property Group
- Discounted East Midlands Property
   Owners (EMPO) membership
- Free online training via DASH membership
- Support from Nottingham City Council's Housing Benefit team
- Support packages from Nottingham City Council's Housing Aid team
- On-going information, help and advice to accredited landlords from DASH Landlord Accreditation and Unipol Student Homes
- Free inclusion on accredited landlord register, searchable by prospective tenants

For more information about the Nottingham Standard, visit the following website. www.nottinghamcitv.gov.uk/nottinghamstandard

Working together so you can rent with confidence







### Contacts for the Nottingham Standard

For specific enquiries about membership of DASH Services or Unipol Student Homes, please contact the relevant organisation:

#### **DASH Services**

www.dashservices.org.uk/accreditation Tel: 01332 640 324 email: dash@derby.gov.uk



### **Unipol Student Homes, Nottingham**

www.unipol.org.uk/nottingham
Tel: 0115 934 5020
email: info@nottingham.unipol.org.uk



### How do I apply?



All applications and information will be taken through our new online portal.

The online application process will be available through the following link, where you will have to register (if you have not already)

myaccount.nottinghamcity.gov.uk

The online portal will be your one stop shop in relation to all housing licence applications within Nottingham.

You can save the form as you work through it and return to it later where needed, e.g. you need to gather some information.

The online portal will also allow you to see notifications in relation to your pending applications and current licences. All documents requested by the housing licensing team will need to be uploaded to this online portal.

The new online form also works well with smart phones and tablets. You can also upload photographs, pdfs or other document types directly onto the system via these devices.

The form meets WCAG 2.0 AA or EN 301 549 accessibility standards and is fully mobile responsive.

The council will not take responsibility for any information that is posted or handed to a council employee.

Help is available in public libraries. The library assistants will be able to show you how to scan, send and attach documents, but you must have a working email address and have registered an account for our online system already. To find your local library within Nottingham city you can visit our website at www.nottinghamcity.gov.uk/libraries

The council is looking at other opportunities to support landlords in the application process, details will be available on the website www.nottinghamcity.gov.uk/qualityhousingforall.



### When does the scheme start and when shall I apply?

The selective licensing designation comes into effect on 1 August 2018. From this date, it will a legal requirement to have applied for a licence.

We are aiming to accept applications under this scheme from 1 July 2018.

If your property falls under the selective licensing scheme you should not delay your application. It is a criminal offence to not apply for a licence and you face a civil penalty of up to £30,000 or criminal prosecution.

The selective licensing scheme will last for up to 5 years after it starts. Unless there are concerns in relation to issuing a licence, your licence will be issued for up to 5 years.

### What information and documents will I need to apply?

Information on the following will be needed to complete the form:

### Name, address and contact details for the following:

- Applicant, proposed licence holder and manager
- → Any freeholders and leaseholders of the property
- Any mortgagee of the property (mortgage companies) and any other interested parties

### Information in relation to convictions for the following:

Proposed licence holder and manager

### Information about the property and tenants

- Information about bedroom sizes.
- Information about number of tenants and the relationship between them (e.g. related or not)
- Information about type of heating, fire detection, windows, approximate age of house, etc.

### The following documents will need to be uploaded at the point of application (unless stated otherwise).

Documents	Comments
Proof of right to reside (to live) in the UK	Proof of right to live in the UK for the proposed licence holder and the proposed manager where these are people; if the proposed licence holder or manager is a company then this will not need to be provided.
Gas Safety Certificate	A valid, in date, satisfactory certificate is required if gas appliances are in the property. More information can be found on the following link: <a href="https://www.gassaferegister.co.uk">www.gassaferegister.co.uk</a>
Energy Performance Certificate (EPC)	Required for each property. Where a property is exempt from this requirement a reason for this exemption will be required at the application stage.

### The following documents must be provided within 12 months from the date the licence is granted or your licence could be revoked.

Documents	Comments
Landlord insurance for the property - voluntary at application stage	Sufficient landlord insurance including public liability cover; if no insurance is provided at application stage, it will be added as a licence condition.
Evidence of relevant training (if undertaken)	Training by the proposed licence holder. If they have undertaken relevant landlord training in the last 3 years please provide evidence. If this is not provided, it will be a condition on the licence.
Portable appliance test (PAT) certificate	Portable electrical appliances that the council requires testing are those appliances that are used regularly and moveable e.g. toaster, iron, kettle. Landlords still have a responsibility for ensuring all the appliances they provide are safe.

### Additional documentation to support your application

Documents	Comments	
Electrical Installation Condition Report or an Electrical Installation Certificate*	You are required to ensure the electrical system in the house is safe. This can be done by providing a valid, in date, satisfactory report. More information can be found on the following link: www.electricalsafetyfirst.org.uk	
	*The Government is currently considering the outcome of the consultation on mandatory five year electrical safety checks for all private rented properties, and this may become a legal requirement in the future.	
Emergency Escape Lighting Test Certificate	If emergency lighting is present, you must ensure that it is in proper working order. More information can be found on the following link: www.firesafe.org.uk/emergency-lighting/	
Fire Alarm Test Certificate	If a panelled fire alarm system is in place, you must ensure that it is in proper working order.	
Written Fire Safety Risk Assessment	Not mandatory, but for larger buildings with flats / HMOs or mixed residential / commercial premises the Fire Service may require this.	
More information about fire safety in domestic properties can be found in the following document <u>LACORS Housing</u> - Fire Safey Guidance, available at <u>www.cieh.org</u>		
'Basic' Disclosure certificate (a criminal record check) - voluntary  A 'basic' disclosure certificate is requested for the proposed licence holder and proposed manager. The council will not accept other for disclosure certificate such as 'standard' or 'enhanced' even if they a The certificate is available from the Disclosure and Barring Service gov.uk/request-copy-criminal-record and lasts for three years. If a Disclosure Scotland check, this should be within the last three years.		
Building regulations completion certificate and /or planning consents	Not mandatory at application stage, but will be helpful if recent and / or significant works have been undertaken to the property.	

You are not required to submit floor plans, but if you want to you may to support your application. Plans are still required for HMO licensing. If you do have floor plans for your property, then please submit them.

### **The Selective Licensing Process**

Application submitted via the online portal to include all relevant documents and questions answered and 1st part of fee payment required (part A). Acknowledgement sent. Application validated providing that ALL information AND relevant documents have been submitted satisfactorily. If not provided additional fees may apply. An inspection may be arranged by an officer if there are concerns about the property that has been identified. This may affect the decision on whether to grant or refuse the licence. Some licences will be issued without an inspection. Is the proposed licence holder and The licence may be manager a fit and proper person? refused or issued with additional conditions. There is a right to representation for draft licences and appeals Are there suitable management for final licences. arrangements in place? Draft licence issued and sent to Consider representation if made. the proposed licence holder and all interested parties. \*Extra conditions may be included as part of the licence to make Final licence issued and comes into force\*\* the property suitable. If the second part payment is not received the council 2nd part of fee payment can review the draft licence and may refuse the licence. (part B) required. A percentage of properties will be inspected to ensure property improvement and compliance with the licence. If the licence conditions are being breached an investigation may lead to enforcement action, which could include a civil penalty of up to £30,000 per offence or prosecution through the courts.

<sup>^</sup> Period of 14 days for any representations to the Council about the draft licence.

<sup>^^</sup> Period of 28 days appeal to the First-tier tribunal – property chamber (Residential Property) if not satisfied with the final licence that has been issued.

### Will I get a licence?

The council must issue a licence if it is satisfied that the:

- proposed licence holder and proposed manager (if different) is a 'fit and proper person' and
- proposed licence holder is the most appropriate person to hold the licence and
- proposed management arrangements are satisfactory and
- persons involved in the management of the house are competent.

If the council is not satisfied with the above then they may decide to refuse the licence, reduce the term of the licence and/or impose extra conditions on the licence holder.

### Will I have to meet minimum amenities guidance like in an HMO?

Not specifically, however, the licence holder is expected to be proactive in improving, maintaining and effectively managing the property.



# What legislation applies to the selective licensing scheme?

Where licences are issued licence holders will be expected to be proactive in managing, maintaining and, where necessary improving their properties. In doing this the licence holder will ensure properties are improved and tenants live in a healthier, safer environment. Licence holders should familiarise themselves with the Housing Health and Safety Rating System (HHSRS). Where there are significant hazards that affect tenants or visitors action can be taken by the council under this legislation to ensure the health, safety and welfare of the occupants is improved.

More information on HHSRS can be found on the resources link on the DASH website and is covered under Part 1 of the Housing Act 2004.

www.dashservices.org.uk/Resources

# What licence conditions will apply and what happens if I do not comply with them?

The proposed licence conditions cover a range of requirements including (but not limited to) property safety and management, dealing with tenants, tackling anti-social behaviour and notifying the council of changes and requirements for licence holder training.

The licence conditions will cover:

- Safety of gas, electrical appliances and the electrical installation
- Furniture safety and fire safety
- Written statements of terms for the occupiers (usually a written tenancy agreement)
- Ensuring the house is maintained, so it doesn't adversely affect the neighbourhood amenity
- Ensuring regular property inspections are undertaken and records kept
- Provision of certain information to the tenants and to take reasonable steps to deal with anti-social behaviour caused by the occupants
- Requirements to notify the council of changes of details of licence holder and / or manager including issues that may affect their fit and proper status
- Any works to make the property suitable for occupation
- Requirement to display the licence or provide a copy to occupants.

If you fail to comply with the licence conditions, you run the risk of prosecution or a civil penalty, which can be a financial penalty up to £30,000 per breach or failing. It may also affect your 'fit and proper' status and your licences could be revoked. There are also certain offences which from April 2018 can lead to licence holders and / or managers being banned from running property / letting businesses.

You should also ensure that you inspect the property regularly to ensure, amongst other things, that the property is not being sublet, as you will be responsible for applying for the licence that applies to the property; as it could be considered as an unlicensed HMO for which you would be responsible.

### Varying a licence

If any of the information relating to the licence / licence holder / manager changes during the time that the licence is granted for, then you will have to apply to vary the licence. You should do this through the online portal. If you want to change the number of occupants then you must apply for a variation and await the decision to vary before you undertake the changes, otherwise you will be in breach of your licence conditions.

### Refusing a licence

Licences can be refused. If the council refuses a licence, the reasons will be clear in the documents sent to the licence holder. There are provisions in the legislation to appeal this.

### Revoking a licence

Licences can be revoked. If the council revokes the licence, the reasons will be clear in the documents sent to the licence holder. There are provisions in the legislation to appeal this.

### Exemptions to selective licensing

Only properties that are within the designated areas will need to apply for a licence under the new scheme.

The council cannot exempt particular types of privately rented houses. There are other properties which are not regarded as houses (i.e. HMOs), but may still be required to apply under a different licensing scheme.

There are certain properties that are exempt from licensing legislation, for example, university managed accommodation, housing association properties, properties let to close family members and properties with a resident landlord with up to 2 lodgers. A full list of exemptions can be found in The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006, found at <a href="https://www.legislation.gov.uk">www.legislation.gov.uk</a>.

If you don't believe your property requires a licence for the scheme, you can apply for a temporary exemption. Details can be found on our website www.nottinghamcitv.gov.uk/qualityhousingforall

# Further information, support, help and advice

For further information about selective licensing including a frequently asked questions list and how to apply visit:

www.nottinghamcity.gov.uk/qualityhousingforall

If there are questions not answered on the FAQs list please email these to selective.licensing@nottinghamcity.gov.uk



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