



# Oxford City Council

## Consultation on Selective and Additional HMO Licensing in the Private Rented Sector in Oxford

### Report of findings



**OXFORD  
CITY  
COUNCIL**

**Opinion Research Services  
January 2021**



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#### Report of findings by Opinion Research Services

#### Opinion Research Services

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# 1. Executive Summary

## The commission

- 1.1 Oxford City Council (henceforth OCC or “the Council”) undertook a public consultation, seeking the views of landlords and letting agents, tenants and other residents, and other stakeholders about:
  - » The reintroduction of additional HMO licensing when the current scheme ends; and
  - » The introduction of selective licensing in Oxford.
- 1.2 Specifically, the Council consulted on a proposal to introduce a new additional HMO licensing scheme in 2021, following the expiration of the current scheme in January 2021, and the introduction for the first time of selective licensing of non-HMO private rented properties. As well as seeking views on the principle of a new scheme, and the possible designations and areas which might be covered, OCC requested feedback on other more detailed aspects of the proposed new schemes, such as fee levels and licence conditions.
- 1.3 Opinion Research Services (ORS), a spin-out company from Swansea University with a UK-wide reputation for social research and major statutory consultations, was appointed by OCC to advise on and independently manage and report the consultation programme.

## The consultation

- 1.4 A formal consultation period of just over 12 weeks was originally planned to run from 10<sup>th</sup> September 2020 until 3<sup>rd</sup> December 2020. In light of the second national lockdown in November 2020, due to the ongoing COVID-19 pandemic, the Council made the decision to extend the consultation period for a further 4 weeks until 31<sup>st</sup> December 2020, bringing the total consultation period to just over 16 weeks.
- 1.5 During this period, landlords and agents, tenants and other residents, and other stakeholders were invited to provide feedback through the following channels and activities:
  - » A consultation questionnaire, which was ‘open’ and therefore available for any interested party to complete. This attracted 1,987 responses;
  - » Four virtual ‘deliberative’ events for landlords and letting and managing agents, undertaken via videoconference (Zoom) in light of social distancing guidance introduced by the UK Government, for which around more than 220 places were reserved, and a maximum of 148 participants attended;
  - » A deliberative virtual focus group for 10 local tenants and other residents recruited from across the city;
  - » 53 letters or email submissions from stakeholders who chose to provide their views in writing to OCC or ORS; and
  - » In-depth interviews undertaken by ORS with representatives of 11 stakeholder organisations.

## Nature of consultation

- 1.6 The key good practice requirements for consultation programmes are that they should:
- » Be conducted at a formative stage, before decisions are taken;
  - » Allow sufficient time for people to participate and respond;
  - » Provide the public and stakeholders with enough background information to allow them to consider the issues and any proposals intelligently and critically; and
  - » Be properly taken into consideration before decisions are finally taken.

## Accountability

- 1.7 The principle of accountability requires public bodies to give an account of their plans and take into account public views: the consultor (i.e., Oxford City Council) should conduct fair and accessible engagement while reporting the outcomes openly and considering them fully.
- 1.8 This does not mean, however, that the ‘majority’ views automatically decide public policy; and the popularity or unpopularity of draft proposals does not displace professional and political judgement about the final decision in the circumstances. The levels of, and reasons for, public support or opposition are highly important as considerations to be taken into account, rather than as factors that determine authorities’ decisions outright. Above all, public bodies must give due consideration to the relevance and cogency of the arguments put forward during public engagement processes, rather than ‘count heads’.
- 1.9 ORS does not endorse any opinions in this report; we seek only to portray the feedback received through consultation clearly and accurately. ORS offers guidance on the consultation methodology and its interpretation, and we seek to profile the opinions and arguments of those who have responded. We do not, however, make recommendations on the decisions to be taken by OCC.
- 1.10 Each chapter in this report contains detailed analysis and reporting of feedback received through all consultation channels. For the remainder of this Executive Summary, ORS has brought together the main findings from all strands of the consultation into headlines and a thematic summary. We have sought to ensure that the summary below represents a thorough overview of the entirety of the consultation feedback; nonetheless, we also recommend strongly that it be read in conjunction with the main body of the report.

## Main findings

### Quantitative feedback overview

- 1.11 The ‘open’ consultation questionnaire was designed for anyone with an interest in the proposals to take part of their own volition. It should be noted that respondents to open questionnaires are typically more motivated to take part in public consultations than average citizens, often with stronger and sometimes polarised views on the issues or proposals in question. ORS therefore typically reports the views of distinct stakeholder types participating in the open questionnaire separately, to avoid the views of the group providing the largest proportion of responses (landlords and letting and management agents in this case, with 54% of the responses) simply dominating the overall findings. Furthermore, this approach helps to identify and understand any key differences in the points of view of different stakeholder types.

### Questionnaire respondents' views on proposals for a new additional HMO licensing scheme

- 1.12 Landlords and letting or managing agents, and representatives of local businesses, were generally less likely than other stakeholder types to agree with the principle or practice of landlord licensing in the private rented sector (PRS) in Oxford. 45% of landlords, 50% of agents, and 42% of those who own or manage businesses agreed that the current additional HMO licensing scheme - ending in January 2021 - had been effective. By comparison, 71% of those responding from an organisation and 64% of Oxford residents and other respondents felt that additional HMO licensing had been effective in addressing issues in the PRS in Oxford.
- 1.13 Landlords' and agents' views on the proposal to introduce a new additional HMO licensing scheme when the current one ends were divided. Almost half of landlords (49%) and more than two fifths of agents (44%) agreed with the proposal to continue with additional HMO licensing in Oxford, compared to 35% and 45% respectively who disagreed. Approximately half of business owners or managers who responded agreed with this proposal, as well as outright majorities of organisation representatives (76%) and residents and other respondents (72%).

### Questionnaire respondents' views on proposed additional HMO licensing fees and conditions

- 1.14 In general, landlords, agents and respondents from businesses tended to feel the proposed additional licence fees were 'too high', while organisation representatives and residents and other respondents tended to find them more acceptable (albeit there were sometimes substantial minorities within the organisation and resident groups who felt certain fees were 'too high' or 'too low'). Landlords and agents had strong reservations about the standard one-year fees in particular, with large majorities feeling they were 'too high'. On the other hand, many agents and landlords (43% and 44% respectively) felt the proposed £413 five-year renewal fee was 'about right', even if slightly higher proportions (53% and 48%) felt it was 'too high'.
- 1.15 A little under half of letting and managing agents (47%) and a slightly lower proportion of landlords (44%) agreed in general with the proposed additional licence conditions, while around half of those who own or manage a business agreed. The proposed conditions were widely supported by organisations (77%) and by residents and other respondents (73%).

### Questionnaire respondents' views on proposals for a new selective licensing scheme

- 1.16 In relation to proposals to introduce a new selective licensing scheme, around a third of landlords (35%) and agents (31%) agreed with the principle of doing so. Other stakeholders responding to the questionnaire viewed the prospect more favourably, with just over half of local business owners and managers (54%), nearly three quarters of organisation representatives (73%) and over two thirds of residents and other respondents (68%) in favour.
- 1.17 Regarding options for selective licensing designations, the difference in the balance of views of different stakeholder types was pronounced. Around a third of private landlords (34%) and just over a quarter of agents (27%) agreed with the Council's *preferred option* for a selective licensing scheme covering the whole of Oxford. Therefore, most landlords and agents did not agree with the Council's preferred option.
- 1.18 If a selective licensing scheme were to be introduced, however, more landlords and agents would prefer a scheme covering the whole of the city than one covering only 23 out of 24 wards (i.e., excluding Holywell). Many indicated they would prefer some sort of alternative, and suggested possibilities ranging from much more focussed approaches to no licensing at all.

- 1.19 Around half of business representatives (51%) agreed with the Council's preferred option for a selective scheme covering the whole city, and this was supported by a majority of organisation representatives (71% agreeing) and residents and other respondents (68% agreeing). There was also a widespread view among these groups that if a selective scheme was to be introduced, then a citywide scheme would be preferable to one covering 23 of the 24 wards, or to some other alternative.

### Questionnaire respondents' views on proposed selective licensing fees and conditions

- 1.20 As with the proposed additional HMO licensing fees, landlords, agents and (to some extent) local business representatives were generally more likely to feel the proposed selective licence fees were 'too high' than respondents in the remaining stakeholder groups, who tended to find them more reasonable. There was a spread of views, however, with many in these remaining stakeholder groups holding the view that some of the fees were either 'too high' or 'too low'.
- 1.21 In relation to the various proposed discounts: most respondents agreed with the principle of applying an Early Bird discount, a discount for accreditation, and a discount in instances where the applicant is a registered charity providing accommodation through the homeless pathway (in particular, the latter of these was also widely supported by respondents who identified as residents or organisation representatives, as well as other non-specified respondents).
- 1.22 There was somewhat less consensus around the principle of applying discounts for new build properties, 'block discounts' for multiple flats in a single landlord-owned building, or where the property is part of Home Choice. More landlords and agents agreed with these discounts than disagreed, whereas those respondents residing in Oxford or with an 'other' connection to the borough were less prone to agreeing. Further details and breakdown of respondent's views on proposed discounts are presented in chapter 3 of this report.
- 1.23 In general, there was fairly widespread support among questionnaire respondents for the principle of issuing one-year licences in instances where the Council has concerns about the management of the property: most landlords (66%) and around half of agents (51%) and businesses (54%) agreed, along with large majorities among organisation representatives (81%) and residents and other respondents (76%).
- 1.24 Views on the fees for shorter licences were more mixed among landlords and agents; many felt the proposed fees were 'too high', although sizeable minorities of both landlords and agents felt the proposed fees were 'about right'. The majority of organisations representatives and residents agreed that the Council's proposed one-year licence fees were 'about right'.
- 1.25 Finally, views on the proposed selective licence conditions varied - just under two fifths of landlords (38%) and agents (39%) who responded to the questionnaire agreed with the proposed selective licence conditions, whereas half or more disagreed. Around half of business owners or managers agreed, as did the majority of organisations (77%) and residents and other respondents (71%).

### Qualitative feedback overview

- 1.26 'Qualitative' consultation strands include written submissions and facilitated discussions, and often enable exploration of the *reasoning* behind the views being shared. The latter, more discursive approach is particularly valuable in that it allows diverse views within different stakeholder groups to be explored. It is therefore difficult to provide an overall balance of opinion arising each separate qualitative research strand; nonetheless, the follow short section aims to summarise views from each strand around the same key questions as for the questionnaire responses above. The feedback received is then covered in detail in each chapter of the main body of ORS' report, as well as being incorporated into the thematic summary below.

## Written submissions

- 1.27 Feedback received in letters or via email was diverse and often strongly polarised. It is therefore not appropriate to attempt to synthesise any overall views. The opinions and concerns raised in written submissions is, however, incorporated into the thematic summary below and covered extensively in the main body of the full report.

## Landlords and agents' forums

- 1.28 It was generally the case - based on their feedback - that most landlords who took part in the forums did not own HMOs. Many, therefore, did not have direct experience of landlord licensing to date, perhaps indicative of the fact that the possible introduction of selective licensing for the first time garnered the most interest, as well as that there are many more non-HMO than HMO properties in the city. Letting agents were more knowledgeable on this topic; nonetheless, this meant that a considerable number of attendees stated that they did not feel able to give an informed view of either the current HMO licensing scheme or the proposals.
- 1.29 Of those who did express a view, a few forum attendees spoke out in favour of the current additional HMO licensing scheme; many others, however, were critical of the way it has been managed and enforced by the Council. Feedback on the Council's proposal for a new additional HMO licensing scheme tended to align with these views; while some attendees objected outright to a new scheme, concerns and criticism tended to focus on its likely effectiveness and concerns about how it might work, rather than on whether it should or should not be introduced.
- 1.30 Similarly, some attendees supported proposals for a new selective licensing scheme in Oxford as a way to regulate the PRS and improve standards; these views were outweighed, however, by objections which frequently cited concerns about the 'unfairness' of a scheme that would result in 'a burden of cost and additional responsibility for compliant landlords', while failing to address problems in the PRS related to poor or 'rogue' landlords. If, however, a new selective licensing scheme was to be introduced, the majority view among attendees was that a city-wide scheme would be fairer and more consistent.
- 1.31 Attendees' views on the proposed fees and discounts for both additional HMO and selective licenses varied, from some who felt that they were reasonable to others who felt that they were punitive and, in the case of the discounts, simply too complex. Finally, the proposed licence conditions were viewed as appropriate by many, with the caveat that some conditions simply related to things that responsible landlords and their agents already do. Concerns about conditions related to inspections by landlords, and their responsibilities around anti-social behaviour (ASB) on the part of private tenants were raised by many attendees.

## Tenants and other residents' focus group

- 1.32 Tenants and other residents involved in the focus groups recognised the issues with property conditions and PRS management cited by OCC, and the overwhelming majority agreed with the Council's proposals for both additional and selective licensing schemes, as well as that the proposed licensing fees and discounts and licence conditions were appropriate and reasonable.

## Stakeholder interviews

- 1.33 Among stakeholder interviewees, there was firm support for the proposed schemes in some quarters, particularly from tenants' groups and statutory bodies. Some stakeholders, however, heavily criticised them, highlighting what they considered a failure to recognise the contribution made by accreditation bodies to the

PRS. It was suggested that this contribution should be recognised through discounted fees for their accredited members.

- 1.34 There was considerable agreement that both proposed schemes should be city-wide; there was felt to be little merit in excluding Holywell from a new selective licensing scheme. Overall, interviewees tended to accept the proposed fees and conditions as reasonable, although several raised concerns about conditions related to ASB on the part of tenants.

## Thematic summary of feedback across all consultation strands

### There was broad recognition across the consultation strands that there are problems in the PRS in Oxford that need to be addressed

- 1.35 While views on the best approach to dealing with issues in the PRS were mixed, there was recognition across all consultation strands and stakeholder groups that those issues exist. Those mentioned included, among others:

- » Rapid growth of the PRS, driven by high levels of demand, which in turn has led to high rental prices and more incidences of lower quality accommodation;
- » Problems with poor property conditions and poor tenancy management, not least as a result of unscrupulous or ‘rogue’ landlords who deliberately flout regulations, as well as ‘amateurs’ with one or two properties who are not necessarily aware of their responsibilities in these areas; and
- » Issues such as poor waste management, fly-tipping and anti-social behaviour linked to PRS properties as well as other parts of the housing sector.

### Views on the principle of landlord licensing as a tool with which to address these and other issues were mixed and, at times, strongly polarised

- 1.36 In some quarters there was acceptance and outright support for licensing in general, and the Council’s proposals in particular. This tended to hinge on the view that there are serious issues in the PRS in Oxford that require addressing, and that licensing of private landlords or other responsible persons is an appropriate, albeit imperfect, tool with which to improve standards in the sector.
- 1.37 Support for landlord licensing in general tended to be strongest among tenants and other residents, and the organisations representing their interests, as well as from a local district council and bodies with statutory responsibilities in the housing sector (the emergency services and Trading Standards, for example). There was also support for the principle of landlord licensing from some organisations representing landlords and agents, although this tended to be caveated on the basis that such schemes require careful design and operation to be successful.
- 1.38 Among individual landlords and agents, as well as representatives of local businesses, views on the principle and practice of landlord licensing were mixed and, overall, more negative than was the case with other stakeholders. For those who did accept licensing as necessary or even desirable, the key factors tended to relate to its aim of improving standards of properties and practices in the PRS.
- 1.39 Many landlords and agents, however, were opposed to licensing schemes in general, citing what they viewed as unnecessary bureaucracy and cost, lack of focus, poor enforcement, and a perceived lack of effectiveness in dealing with the issues they are designed to address. In particular, there was a pervading view that landlord licensing tends to ‘penalise’ compliant landlords while others continue operating ‘under the radar’.

Across all consultation strands and stakeholder types, there was more agreement than disagreement that the current HMO licensing scheme has been effective; although landlords, agents and representatives of local businesses were more likely to disagree compared to other stakeholders

<sup>1.40</sup> The overall balance of opinion was that the current additional HMO licensing scheme had been effective in improving the quality and management of HMOs in Oxford, but there were dissenting voices. Those who expressed positive views on the current scheme cited, among other points:

- » The need to protect tenants and ensure that landlords fulfil their obligations in respect of upkeep of properties and good management practices;
- » Robust inspection and enforcement action being required to pursue poor and rogue landlords and enforce compliance; and
- » The importance of collaboration between landlords, agents and the Council to raise standards in the private rented sector overall.

<sup>1.41</sup> There was, however, strong criticism of the current additional HMO licensing scheme from many landlords and agents, as well as concerns about its effectiveness among other stakeholders - including some of those who generally supported the scheme. Issues raised included, among others:

- » Continuing issues with non-compliance, even though the scheme has been in place for ten years;
- » Ineffective inspection and enforcement which, it was felt, has resulted in punitive actions against 'good' landlords, while criminals and rogue landlords continue to operate with impunity;
- » Burdensome costs and bureaucracy being imposed on compliant landlords, with little or no 'reward' and scant evidence of improvements in the PRS as a result;
- » Inefficiency in the processing of applications and delays in issuing licences; and
- » A failure to address other problems in the housing sector (e.g., social housing, short lets via Airbnb or similar services) or to offer support or protection to landlords faced with challenges ranging from problem tenants to the practical and financial impacts of COVID-19.

The Council's proposal to introduce a new additional HMO licensing scheme was strongly supported by some groups of stakeholders, particularly tenants and residents and those organisations representing them; however, strong concern and some outright opposition was expressed by many landlords and agents, and some other stakeholders

<sup>1.42</sup> The reasons given by respondents to the consultation for agreeing or disagreeing with the Council's proposal for a new additional HMO licensing tended to align with their views on the current scheme (summarised above). Those who viewed the current scheme as effective, for example, tended to support proposals for a new one. Some also cited the need for regulation and enforcement, including a dedicated resource within the Council to address issues in the PRS.

<sup>1.43</sup> Opponents, on the other hand, decried additional HMO licensing as unnecessary and ineffective; some pointed again to the perceived poor performance of the inspection and enforcement teams, as well as the continued issues with non-compliance. Others questioned the evidence put forward by the Council or argued that licensing is simply a money-making exercise or an exercise in laying the blame and responsibility for wider social problems at the feet of landlords.

1.44 Alternatives to licensing, or changes to the proposed scheme, were suggested by some respondents and are summarised below alongside similar comments around selective licensing.

The Council's proposal to introduce a selective licensing scheme in Oxford for the first time generated considerable feedback - particularly from landlords - with views of the different stakeholder groups tending to run along similar lines to those on additional HMO licensing

1.45 In general, tenants and other residents who engaged with the consultation tended to agree with OCC's proposals for the introduction of a selective licensing scheme in Oxford, as did those organisations working on their behalf, representatives of emergency services, and other public sector stakeholders. The principal reasons for support aligned with those given in relation to additional HMO licensing - primarily the need for regulation and improvement of standards in the sector, and agreement that licensing is an appropriate tool to achieve this goal.

1.46 Landlords and agents tended to be much more negative about the possibility of introducing selective licensing, though not universally so, while the views of responding business managers and owners were fairly evenly split.

1.47 Those who disagreed with the introduction of selective licensing cited similar issues to those who opposed a new additional licensing scheme, for example that:

- » The scheme would be ineffective, particularly in light of what was viewed by many opponents as the failure of additional HMO licensing to raise standards, and that the Council would be unable to manage and enforce a scheme that would include many more properties; and
- » Selective licensing is unfair to landlords, placing an unwarranted burden of responsibility, cost and administration on the very people who are trying to provide accommodation to those who need it while failing to tackle the 'real' issues in the housing sector.

1.48 Questions were raised, particularly at the landlords' forums, about the accuracy and validity of the evidence used by the Council to 'justify' their proposals. Furthermore, those who disagreed with the Council's proposal, and some of those who were more positive, also raised concerns that:

- » Introducing a scheme might actively discourage investment in rental properties and drive good landlords to leave the PRS or move to unlicensed areas;
- » Costs related to license fees and any expenses related to work required to make properties compliant would be passed on to tenants, leading to rent increases;
- » Licence fees represent a 'tax' on landlords, or that selective licensing is simply a 'money-making scheme for OCC which - despite assurances regarding ring-fencing - would be spent elsewhere; and
- » There is sufficient legislation already in place related to privately rented properties, the proper enforcement of which would negate the need for additional regulation.

The Council's preferred option of a city-wide selective licensing scheme was the most widely supported of the two proposed designations by tenants and residents, organisations, local businesses, and other stakeholders...

1.49 Support for city-wide selective licensing was predicated principally on the basis that it would be fairer and more consistent, and allow the Council to raise more money, thus ensuring that issues related to sub-standard accommodation would be addressed across the whole of Oxford.

...but individual landlords' and agents' views differed considerably, with the majority fundamentally disagreeing with selective licensing, and any options associated with it, and many suggesting other approaches

- 1.50 Most landlords and agents responding to the consultation or participating in events did not agree with the Council's preferred option for a selective licensing scheme covering the whole city, although - if a new scheme was to be introduced - more would prefer a scheme covering all of Oxford than one covering only 23 out of 24 wards (i.e., excluding Holywell).
- 1.51 The majority view among landlords and agents was that an alternative approach - which for many was simply the outright rejection of selective licensing - was preferable. Common examples of alternative approaches suggested by landlords and some other stakeholders included:
- » Improved collaboration between the Council, landlords, lettings agents, Police, the Fire and Rescue Service (FRS), and others to improve standards;
  - » Better utilisation of existing powers and legislation;
  - » Education of landlords, and possibly agents and tenants, about their responsibilities and the standards expected of them;
  - » Targeting specific landlords, geographic areas, property types etc. in a more focused scheme;
  - » Co-regulation with organisations that advise or accredit landlords and agents;
  - » A voluntary agreement or self-certification scheme, backed up by random inspections; and
  - » A scheme or schemes which also address social housing and university owned or managed accommodation.

Views on the proposed fees for both additional and selective licenses tended to be split along the lines of stakeholder types, with landlords and agents being more critical of them, and other stakeholder types - in general - being more likely to view them as appropriate

- 1.52 The proposed fees for standard one-year additional HMO licences tended to be viewed as too expensive by landlords and agents responding across all consultation strands, as well as by local business owners and managers. However, the longer five-year licence renewals, while also seen as too high by many in the same groups, were viewed somewhat more favourably by a substantial minority of landlords and agents.
- 1.53 Other respondent types tended to find the proposed additional licence fees acceptable (albeit there was sometimes a broad spread of views within these groups, from the fees being too high to too low).
- 1.54 Regarding the proposed standard selective licensing fees, landlords and agents, as well as some local businesses, tended to view them as too high; by contrast, other stakeholders - particularly tenants and residents - tended to think they were 'about right'.
- 1.55 The principle of one-year selective licences, where there are concerns about the management of properties, gained broad agreement across all stakeholder types; views differed on the associated fees, however, with landlords and agents again more likely to view them as 'too high'.

Generally, the proposed conditional discounts and exemptions for some selective licences were viewed positively by consultees, although some specific discounts raised concerns from residents in particular

- 1.56 Discounted selective licence fees for early-bird applications, accredited landlords, and registered charities drew support from across all stakeholder types and consultation strands. Discounts for newly built properties and for multiple flats in a single block received more agreement than disagreement from landlords and agents, but only minority support from other stakeholder groups.
- 1.57 The ‘fairness’ of licence holders being required to pay the applicable full selective license fee when applying part-way through a five-year licensing period was the cause of considerable debate and, in some cases, anger from landlords. There were calls for pro-rata fees, as well as refunds or transferable licences in cases where properties might be sold or transferred during a licensing period. Allowing licence holders to spread the cost of fees through monthly payments was also suggested.
- 1.58 An issue frequently raised by landlords and agents, and occasionally tenants and residents, was that a new selective licensing scheme would lead to rent increases as a result of landlords passing on licence fee costs to tenants, as well those associated with any work required to meet expected standards.

Proposed conditions for both additional and selective licences were generally agreed to be reasonable, although landlords were more negative and criticised what they viewed as a lack of detail in the proposals, and voiced strong concern about the inclusion of certain conditions

- 1.59 Overall, the proposed licence conditions for both schemes were viewed as reasonable by consultees. Where there were concerns or disagreement expressed, these were most commonly related to the conditions around anti-social behaviour (with landlords disagreeing that they should be held responsible for their tenants’ behaviour, and one community organisation suggesting it might be used against tenants), waste management, and mandated six-monthly property inspections by landlords.
- 1.60 The impact of COVID-19 on the ability of landlords and agents to visit properties, as well as on their income and ability to remove problem tenants or those not paying their rent, were also raised as concerns by landlord, agents, and their representatives.

Other comments made in response to the consultation included suggestions for amendments to the proposals, alternative approaches to improving property and tenancy management, concerns about potential equalities impacts, and criticism of the consultation process itself

- 1.61 Consultees - particularly landlords and agents - suggested changes to the proposed licensing scheme or alternative approaches. These included, among others:
- » A voluntary or self-certification scheme, or exemptions or free licenses for accredited landlords, those using agents to manage their properties, and those with a very small number of properties;
  - » A more targeted scheme focusing on, variously: problem landlords, poor or ‘high-risk’ properties, or areas with known problems;
  - » Licences for landlords, rather than individual properties;
  - » A more ‘collaborative’ approach to improving property conditions and tenancy management, with strong calls for improved communication between the Council and landlords, and more support for

landlords in key areas related to, for example, ASB and criminality, and overcrowding and illegal subletting in neighbouring or nearby properties;

- » Incentives or support for landlords who invest in improving their properties; and
- » Ensuring that issues related to social housing are robustly addressed, and that appropriate investment in affordable and social housing takes place.

<sup>1.62</sup> Concerns were raised by one organisation about the possible impacts of ASB-related licence conditions on certain protected characteristics or vulnerable groups who might be targeted for eviction as a result, including: transgender people, those with mental health needs, sex workers, and people living in poverty.

<sup>1.63</sup> Finally, some landlords and agents were critical of the consultation process itself, most commonly citing:

- » Issues with the quality and quantity of the evidence presented by the Council to justify the introduction or continuation of licensing schemes;
- » The principle of proposing to introduce new licensing schemes, or running a consultation, during the ongoing COVID-19 pandemic;
- » The length of the consultation period, which some viewed as too short, the perception that landlords had not been notified of the consultation soon enough, and the timing of landlords' forums and availability of spaces;
- » That the Council has already made up its mind and that the consultation was a pointless 'box-ticking' exercise; and
- » A perception of bias in favour of the schemes in the consultation documentation, questionnaire design and - in a small number of instances - in the presentation and facilitation of the landlords' forums.

## 2. Consultation Overview

### The commission

- 2.1 There is a high-proportion of rented homes in Oxford and, since 2011, Oxford City Council (henceforth OCC or “the Council”) has run a city-wide additional HMO licensing scheme with the purpose of addressing issues associated with HMOs - specifically those not already covered by mandatory licensing - and to improve property conditions and property management standards in the Private Rented Sector (PRS). The scheme was first renewed in 2016 after five years, and OCC has developed proposals for a new city-wide additional HMO licensing scheme when the current scheme expires in January 2021.
- 2.2 In addition to additional HMO licensing, OCC has developed proposals to introduce selective licensing in all or some of the areas currently covered by additional licensing, in order to address similar issues and improve property management standards and property conditions in non-HMO privately rented properties in the city.
- 2.3 To inform its decision, the Council commissioned Opinion Research Services (ORS), a spin-out company from Swansea University with a UK-wide reputation for social research and major statutory consultations, to undertake an extensive programme of consultation activities and independently report on the findings.

### The consultation

- 2.4 The Council’s intention had been to consult on its proposals in early 2020 so that, if additional HMO licensing were to continue in the city, the new scheme would begin immediately after the current scheme ended in January 2021. The onset of the COVID-19 pandemic and the resulting government-mandated lockdown, however, impacted this timetable and the consultation was delayed until late-autumn 2020.
- 2.5 The process itself is detailed and complex, comprising proposal development, formal public consultation, analysis and reporting, review and decision-making by OCC’s Cabinet. If approved by OCC’s Cabinet, then any new additional HMO licensing scheme would not come into force until mid-2021. OCC’s proposals therefore take into account the possibility of a gap of several months between schemes.
- 2.6 For selective licensing, an application to the Ministry of Housing, Communities & Local Government (MHCLG) is required, should approval for a new scheme be sought. It is therefore the case that, if the Council were to move forward and have an application approved by MHCLG then a Selective Licensing Scheme would not come into force until at least 2022.
- 2.7 In the face of ongoing social distancing measures and the prospect of further lockdown measures, OCC worked with ORS to design a programme of consultation activities which maximised opportunities to participate while ensuring public safety. Online ‘virtual’ forums for landlords, letting agents and investors, and a tenants and residents’ focus group, were planned; these were supplemented by individual in-depth telephone or video interviews, lasting approximately 45 minutes, with senior staff from organisations representing a wide range of stakeholders to ensure that a broad spectrum of views were gathered for consideration. More information about the consultation activities and channels for feedback are outlined below and the methodologies used are described in more detail in the relevant chapters of this report.

2.8 A formal consultation period of just over 12 weeks was originally planned to run from 10<sup>th</sup> September 2020 until 3<sup>rd</sup> December 2020. In response to the second national lockdown, introduced in November 2020 due to COVID-19, the Council made the decision to extend the consultation period until 31<sup>st</sup> December 2020. This brought the total consultation period to just over 16 weeks. During this period, landlords and agents, residents, and other stakeholders were invited to provide feedback through the following:

An ‘open’ consultation questionnaire which was available online and in paper format, on request, for any interested party to complete;

Four ‘deliberative’ events for landlords and letting and managing agents, undertaken via videoconference (Zoom) in light of social distancing measures introduced by the UK Government;

A deliberative virtual focus group for local tenants and other residents;

Provision of postal and email addresses for stakeholders to provide their views in writing; and

In-depth interviews, undertaken by ORS, with representatives of key stakeholder organisations.

2.9 In addition to the channels above, a dedicated telephone helpline was provided by ORS to enable stakeholders to ask questions about the consultation and the activities taking place, request alternative formats of the open consultation questionnaire, seek technical support related to the virtual events and otherwise enquire about the process.

2.10 Finally, ORS worked closely with OCC to ensure that any queries about or feedback for the consultation which were directed to the Council in the first instance were subsequently shared with ORS and responded to or included in analysis and reporting, as appropriate.

## Promotion of consultation

2.11 The consultation, including all documentation and proposal details, relevant contact details for OCC and ORS, information about the deliberative events for landlords and agents, and the open questionnaire specifically, were promoted by a variety of means. For example, promotional activities and channels included:

- » A dedicated webpage on the Council’s website<sup>1</sup> (which also included details of the deliberative forums for landlords and agents, in addition to a link to the questionnaire and supporting information about the schemes);
- » Press releases, leading to coverage in the Oxford Mail newspaper and local radio and television, and poster campaigns in Oxford libraries, community centres and on community noticeboards;
- » Social media channels (Twitter and Facebook) were used to promote the consultation before and during the period of formal engagement, including paid Facebook advertisements;
- » OCC sent emails and letters on more than one occasion to known landlords and agents (those registered to receive “landlord forum” and “landlord newsletter” emails, all HMO license holders under the mandatory and current additional licensing scheme, and contacts from landlord accreditation records). In addition, letting and management agents were emailed at the start of the consultation and asked to promote the consultation to both their landlords and tenants (two agents wrote to confirm they had done so) and posters were sent to agents to display in their windows;

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<sup>1</sup> <https://www.oxford.gov.uk/propertylicensing>

- » Letters were sent twice by the Council to persons thought to be landlords, based on council tax databases, inviting them to take part in the consultation;
- » Letters were sent twice by the Council to private tenants and to persons thought to be private tenants, based on housing benefit database, inviting them to take part in the consultation;
- » Emails were sent by OCC to local councillors and parish councils, as well as to Chief Executives of all neighbouring local authorities and statutory key partners, e.g., Oxfordshire Fire and Rescue Service, and Thames Valley Police, inviting them to respond; and
- » Residents and community associations, and organisations representing stakeholders (including landlords and letting agents, tenants, students and vulnerable or protected characteristics groups) were contacted by OCC via email to inform them of the consultation and encourage them to promote it among their members or those with whom they work with.
- » Residents on the Council’s “Resident Panel” were contacted to inform them of the consultation, reaching around 460 residents.

<sup>2.12</sup> Details about the process by which participants were invited to engage in the tenants and residents’ focus group and stakeholder interviews are outlined below and covered in more detail in the relevant chapters.

## Quantitative engagement

<sup>2.13</sup> The Council produced a detailed consultation document that contained information about the issues and proposals under consideration; using this document as a foundation, ORS and OCC then designed a questionnaire which combined ‘closed’ multiple choice questions about different aspects of the proposals with opportunities for ‘open text’ responses in which participants could: provide additional information to explain the reasons for their responses; raise concerns; suggest changes or alternatives to the proposals; or otherwise comment on the proposals or the consultation process itself.

## Consultation questionnaire

<sup>2.14</sup> The questionnaire, managed and hosted by ORS, was accessible via a link on the dedicated consultation page on the Council’s website, or through paper versions that could be requested from ORS via email or the freephone telephone number. All participants were asked to complete the same questionnaire; several profiling questions were therefore included to differentiate between respondent types, for example: landlords, managing or letting agents, residents, local businesses, organisations etc.

<sup>2.15</sup> While the main consultation questions were the same for all respondent types, they were all asked to provide additional information to enable more detailed analysis of the results. These questions varied by respondent type and included, for example, the number of rental properties owned or managed by respondents who identified themselves as landlords or agents, organisation name, postcode of residence, etc. It is important to note that these and all questions were voluntary, and the feedback provided via the consultation questionnaire has been included in this report, regardless of whether respondents chose to provide these details, so that no one’s feedback is excluded.

<sup>2.16</sup> It should be noted that ‘open’ questionnaires are not randomly sampled surveys of a given population and so they cannot normally be expected to be representative of the general balance of opinion. For example, the more motivated groups are often over-represented compared with others. However, open questionnaires are very important forms of engagement as they are inclusive (open to anyone who wishes to take part) and give people an opportunity to express their views.

- 2.17 In total, 1,987 responses were received to the consultation questionnaire. 1,082 identified themselves as private landlords or letting agents, 41 as representing organisations, and 38 as representing local businesses other than landlords or letting agents. 764 responses were from other individuals who stated that they lived in Oxford, and 62 from other respondents with another connection to Oxford, or about whom less information is known.
- 2.18 It should be noted that open questionnaires are, by their nature, self-reported; in a few cases respondents identified as representing organisations but did not provide further information. Nonetheless, unless there was a clear indication in their open-text response that they were actually responding as a private individual or another stakeholder type, their feedback has been included alongside named organisations.

## Deliberative engagement

### Stakeholder interviews

- 2.19 In light of COVID-19, face-to-face interviews or groups discussions with stakeholder organisations were not possible. Therefore, videoconference (Zoom or Microsoft Teams) and telephone interviews were carried out with representative bodies of landlords and letting agents, and other organisations working with or setting standards for landlords and letting agents; additionally, tenants' and students' unions, the emergency services, and a community forum were included. Interviews lasted approximately 45 minutes.
- 2.20 Telephone interviews were conducted with the following 11 organisations:

Acorn  
ARLA Propertymark  
Citizen's Advice Bureau Oxford  
National Residential Landlords Association  
Oxford Brookes Student Union (Brookes Unions)  
Oxford Community Forum  
Oxfordshire Fire and Rescue Service  
Oxford Tenants' Union  
Oxford University Student Union  
safeagent<sup>2</sup>  
Thames Valley Police

### Deliberative events

- 2.21 ORS conducted a total of 5 events: 4 with landlords and agents and 1 with tenants and other residents. Taken together, these meetings are best understood as 'deliberative' in that the Council's proposals for new 5-year additional HMO and selective licensing schemes covering most or all of Oxford were 'tested' against landlords' and other stakeholders' opinions to understand the extent to which the proposals were acceptable or otherwise, and to explore the reasons for different views on each aspect of the proposals.

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<sup>2</sup> Formally National Approved Letting Scheme (NALS). Note: safeagent branding uses a lower case 's' at the start of the organisation's name, a style which is followed throughout this report

## Deliberative forums with landlords and agents

- 2.22 Due to ongoing lockdown measures and social-distancing guidelines, the landlords and management/letting agents' forums (henceforth 'landlords' forums') were held online via videoconference (Zoom). Each forum comprised several short presentations by an ORS facilitator about the current and proposed additional HMO licensing scheme, and the proposed selective licensing scheme. Each short presentation was followed by a moderated opportunity for attendees to ask questions of OCC officers for clarification. Virtual 'breakout' rooms were used to allow landlords and agents to discuss each subject, before all participants re-joined the main session to give their feedback. The presentations and feedback slots covered: the private rented sector in Oxford and the impact of property licensing since 2011; the rationale for considering new schemes, details of the proposed options and designations, the proposed fees and discounts; and the proposed licensing conditions.

## Focus group with residents

- 2.23 One online focus group, conducted via Zoom videoconference, was held with privately-renting tenants and other residents of Oxford. The group was recruited to ensure that tenants living in properties which would be covered by a new scheme were appropriately represented, including some HMO tenants, with the addition of some owner-occupiers to ensure that their views were also heard. Participants were diverse by area of residence, age, gender, ethnicity and working status. The focus group therefore included a reasonable cross-section of Oxford residents likely to be most affected by the proposed schemes and designations.

## Written submissions

- 2.24 During the formal consultation process, 53 organisations and individuals provided written submissions. ORS has read all the written submissions carefully and summarised them in a dedicated chapter of this report. The contributors were:

- ARLA Propertymark
- Bullingdon Community Association
- Cherwell District Council
- Group of Oxford-based ARLA or UKALA regulated lettings agents
- Lucy Properties
- National Residential Landlords Association (NRLA) Oxford
- safeagent<sup>3</sup>
- Two detailed submissions from landlords
- A detailed submission from a group of tenants
- 43 individual landlords
- One individual tenant

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<sup>3</sup> Formally National Approved Letting Scheme (NALS). Note: safeagent branding uses a lower case 's' at the start of the organisation's name, a style which is followed throughout this report

## Nature of consultation

- 2.25 In order to be accountable, public authorities should give an account of their plans and take into account public views: they should conduct fair and accessible engagement and/or consultation while reporting the outcomes openly and considering them fully. The key good practice requirements for consultation programmes, as set out by the Gunning Principles, are that they should:
- Be conducted at a formative stage, before decisions are taken;
  - Allow sufficient time for people to participate and respond;
  - Provide the public and stakeholders with enough background information to allow them to consider the issues and any proposals intelligently and critically; and
  - Be properly taken into consideration before decisions are finally taken.
- 2.26 The above does not mean, however, that ‘majority’ views should automatically dictate public policy; and the popularity or unpopularity of proposals should not displace professional and political judgement about what is the right or most appropriate decision in the circumstances. The levels of, and reasons for, support or opposition by the public and other stakeholder are very important, but as considerations to be taken into account rather than as factors that necessarily determine authorities’ decisions.
- 2.27 Above all, consultors have to consider the *relevance* and *cogency* of the arguments put forward during public engagement processes, not just count heads. In this context, it was helpful that the consultation programme undertaken by OCC included both ‘open’ and deliberative elements which allowed many people to take part via the open questionnaire, while promoting informed engagement via the forums, focus group and in-depth interviews.

## Interpreting the outcomes

- 2.28 Importantly, different consultation methodologies cannot be combined to yield a single point of view that reconciles everyone’s views and concerns and is ‘acceptable’ to all stakeholders involved. There are two main reasons why this is not possible. First, the engagement methods are qualitatively different, and their outcomes cannot be simply aggregated into a single result. Second, different stakeholder types and sub-groups will inevitably have different perspectives on the future of licensing on the proposals and there is no formula in the consultation process that can reconcile everyone’s differences on a single way forward.
- 2.29 Considering the above, and while the consultation process highlights those aspects of OCC’s proposals and supporting information which stakeholders consider to be important, appropriate emphasis must be placed on each element of the consultation findings. In this sense there cannot be a single ‘correct’ interpretation of consultation feedback, which instead should be considered alongside other cogent evidence before a judgement is made, and ORS does not seek to provide such an interpretation.

## The report

- 2.30 This report summarises the feedback on the Council’s private rented sector licensing proposals. Verbatim quotations are used, in indented italics, not because we agree or disagree with them - but for their vividness in capturing recurrent points of view. ORS does not endorse any opinions but seeks only to portray them accurately and clearly.

<sup>2.31</sup> ORS is clear that its role is to analyse and explain the opinions and arguments of the many different interests participating in the consultation, but not to ‘make a case’ for any proposal or proposals. In this report, we seek to profile the opinions and arguments of those who have responded to the consultation, but not to make any recommendations as to how the reported results should be used. Whilst this report brings together a wide range of evidence for OCC to consider, decisions must be taken based on all the evidence available.

# 3. Consultation Questionnaire

## Introduction

- 3.1 OCC developed a consultation document outlining the issues under consideration, and also worked with ORS to develop a consultation questionnaire that any interested party could complete to share their feedback.
- 3.2 The questionnaire consisted of closed questions intended to elicit views on the various aspects of the proposals, while also allowing respondents to make any further comments. It also captured information about the type of response being submitted and (where relevant) respondents' demographic information. Respondents were encouraged to read the detailed accompanying information before providing their responses; however, shorter summaries of the issues under consideration were also provided at relevant points within the questionnaire.
- 3.3 The consultation information and open questionnaire were available online via a dedicated Council webpage between 10<sup>th</sup> September and 31<sup>st</sup> December 2020 (around sixteen weeks in total), and respondents could also request a paper copy by contacting the Council.
- 3.4 In total 1,987 responses were received, the vast majority of which were submitted via the online questionnaire.

## Respondent profile

- 3.5 The open consultation questionnaire could be completed by anybody with an interest in the proposals e.g., landlords and agents, local residents or those responding on behalf of organisations.
- 3.6 Respondents were asked to state what connection(s) they had to Oxford city. Many would have had more than one connection to the city; however, for analysis purposes respondents have been classified into single categories e.g., any respondent identifying as a landlord or a letting or managing agent has been classified as such in the reporting of the questionnaire results, even if they happened to also live in Oxford– and so on.
- 3.7 The data from the consultation questionnaire has not been combined to produce “overall” findings because the size of the stakeholder groups, and the numbers of their respective responses, are quite different – and, moreover, they have distinctive views; they cannot, therefore, simply be merged. The views of different types of stakeholders are reported separately, to show where there are distinctive points of view e.g., between landlords and general residents, etc.
- 3.8 The full breakdown of responses by stakeholder type is provided in Table 1. It can be seen that more than half of responses were from private landlords and letting and managing agents, while around two-fifths were local residents, and the remainder were a mixture of businesses, organisations and others (i.e., respondents with another connection to Oxford such as working in the city, and other interested parties with no real connection to the area, and so on).

**Table 1: Consultation questionnaire completions by type of respondent (Note: Percentages may not sum to 100% due to rounding)**

Stakeholder type	Count	% Valid responses
Letting or managing agent with properties in Oxford	70	4%
Private landlord in Oxford	1,012	51%
Own or manage a business in Oxford	38	2%
Represent an organisation based in/covering Oxford	41	2%
Live in Oxford	764	38%
Other respondents	62	3%
<b>Total responses</b>	<b>1,987</b>	<b>100%</b>

- 3.9 Landlords and agents were asked follow-up questions based on the number of properties they own or manage, while those responding on behalf of organisations were asked to provide further details about the group or capacity in which they were responding.
- 3.10 All other individuals (primarily Oxford residents, but also those who work in the city, business representatives, and those with another connection etc.) were asked to provide some basic demographic information. A summary of this demographic information provided is included below (in Table 2):

**Table 2: Questionnaire respondent demographics, for those types of stakeholder who were asked to provide this information (i.e., all except those who claimed to be responding as landlords or agents, or on behalf of an organisation)**

Characteristic	Count	% Valid responses
<b>BY AGE</b>		
Under 25	82	13%
25 to 34	207	32%
35 to 44	104	16%
45 to 54	83	13%
55 to 64	76	12%
65 or over	86	13%
<b>Total valid responses</b>	<b>638</b>	<b>100%</b>
<i>Not known</i>	226	-
<b>BY GENDER</b>		
Male	316	52%
Female	289	46%
Other	18	3%
<b>Total valid responses</b>	<b>623</b>	<b>100%</b>
<i>Not known</i>	241	-
<b>BY ETHNIC GROUP</b>		
BAME	97	16%
White	499	84%
<b>Total valid responses</b>	<b>596</b>	<b>100%</b>
<i>Not known</i>	268	-
<b>BY TENURE</b>		
Own (outright or with a mortgage)	266	44%
Rent privately from a landlord	132	22%
Rent privately through a letting agency	152	25%
Rent from the Council or a housing association	10	2%
Other	38	6%
<b>Total valid responses</b>	<b>598</b>	<b>100%</b>
<i>Not known</i>	266	-

## Organisations in the consultation questionnaire

3.11 The following organisations identified themselves as part of a response to the questionnaire:

ACORN Oxford  
Divinity Road Area Residents Association  
East Oxford Community Association  
Homeless Oxford  
Justice for Tenants  
Oxford and District Action on Child Poverty  
Oxford and District Trades Union Council  
Oxford Influence Group and Oxford Tenants Union  
Oxford Kurdish Association  
Saint Theosevia Trust  
South Oxford Community Association  
Trading Standards, Oxfordshire County Council  
Unnamed panel of residents  
Unnamed tenants' rights organisation

3.12 Questionnaire responses were also received from a couple of individuals involved with charities (Edge Housing and Open Door); an individual involved with the local Sikh community; a local Methodist church; members of senior management at Oxford Brookes University; and a couple of individuals involved with local housing services (e.g., the Syrian Vulnerable Persons Resettlement Scheme), or private rented housing elsewhere in Oxfordshire (a response from the Private Sector Housing Team at South Oxfordshire and Vale of White Horse).

3.13 Not all of the above have been classified as organisations for the purposes of the charts which follow, generally because the respondents indicated they were also responding in some other capacity (e.g., as a landlord or business); however, where any distinctive or unusual points were raised in these respondents' text comments, they have been summarised in the body of this chapter.

3.14 It should be noted that open questionnaires are, by their nature, self-reported, and this can create some ambiguity: for example, there were some instances where respondents identified as representing organisations but did not provide further information, or were unclear as to whether they were genuinely submitting a response *on behalf of* the entire group they had named. In the absence of any clear information to the contrary, ORS has opted to treat the ways in which these respondents classified themselves in good faith, so their feedback has been included alongside that of named organisations.

## Duplicated and co-ordinated responses

3.15 It is important that engagement questionnaires are open and accessible to all, while being alert to the possibility of multiple completions (by the same people) distorting the analysis. Therefore, while making it easy to complete the questionnaire online, ORS monitors the IP addresses through which questionnaires are completed. A similar analysis of "cookies" is also generally undertaken – where responses originated from users on the same computer using the same browser and the same credentials (e.g., user account).

- 3.16 There can be valid reasons where duplicate cookies might occur, e.g., where two or more respondents have used the same device to complete their questionnaires, in which case all responses are included in the data analysis and reporting. However, it can also occur when the same user has part-completed the questionnaire and then returned later, starting again from the beginning and completing it in full. After a careful review of the raw dataset, a very small number responses were not included in the final analysis, on the basis of having been identified as a partially completed duplicate of response that was subsequently submitted in full.
- 3.17 The open nature of consultation questionnaires means that any local campaign groups or other interest groups can potentially encourage supporters or members to respond in a particular way. For example, ORS and the Council are aware that the NRLA and ARLA PropertyMark publish guidance in terms of their lobbying positions in relation to licensing schemes (in general, not Oxford's proposals specifically) along with points their members may wish to consider when responding to public consultations.
- 3.18 During the consultation period, ORS and the Council were made aware that ACORN had published a blog post offering guidance as to how tenants and residents might respond to the consultation questionnaire. The organisation's views were also reported in article in the Oxford Mail. This was borne in mind during analysis and reporting and while a small proportion of respondents echoed ACORN's views - a few specifically mentioned them by name in their text responses - the responses were not identical, nor did they appear to have been submitted by the same individuals. Therefore, ORS has seen no reason to exclude any of them from the analysis.

## Interpretation of the data

- 3.19 The data from the consultation questionnaire has not been combined to produce "overall" findings because the size of the stakeholder groups, and the numbers of their respective responses, are very different – and, moreover, they have distinctive views and cannot simply be merged. Therefore, we show the results for each stakeholder group, without an overall percentage
- 3.20 Results are presented in a largely graphical format, while colours used on the charts have been standardised with a 'traffic light' system in which:
- Green shades represent responses that 'tend to agree' or 'strongly agree'
  - Beige shades represent those who 'neither agree nor disagree'
  - Red shades represent responses that 'tend to disagree' or 'strongly disagree'
- 3.21 A few other colours, such as purples, blues and oranges, have been used on charts where the 'traffic light' system is less applicable (e.g., the questions about the respondents' preferred option in the event of a selective licensing scheme being introduced).
- 3.22 The numbers on the stacked bar charts are percentages indicating the proportions of respondents agree/disagree on a particular question.
- 3.23 The number of valid responses recorded for each question (base size) are reported throughout. As not all respondents answered every question the valid responses vary between question ('don't know' responses have been treated as invalid).
- 3.24 Please note that for some categories, percentages ought to be interpreted with some caution due to low base sizes (e.g., particularly responses from businesses and organisations).

- 3.25 The commentary generally quotes ‘grouped’ percentages (i.e., the collective proportions who agreed – whether ‘strongly’ or ‘tend to’, and the same for disagreement).

## Summary of the main findings

### Additional licensing

- 3.26 Landlords and letting or managing agents were less likely than other types of stakeholders to agree as to the effectiveness of the current additional scheme or with the proposal to extend the additional scheme. Having said that, 45% of landlords and 50% of agents agreed the current scheme had been effective, along with 42% of those who own or manage a business. Larger proportions of those responding from an organisation (71%) and Oxford residents and other respondents (64%) agreed the scheme had been effective.
- 3.27 Around half of landlords (49%) and more than two fifths of agents (44%) agreed with the proposal to renew the Additional licensing scheme across the whole of the city (35% of landlords and 45% of agents disagreed, however). Around half of respondents who own or manage a business agreed, along with clear majorities of organisation representatives (76%) and residents and other respondents (72%).
- 3.28 In general, landlords, agents and respondents from businesses tended to feel the proposed additional licence fees were ‘too high’, while organisation representatives and residents and other respondents tended to find them more acceptable (albeit there were sometimes substantial minorities within the organisation and resident groups who felt certain fees were ‘too high’ or ‘too low’). Landlords and agents had strong reservations about the standard one-year fees in particular, with large majorities feeling they were ‘too high’. On the other hand, many agents and landlords (43% and 44% respectively) felt the proposed £413 five-year renewal fee was ‘about right’, even if slightly higher proportions (53% and 48%) felt this was ‘too high’.
- 3.29 A little under half of letting and managing agents (47%) and a slightly lower proportion of landlords (44%) agreed in general with the proposed additional licence conditions, while around half of those who own or manage a business agreed. The proposed conditions were widely supported by organisations (77%) and by residents and other respondents (73%).

### Selective licensing

- 3.30 Roughly a third of landlords (35%) and agents (31%) agreed with the principle of introducing a selective licensing scheme, although it was more widely supported among the other groups, particularly by organisation representatives (73% agreeing) and residents and other respondents (68% agreeing), as well as by around half of those who own or manage a business.
- 3.31 Around a third of private landlords (34%) and just over a quarter of agents (27%) agreed with the preferred option for selective licensing scheme covering all of the city. Therefore, most landlords and agents did not agree with the Council’s preferred option for a selective licensing scheme covering the whole city. However, in the event of a selective scheme being introduced, more would prefer a scheme covering the whole of the city, than would prefer a scheme covering 23 out of 24 wards (i.e., excluding Holywell), although many indicated they would prefer some sort of alternative.
- 3.32 Around half of business representatives (51%) agreed with the Council’s preferred option for a selective scheme covering the whole city, and this preferred option was widely supported by organisation representatives (71% agreeing) and residents and other respondents (68% agreeing). There was also a

widespread view among these groups that, if a selective scheme was to be introduced, then a citywide scheme would be preferable to one covering 23 of the 24 wards, or to some other alternative.

- 3.33 Respondents who stated a preference for an alternative were asked to provide details. Many (particularly landlords and agents) were antithetical to licensing generally, arguing (for example) that it punishes ‘good’ landlords who already maintain standards, is ineffective, is likely to increase the costs of renting, creates unnecessary bureaucracy, and is a ‘money-making’ scheme for the Council etc. Some felt that greater enforcement of existing legislation would be a better alternative.
- 3.34 Other suggestions centred around a more targeted scheme, for example one only regulating or covering:
- » Properties let by ‘bad’ landlords;
  - » Properties where there are known to be problems e.g., with the conditions, or with tenant behaviour; and
  - » Properties in those particular areas/wards that are identified as experiencing the greatest issues.
- 3.35 A few advocated either excluding, or having a more lenient, ‘lighter touch’ approach towards
- » ‘Smaller’ (e.g., with just one or two properties) or more ‘accidental’ landlords; and
  - » Landlords who use the services of an agent.
- 3.36 Other alternatives or suggestions included:
- » Implementing better complaints processes, to enable tenants to more easily raise concerns about a landlord or rented property;
  - » Introducing selective licensing in a smaller area of the city on a trial basis;
  - » A system more akin to Rent Smart Wales;
  - » A lighter-touch registration scheme, with a small fee and random spot checks;
  - » A “ladder type licence” based on a risk assessment of each property (potentially a self-assessment for existing licensed HMOs, and a more formal assessment for new or non-HMO properties);
  - » A voluntary scheme with some incentives for landlords e.g., a ‘star rating’ system to promote the best performers, or a council tax waiver for periods where the property is vacant;
  - » A registration system for tenants and potentially ‘star ratings’ of tenants, to help landlords and incentivise responsible behaviour among tenants;
  - » Increasing the availability of affordable and/or social rented housing, to reduce the city’s reliance on the private rented sector;
  - » Requiring or encouraging landlords to invest in their properties as an alternative to paying a licence fee (on the basis this is more likely to lead to immediate improvements);
  - » Excluding the worst landlords (i.e., repeat offenders) from being able to rent properties at all;
  - » Not allowing new HMOs to be created and/or banning HMOs;
  - » Enabling tenants to leave their contracts more easily if they are unhappy with the accommodation provided;
  - » Implementing an online ratings system via a portal for landlords and tenants, whereby any landlord scoring below an acceptable figure would fall within the scope of the licence scheme; and

- » Funding the scheme via alternative means (e.g., through harsher fines or fees for landlords who breach the rules, rather than a universal licence fee) or the Council funding the scheme itself (i.e., through council tax).

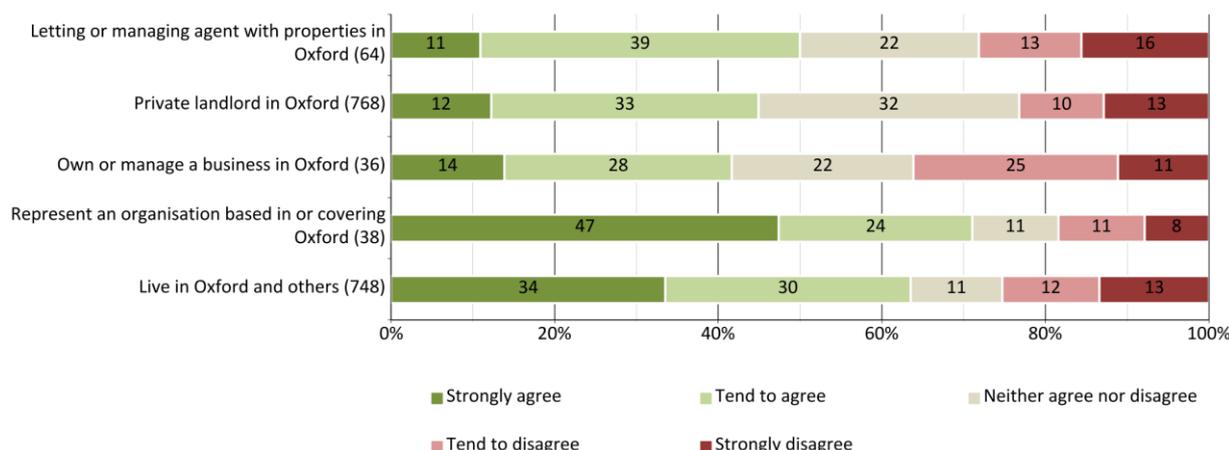
- 3.37 In relation to the proposed discounts: most letting and managing agents and private agreed with the principle of applying an Early Bird discount, a discount for accreditation, and a discount in instances where the applicant is a registered charity providing accommodation through the homeless pathway (the latter of these in particular was also widely supported by respondents from the remaining stakeholder groups).
- 3.38 There was somewhat less consensus around the principle of applying discounts for new build properties, additional units in a block, and where the property is part of Home Choice – although more landlords and agents agreed with these discounts than disagreed. Respondents who live in Oxford or have an ‘other’ connection to the borough were quite sceptical about the principle of applying a discount to new builds and additional flats in a block – slightly less than a quarter agreed with each of these, with larger proportions either disagreeing or answering ‘neither’.
- 3.39 As with the proposed additional fees, landlords, agents and (to some extent) businesses were typically more likely to feel the proposed selective licence fees were ‘too high’, although respondents in the remaining stakeholder groups tended to find them more reasonable (albeit there were also many in these groups who felt particular fees were either ‘too high’ or ‘too low’).
- 3.40 In general, there was fairly widespread support for the principle of issuing one-year licences in instances where the Council has concerns about the management of the property: most landlords (66%) and around half of agents (51%) and businesses (54%) agreed, along with large majorities among organisation representatives (81%) and residents and other respondents (76%). However, whilst many landlords and agents with the principle of the one-year licence, some felt the associated proposed fees were ‘too high’, particularly the proposed renewal fees (however, fairly sizeable minorities of landlords and agents, and majorities of organisations and residents, felt the proposed one-year fees were ‘about right’).
- 3.41 Just under two fifths of landlords (38%) and agents (39%) agreed with the proposed selective licence conditions, with half or more disagreeing. Around half of those responding from a business agreed, as did the majority of organisations (77%) and residents and other respondents (71%).

## Additional Licensing (of HMOs)

*To what extent do you agree or disagree that the current additional licensing scheme has been effective in improving the quality and management of HMO properties in Oxford?*

- 3.42 Nearly half of landlords (45%) agreed that the current additional licensing scheme has been effective in improving the quality and management of HMO properties in Oxford, along with half of those responding as letting and managing agents (50%). Around two-in-five of those responding on behalf of a business agreed (42%).
- 3.43 Perceptions of the current additional licensing scheme were most positive among the remaining groups, with most organisations (71%) and Oxford residents and other respondents (64%) agreeing that it has been effective.

**Figure 1: To what extent do you agree or disagree that the current additional licensing scheme has been effective in improving the quality and management of HMO properties in Oxford?**

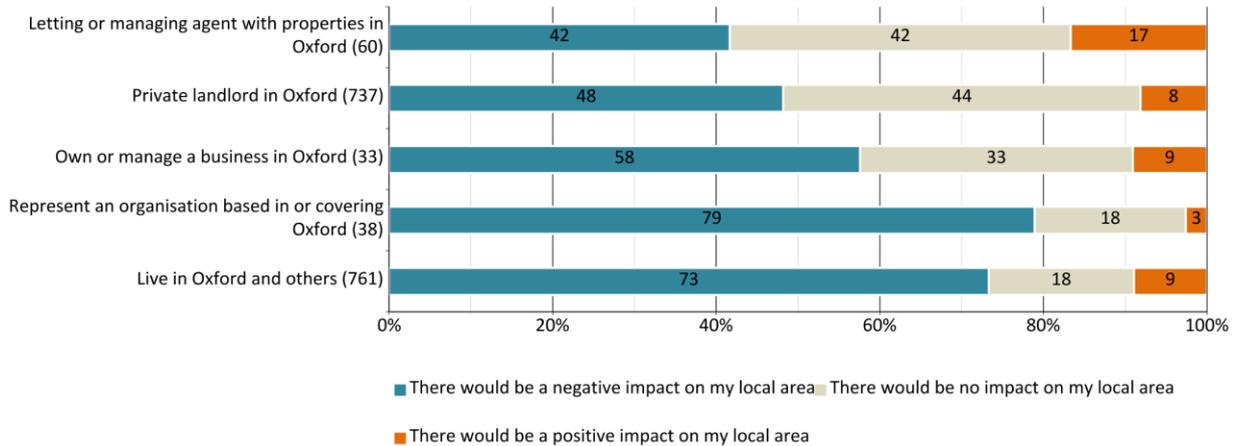


Base: All Respondents (number of respondents shown in brackets)

*If the current additional licensing scheme stopped and was NOT continued, what impact do you think this would have on your local area?*

- 3.44 When asked to summarise the impacts of not renewing the additional scheme, there was no particular consensus among landlords and agents. Nearly half of landlords (48%) and just over two fifths of agents (42%) felt that not renewing the scheme would lead to negative impacts, although similar or identical proportions (44% of landlords and 42% of agents) did not foresee any impacts.
- 3.45 That said, relatively few landlords (8%) and agents (17%) felt that not renewing the scheme would lead to a positive impact.
- 3.46 Around four in five of those responding on behalf of organisations (79%), and almost three quarters of residents and other respondents (73%), felt that that not continuing the scheme would be likely to lead to a negative impact in their area. More than half of those responding from businesses also shared this view.

**Figure 2: If the current additional licensing scheme stopped and was NOT continued, what impact do you think this would have on your local area?**

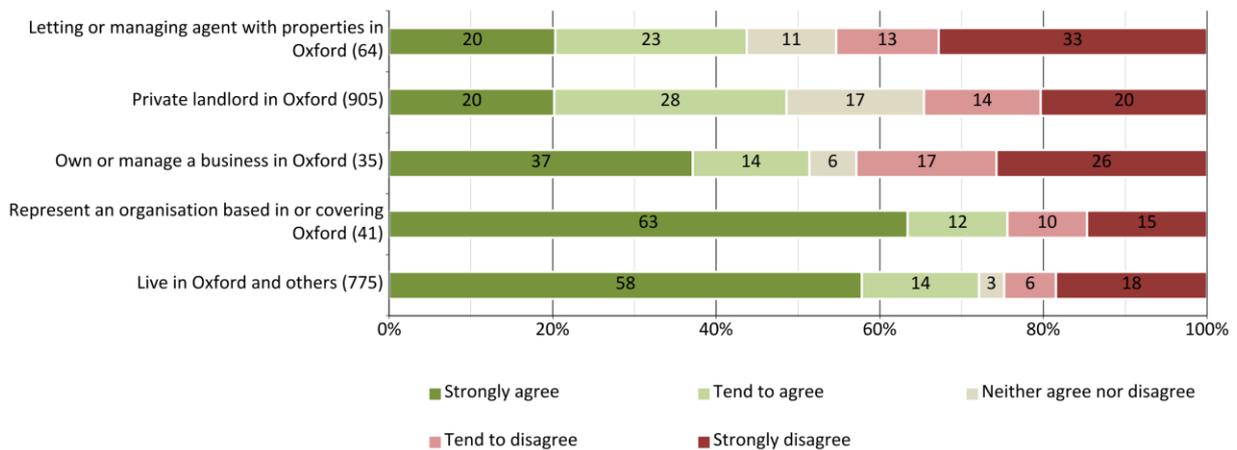


Base: All Respondents (number of respondents shown in brackets)

*To what extent do you agree or disagree with the Council’s proposal to renew the current additional licensing scheme across the whole city?*

- 3.47 Around half of landlords (49%) agreed with the proposal to renew the Additional licensing scheme across the whole of the city, although just over a third (35%) disagreed. More than two fifths of agents (44%) agreed; however, a more-or-less identical proportion (45%) disagreed.
- 3.48 Around half of respondents who own or manage a business (51%) agreed.
- 3.49 Around three quarters of those responding on behalf of organisations agreed with the proposal (76%), as did a clear majority of residents and other respondents (72%).

**Figure 3: To what extent do you agree or disagree with the Council’s proposal to renew the current additional licensing scheme across the whole city?**



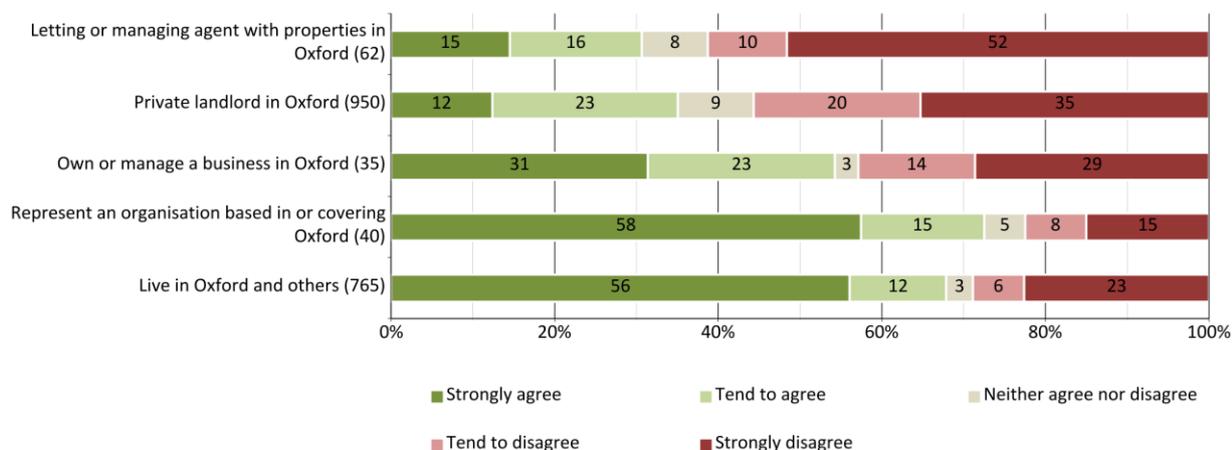
Base: All Respondents (number of respondents shown in brackets)

## Selective Licensing (of other privately rented properties)

*To what extent do you agree or disagree with the principle of introducing some form of selective licensing scheme?*

- 3.50 Roughly a third of landlords (35%) and agents (31%) agreed with the principle of introducing a selective licensing scheme, although more of them (56% of landlords and 61% of agents) disagreed.
- 3.51 Those responding from businesses were fairly split, although just over half (54%) agreed.
- 3.52 Nearly three quarters (73%) of those responding on behalf of organisations agreed with the principle of introducing a selective licensing scheme, as did around two thirds (68%) of residents and other respondents.

**Figure 4: To what extent do you agree or disagree with the principle of introducing some form of selective licensing scheme?**

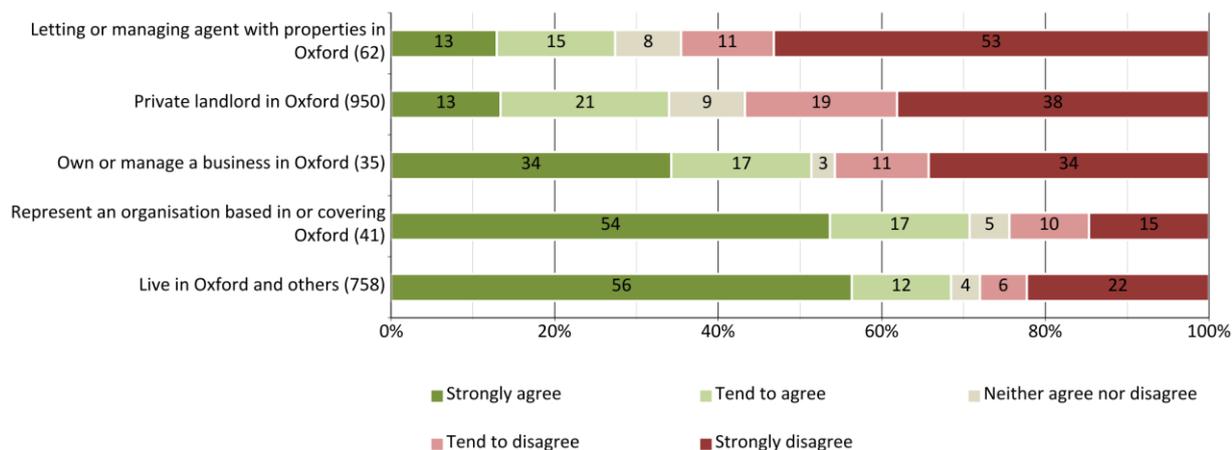


Base: All Respondents (number of respondents shown in brackets)

*To what extent do you agree or disagree with the Council’s proposal to introduce a selective licensing scheme covering the whole of the city?*

- 3.53 Around a third of landlords (34%) and just over a quarter of agents (27%) agreed with the proposal for a selective licensing scheme covering the whole of the city. Higher proportions (57% and 65% respectively) disagreed with the proposal.
- 3.54 Those responding on behalf of businesses were fairly evenly split, with around half agreeing with the proposal (51%).
- 3.55 More than two thirds of those responding on behalf of organisations (71%) or as residents or other respondents (68%) agreed with the proposal.

**Figure 5: To what extent do you agree or disagree with the Council’s proposal to introduce a selective licensing scheme covering the whole of the city?**

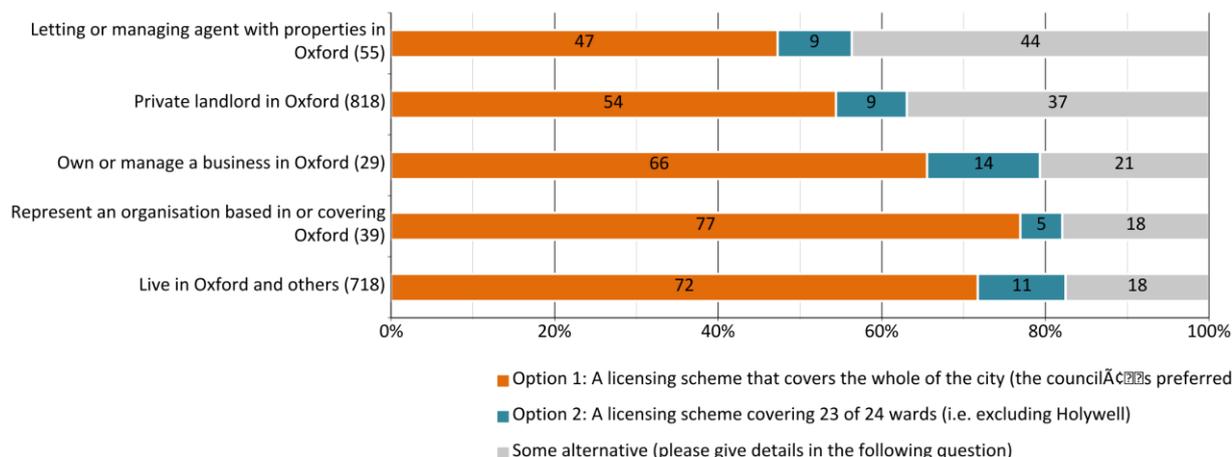


Base: All Respondents (number of respondents shown in brackets)

*If a new selective licensing scheme was introduced, please indicate which of the following options you would prefer as your first choice and your second choice...*

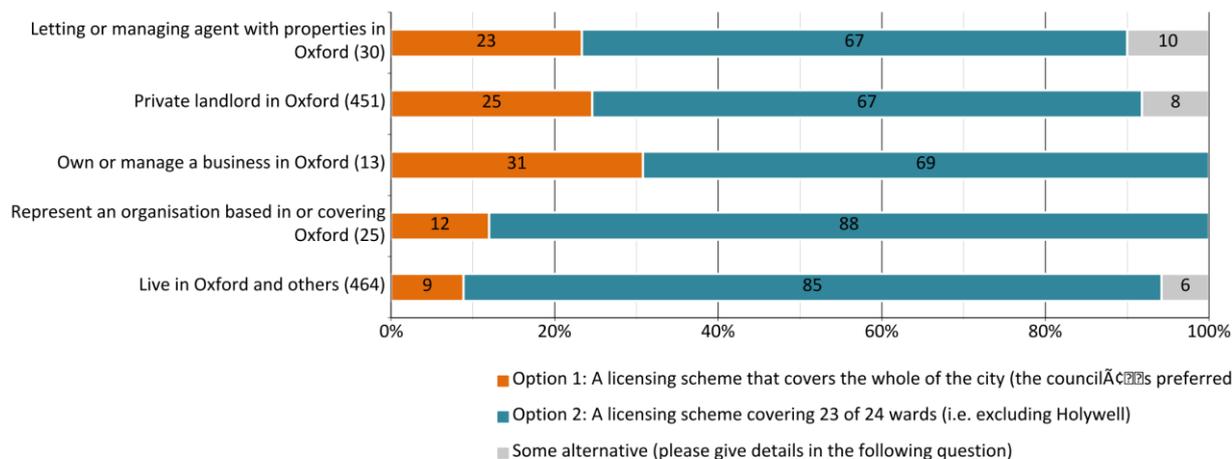
- 3.56 In addition to its preferred option for a citywide selective licensing scheme, the Council also chose to consult on a second possible option: for a scheme covering 23 out of the 24 wards in Oxford, with Holywell as the ward not included.
- 3.57 Therefore, in addition to seeking respondents’ general views on the preferred option, the questionnaire also invited respondents to state their first and (where relevant) second preferences in the event of a selective scheme being introduced – choosing between the preferred citywide option, the option for a scheme excluding Holywell, and some alternative.
- 3.58 Just over half of landlords (54%) indicated that Option 1 (the scheme covering the whole city) would be their preferred choice in the event of a selective scheme being introduced, although more than a third (37%) favoured some alternative. Option 1 was also most widely preferred among agents (47%) although only slightly ahead of an alternative (44%).
- 3.59 Among the remaining groups (i.e., the businesses, organisations, and residents and other respondents) the preference for a citywide scheme was clearer cut, with most respondents indicating Option 1 was their first choice in the event of a selective licensing scheme being introduced.
- 3.60 Respondents who provided a first choice were not required to also state a second choice, although around sixty per cent of them did so. Where a second preference was provided, Option 2 (the alternative proposal covering 23 out of 24 wards) was the most widely chosen across all of the stakeholder groups.

**Figure 6: Summary of what respondents indicated would be their first choice, in the event of a selective licensing scheme being introduced**



Base: All Respondents (number of respondents shown in brackets)

**Figure 7: Summary of what respondents indicated would be their second choice, in the event of a selective licensing scheme being introduced**

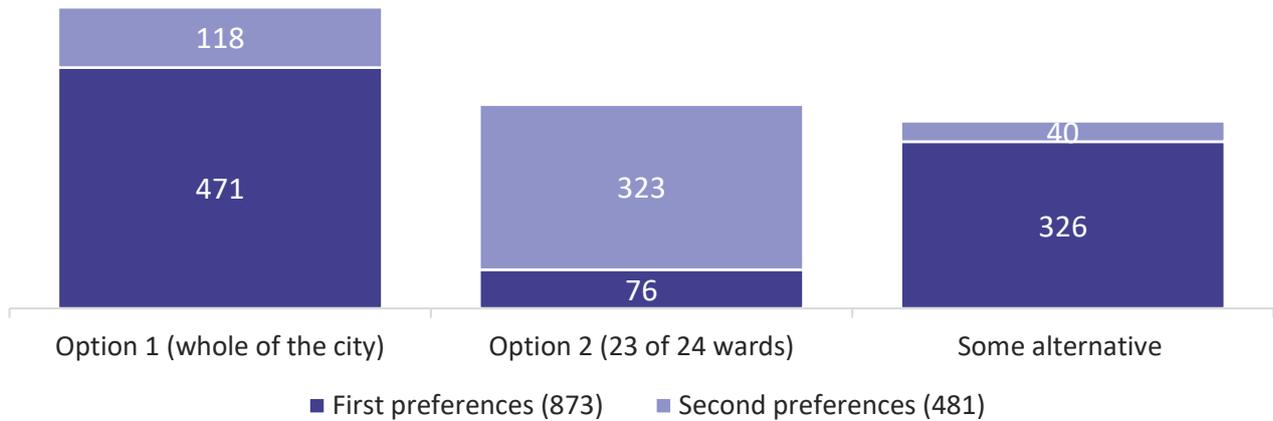


Base: All Respondents (number of respondents shown in brackets).

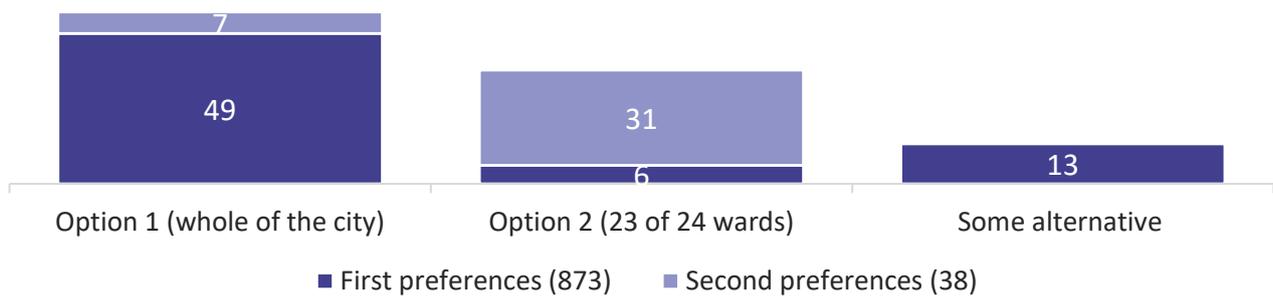
**NB: not all respondents who provided a first choice went on to offer a second choice – hence the base sizes for second choices are somewhat lower.**

<sup>3.61</sup> Figures 8 to 10 use counts to provide a summary of the total numbers of preferences indicated (i.e., first and second preferences cumulatively) around each of the options (NB some stakeholder categories, e.g., landlords and agents, and businesses and organisations, have been merged in order to provide a more succinct overview).

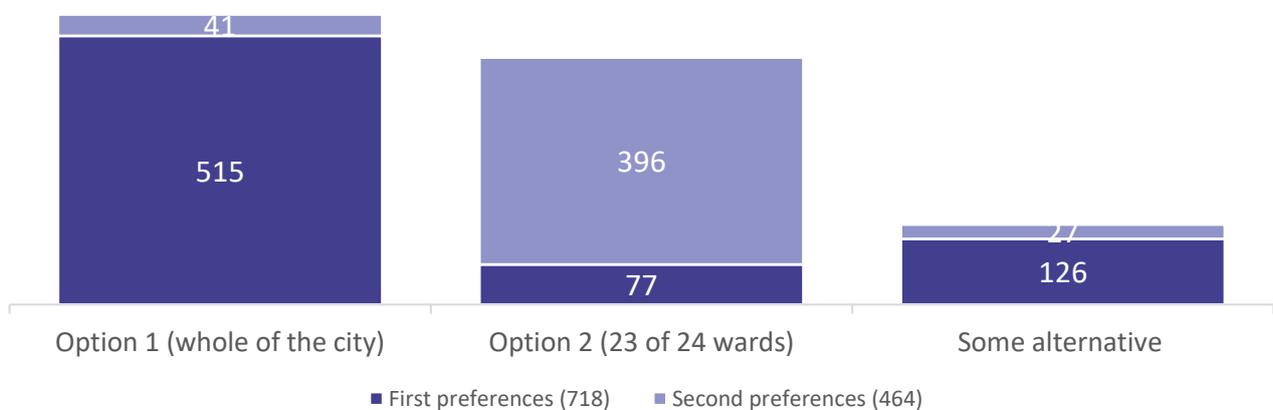
**Figure 8: If a new selective licensing scheme was introduced, please indicate which of the following you would prefer. LANDLORDS AND AGENTS (counts)**



**Figure 9: If a new selective licensing scheme was introduced, please indicate which of the following you would prefer. BUSINESSES AND ORGANISATIONS (counts)**



**Figure 10: If a new selective licensing scheme was introduced, please indicate which of the following you would prefer. RESIDENTS AND OTHER (counts)**



*Please use the space below to provide any comments about the area that any new selective licensing scheme should cover, and explain any alternative approaches to improving property condition and management that you think the Council should consider.*

- <sup>3.62</sup> Respondents were asked to provide comments on the area that any new selective scheme should cover, as well as to outline any alternative approaches they felt should be considered (those who had indicated in the previous question that they favoured an alternative to Options 1 or 2 were also asked to provide details).
- <sup>3.63</sup> The text comments have been coded and summarised in detail in Table 3 below; however, in general it can be seen that:
- » Overall, relatively few comments were made around the specific Options, although some respondents reiterated a preference for Option 1, with many of these feeling this was the fairest option, that it would provide a level playing field etc – there were, in general, comparatively few comments about Option 2;
  - » Quite a number of respondents advocated a more targeted selective licensing scheme (e.g., only including the worst areas or properties, or just those landlords with poor track records, etc) or identified particular types of property that OCC could target (e.g., AirBnb and short-term lets, student properties, older properties etc);
  - » A small number mentioned particular areas they felt should be included (which were mainly the city centre and south and eastern areas, specific examples included: “East Oxford”, “Cowley area”, the city centre, Littlemore, “the Central and South-eastern sector of Oxford, i.e., Centre to Lye Valley”, and the Barton Estate), while a couple of respondents felt that North Oxford ought to be excluded;
  - » Some respondents felt it was unreasonable that student accommodation owned or managed by the universities and colleges should be exempt from selective licensing;
  - » For many respondents (particularly landlords) the question provided an opportunity to state their general views around the proposals e.g., whether they broadly agreed or disagreed with private rented licensing.
  - » Some contextualised their opinions by stating that the scheme would need to be adequately resourced and enforced; a few referred to the existing additional licensing scheme as a possible precedent for a future selective scheme, feeling (for example) that this could have been better administered, or that OCC should not be considering a selective scheme while some HMOs remain unlicensed or non-compliant; and
  - » Many respondents also outlined various, more general concerns and misgivings about selective licensing e.g., their perception that it punishes those landlords who comply most; that licensing schemes are ineffective or bureaucratic in general; that schemes risk either pushing up rents or making it unprofitable for landlords to operate; and that councils should make better use of existing legislation or tools (e.g., HHSRS) to enforce standards, before going down the licensing route.
- <sup>3.64</sup> Some suggestions included: better regulation of letting and management companies, a more lenient approach for compliant landlords, or certain types of landlord (e.g., those who use managing agents and are therefore more likely to be operating to a minimum standard, providing certificates etc; or ‘accidental’ landlords with just a single property), better processes to enable tenants to flag issues, and efforts to educate landlords and tenants.

3.65 Other alternatives or suggestions suggested by fewer respondents included:

- » A lighter-touch registration scheme, with a small fee and random spot checks; or allowing accredited landlords to self-certify that they meet the conditions;
- » A “ladder type licence” based on a risk assessment of each property;
- » A system more akin to Rent Smart Wales;
- » One respondent suggested trialling a more limited selective scheme initially (in the areas that have most complaints) and extending it across the city after a period of time (e.g., three years) if the data supported doing this.
- » A voluntary scheme with some incentives for landlords e.g., a ‘star rating’ system to promote the best performers / ‘A1’ landlords, or a council tax waiver for periods where the property is vacant;
- » A registration system for tenants and potentially ‘star ratings’ of tenants, to help landlords and incentivise responsible behaviour among tenants;
- » Increasing the availability of affordable and/or social rented housing, to reduce the city’s reliance on the private rented sector;
- » Requiring or encouraging landlords to invest in their properties as an alternative to paying a licence fee (on the basis this is more likely to lead to immediate improvements);
- » Excluding the worst landlords (i.e., repeat offenders) from being able to rent properties at all;
- » Enabling tenants to leave their contracts more easily if they are unhappy with the accommodation provided;
- » Implementing an online ratings system via a portal for landlords and tenants, whereby any landlord scoring below an acceptable figure would fall within the scope of the licence scheme;
- » Funding the scheme via alternative means (e.g., through harsher fines or fees for landlords who breach the rules, rather than a universal licence fee) or the Council funding the scheme itself (i.e., through council tax).

**Table 3: Summary of responses to the question inviting comments about the area that any new selective licensing scheme should cover, and alternative approaches to improving property condition and management that the Council should consider (Percentages based on the number raising each theme, as a proportion of all respondents in that group who provided comments; base numbers are shown in the table)**

Comment	%				
	Agents	Landlords	Business	Organisation	Oxford residents/ other
Respondent count for group (i.e., total number who made comments)	33	482	9	16	260
<b>Comments about <u>the area a selective licensing scheme should cover</u> / <u>the scope of the scheme</u></b>					
Prefer Option 1 (city-wide selective licensing) / include Holywell	.	6%	n=1	n=5	12%
Option 1 better for consistency/fairness	.	6%	.	n=4	7%
Disagree with Option 1 (city-wide selective licensing)	.	*	.	.	*
Prefer Option 2 (selective licensing covering 23 / 24 wards)	.	*	.	n=1	1%
Disagree with Option 2 (selective licensing covering 23 / 24 wards)	.	*	.	.	1%
Specific area/ward suggested for inclusion in scheme	.	2%	.	.	2%
Specific area/ward suggested as not needing to be included	.	*	.	.	.
Focus on AirBnBs and short-term lettings	3%	1%	.	.	2%
Should target privately rented student accommodation in general	.	2%	.	.	1%
Should license university/college accommodation too, not just PRS	.	5%	.	n=3	3%
Should target/only license 'bad' landlords	18%	12%	n=1	.	8%
Should target/only license worst areas/wards	3%	5%	.	.	3%
Should target/only license properties or households with issues	12%	4%	n=1	n=1	1%
Should be lighter touch/exclusions if using an agent etc.	3%	4%	.	n=1	2%
'Smaller'/'accidental' landlords should be excluded/treated leniently	.	1%	.	.	*
Should target/only license areas with high rental prices	.	*	.	.	*
Only license older properties; no need to include modern builds	.	1%	.	.	*
<b>General/overall views and comments about proposals</b>					
Generally support the selective licensing proposals	3%	1%	.	n=1	1%
Generally disagree with the selective licensing proposals	12%	5%	.	.	3%
Generally support proposals (non-specific)	.	5%	.	n=2	5%
Generally disagree with proposals (non-specific)	24%	9%	n=3	n=2	18%
Focus on HMOs/only have additional licensing; be stricter on HMOs	12%	6%	.	.	7%
Generally support the additional licensing proposals	6%	1%	.	.	1%
Generally disagree with the additional licensing proposals	6%	1%	.	.	3%
Existing scheme has improved/helped/supported area in general	.	1%	.	.	.
Current scheme poorly managed/enforced (training/staff issues etc)	12%	5%	n=1	.	3%
Proposals will help support/improve the area in general	.	.	.	.	1
<b>General concerns about the proposals / licensing generally</b>					
Proposals will need to be properly managed/enforced	9%	9%	n=1	n=1	11%
More/stricter warnings/penalties/fines/prosecutions needed	9%	5%	n=1	.	4%
Better support/communication from Council needed	3%	1%	.	.	3%
Sufficient legislation already in place/should enforce this instead	12%	15%	n=1	n=1	10%
Proposals adds bureaucracy/red tape; is a waste of time/resources	9%	13%	.	.	3%

Comment	%				
	Agents	Landlords	Business	Organisation	Oxford residents/ other
Respondent count for group (i.e., total number who made comments)	33	482	9	16	260
Responsible landlords are already adhering to guidelines	18%	14%	.	.	3%
Need contact info for landlords/agents of problem properties	.	1%	.	.	1%
Nothing will change / licensing is hard to implement / doesn't help	6%	8%	.	n=1	5%
Licensing schemes have proved ineffective elsewhere	3%	.	.	.	.
There will be no benefits / no added value for landlords	3%	3%	.	.	1%
Licensing punishes good landlords/only good landlords comply etc	12%	21%	.	n=1	7%
Will affect profitability for landlords, won't be worthwhile to let etc	3%	4%	.	.	2%
Rents will go up / costs will be passed on to tenants / already too high	12%	14%	n=3	n=1	12%
Will reduce availability of housing due to landlords leaving etc	12%	7%	n=1	.	3%
Will affect vulnerable/low income tenants, increase homelessness	.	2%	.	n=2	5%
'Bad' landlords may move to unlicensed areas under partial scheme	.	1%	.	n=1	2%
<b>Other comments about possible alternatives / suggestions</b>					
Need to educate landlords; could be more effective than licensing	.	1%	.	.	.
Money would be better spent improving/upgrading properties	.	1%	.	.	1%
OCC should fund scheme (via council tax) or by fining worst landlords	.	2%	.	.	1%
Enable tenants to raise issues e.g. via complaints process/ombudsman	9%	7%	n=1	n=3	8%
Don't grant licences to repeat offenders/should not be allowed to let	3%	1%	n=1	.	.
Need to educate tenants; could be more effective than licensing	.	1%	.	.	1%
Should only need to apply once for licence/should be permanent	3%	.	.	.	.
Abolish/remove HMOs, do not allow new HMOs to be created etc	.	.	.	.	1%
Need more affordable housing to buy/rent, more social rent etc.	.	*	.	.	5%
Should have similar scheme for tenants/better to license tenants	.	1%	.	.	*
Should have similar scheme for management companies, agents etc.	12%	2%	.	.	3%
Should have a similar scheme for Council properties/social housing	.	1%	.	.	2%
Other suggestions/alternatives					
<b>Other comments about the proposed fees</b>					
Generally agree the fees are about right	.	.	.	.	1%
Fees are too low/should be higher/need to cover costs of scheme(s)	.	*	.	.	.
Fees are generally too high, should be lower/free	3%	3%	.	.	3%
Disagree with fees as less money for improvements/maintenance	.	1%	.	.	*
Agree with applying a discount/staggered/ tiered approach	.	1%	.	.	1%
Charge landlord once (not per property), don't need multiple licences	3%	1%	.	.	.
Should be discounts for use of an agent	.	7%	.	.	1%
'Good' landlords should pay less/should be discounts for compliance	3%	2%	.	.	*
Landlords are being made to pay to police themselves	.	*	.	.	.
More transparency/information needed about how fees are spent	.	1%	.	.	*
Base fees on no. of properties e.g., higher for commercial landlords	.	1%	.	.	1%
<b>Other comments about the proposed licence conditions</b>					

Comment	%				
	Agents	Landlords	Business	Organisation	Oxford residents/ other
Respondent count for group (i.e., total number who made comments)	33	482	9	16	260
Agree with making landlords responsible for tenants (including ASB)	.	1%	n=1	.	1%
Agree with making landlords responsible for property safety/upkeep	3%	8%	n=1	n=1	12%
Landlords are <u>not</u> responsible for tackling ASB/waste/parking issues etc; this role is for other agencies (police, council etc)	.	*	.	.	1%
Landlords need protection/support/help to manage difficult tenants	.	1%	.	.	.
Tenants should have some responsibility for maintaining standards	3%	2%	.	.	1%
<b>Other comments not covered above</b>					
Proposal is just a money-making scheme, 'tax' etc	3%	16%	.	.	6%
More info/evidence is needed to back up claims in the proposals	.	4%	.	n=1	3%
General criticism of the consultation: biased, flawed etc	3%	2%	.	.	2%
Minds are already made up; proposals are bound to go ahead	.	1%	.	.	.
Covid-19 related: should postpone decisions, making changes etc	6%	1%	.	.	2%
Possible equalities issue/consideration	3%	1%	.	.	2%
Other	6%	7%	n=2	.	7%

## Licence Fees

### Additional (HMO) licence fees

*Please share your views on the proposed additional HMO licensing fees by indicating whether you feel each fee is too high, about right, or too low.*

- 3.66 In general, most landlords and agents felt each of the proposed fees was ‘too high’, although there were also quite sizeable minorities who felt that *some* of the proposed fees were acceptable – particularly the £413 5-year renewal fee, which 43% of agents and 44% of landlords felt was ‘about right’.
- 3.67 Most respondents who own or manage a business also tended to feel the fees were ‘too high’; however, respondents answering on behalf of organisations, and residents and other respondents, tended to find the fees more acceptable.
- 3.68 Respondents appeared to have most reservations about the standard one-year fees, particularly the £625 fee for a new HMO licence, which 84% of agents and 82% of landlords felt was ‘too high’, while organisations and residents were somewhat split between those who felt the fee was ‘too high’ and those who felt it was ‘about right’.
- 3.69 A full summary of respondents’ views on the proposed fees for additional licensing is provided in Table 4 below.

**Table 4: Summary of views around the proposed additional licensing fees, by stakeholder type**

Type and level of proposed fee	Respondent type (base sizes in brackets)	View on the proposed fee		
		Too high	About right	Too low
<b>Standard one-year HMO licence fees and two/five-year renewals</b>				
<b>£625 for a STANDARD, NEW HMO licence lasting 1 year</b>	Letting or managing agent (51)	84%	14%	2%
	Private landlord (656)	82%	16%	2%
	Own/manage a business (32)	78%	13%	9%
	Organisation (35)	40%	46%	14%
	Residents and other (638)	42%	46%	12%
<b>£333 for a STANDARD RENEWAL HMO licence lasting 1 year</b>	Letting or managing agent (52)	71%	29%	-
	Private landlord (639)	72%	25%	3%
	Own or manage a business (28)	50%	32%	18%
	Organisation (30)	17%	60%	23%
	Residents and other (614)	30%	53%	17%
<b>£371 for a RENEWAL HMO licence lasting 2 years</b>	Letting or managing agent (51)	65%	31%	4%
	Private landlord (646)	60%	36%	4%
	Own or manage a business (30)	47%	37%	17%
	Organisation (31)	6%	71%	23%
	Residents and other (613)	26%	53%	21%

Type and level of proposed fee	Respondent type (base sizes in brackets)	View on the proposed fee		
		Too high	About right	Too low
<b>£413 for a RENEWAL HMO licence lasting 5 years</b>	Letting or managing agent (51)	53%	43%	4%
	Private landlord (652)	48%	44%	9%
	Own or manage a business (30)	43%	40%	17%
	Organisation (34)	12%	53%	35%
	Residents and other (632)	20%	57%	23%
<b>Other fees i.e., for non-compliant renewals and late applications</b>				
<b>£541 for a NON-COMPLIANT RENEWAL HMO licence lasting 1 year</b>	Letting or managing agent (50)	64%	28%	8%
	Private landlord (641)	55%	33%	12%
	Own or manage a business (30)	53%	23%	23%
	Organisation (33)	24%	52%	24%
	Residents and other (621)	28%	45%	27%
<b>£750 for a NEW HMO licence lasting 1 yr, where the landlord has failed to apply within 6 WEEKS...<sup>4</sup></b>	Letting or managing agent (50)	66%	30%	4%
	Private landlord (650)	63%	31%	6%
	Own or manage a business (30)	63%	17%	20%
	Organisation (33)	36%	52%	12%
	Residents and other (626)	33%	47%	20%
<b>£2,200 for a NEW HMO licence lasting 1 y, where the landlord has failed to apply within 12 WEEKS</b>	Letting or managing agent (50)	70%	28%	2%
	Private landlord (648)	66%	27%	7%
	Own or manage a business (30)	60%	23%	17%
	Organisation (34)	38%	47%	15%
	Residents and other (633)	36%	47%	16%

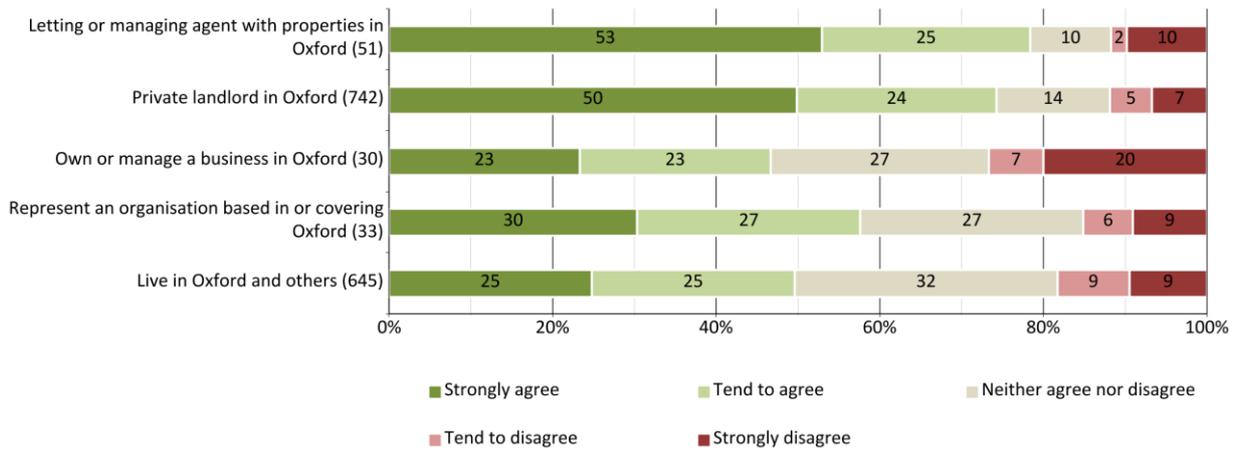
## Selective licence fees

*To what extent do you agree or disagree with the principle of applying a discount in each of the following circumstances?*

- 3.70 The figures below and overleaf summarise the extent to which different stakeholders agreed or disagreed with the principle of applying various types of discount to a selective licence.
- 3.71 Large proportions of letting and managing agents (78%) and private landlords (74%) agreed with the principle of applying an Early Bird discount. The remaining groups were less positive – although more agreed than disagreed (47% of those who own/manage a business, 58% of those responding from organisations, and 50% of residents and other respondents agreed).

<sup>4</sup> “...But does apply within 12 weeks”

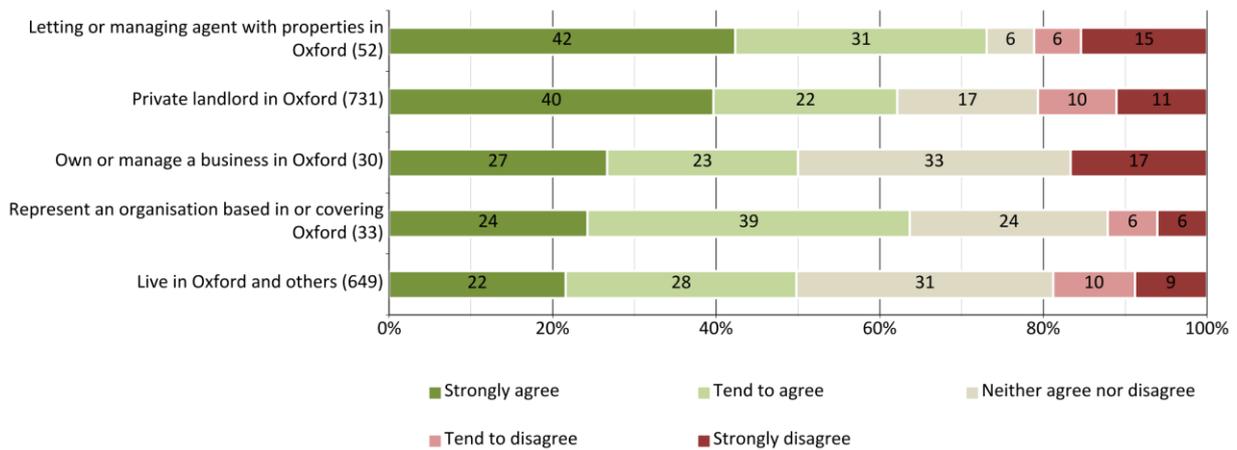
**Figure 11: To what extent do you agree or disagree with the principle of applying a discount...Where the applicant qualifies as an Early Bird?**



Base: All Respondents (number of respondents shown in brackets)

3.72 Most agents (73%) and landlords (62%) agreed with applying a discount in instances where the applicant is accredited, along with a majority of those responding from organisations (64%). Half of businesses and residents and other respondents (both 50%) agreed, with around one in three of these respondents answering, ‘neither agree nor disagree’.

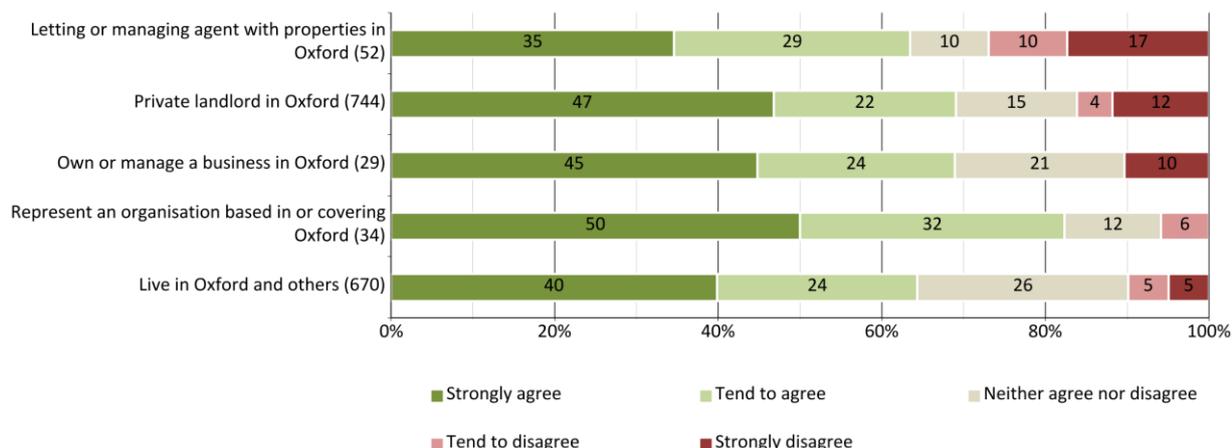
**Figure 12: To what extent do you agree or disagree with the principle of applying a discount... Where the applicant is accredited with a relevant professional body or the accreditation scheme?**



Base: All Respondents (number of respondents shown in brackets)

3.73 The principle of applying a discount in instances where the applicant is a registered charity providing accommodation through the homeless pathway was widely supported by all stakeholder groups: 63% of agents, 69% of private landlords, 69% of those who own or manage a business, 82% of organisations, and 64% of residents and other respondents, all agreed.

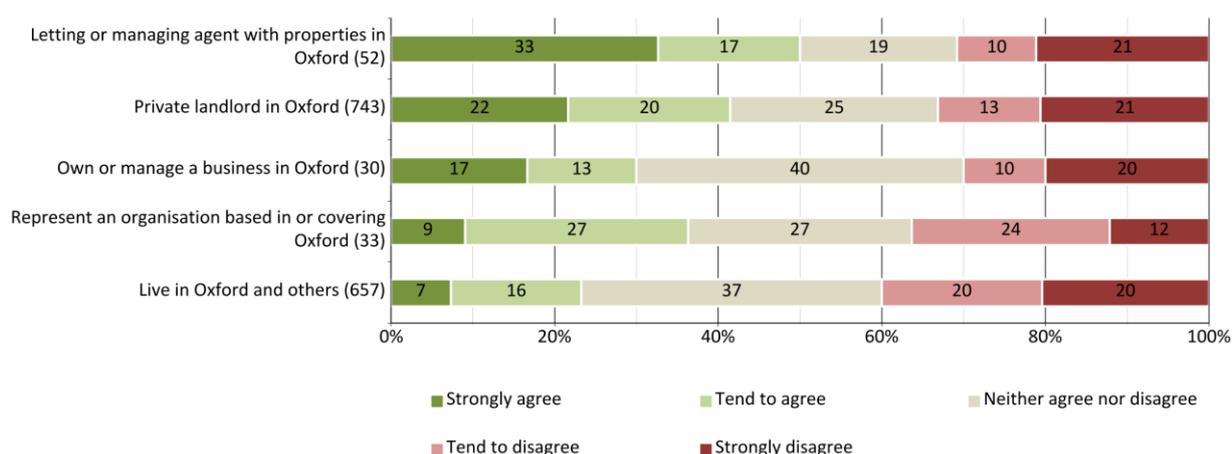
**Figure 13: To what extent do you agree or disagree with the principle of applying a discount...Where the applicant is a registered charity providing accommodation in partnership with the Council as part of the homeless pathway?**



Base: All Respondents (number of respondents shown in brackets)

- 3.74 There was no real consensus around the principle of applying a discount in instances where a property is newly built. Half of agents (50%) and around two fifths of landlords (41%) agreed, but roughly a third in each group (31% and 33% respectively) disagreed. Respondents who own or manage a business, and those responding on behalf of an organisation, were largely split: 30% and 36% agreed, respectively, but as many disagreed.
- 3.75 Fewer residents and other respondents agreed (23%) than disagreed (40%), with a sizeable proportion (37%) answering ‘neither’.

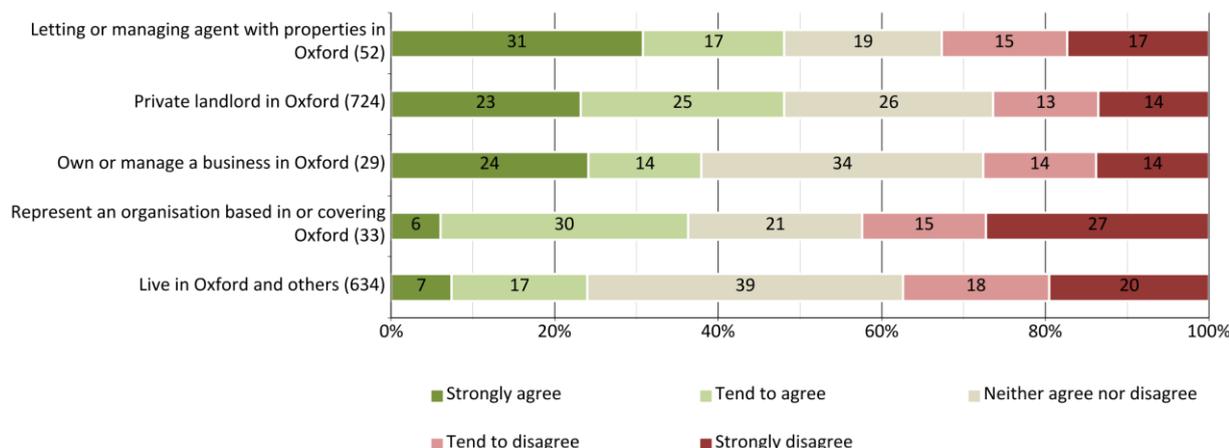
**Figure 14: To what extent do you agree or disagree with the principle of applying a discount ... Where the property is newly built?**



Base: All Respondents (number of respondents shown in brackets)

- 3.76 Almost half of agents (48%) and landlords (48%) agreed with the principle of a discount for additional flats owned by the same landlords within a block. Fewer respondents from the remaining groups agreed: 38% of those who own or manage a business, 36% of organisation representatives, and only 24% of residents and other respondents.

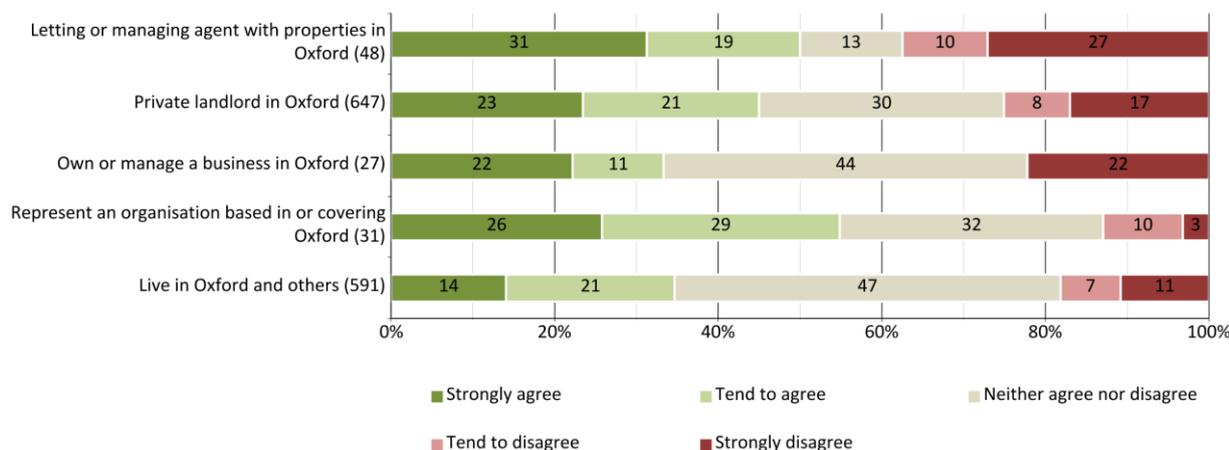
**Figure 15: To what extent do you agree or disagree with the principle of applying a discount... Where the property is an additional unit/flat in a block under one landlord?**



Base: All Respondents (number of respondents shown in brackets)

3.77 There was no particular consensus as to whether a discount should be applied to the licence fee for properties that are part of the Home Choice scheme. Around half of the agents (50%) and slightly fewer of the landlords (45%) agreed, as well as just over half of those responding on behalf of organisations (55%). Around one in three of business representatives (33%) and residents and other respondents (35%) agreed – although it is worth noting the fairly large proportions (47% of residents and other respondents, for example) who answered ‘neither’.

**Figure 16: To what extent do you agree or disagree with the principle of applying a discount...Where the property is part of the Council’s Home Choice scheme?**



Base: All Respondents (number of respondents shown in brackets)

*Please share your views on the proposed selective licensing fees by indicating whether you feel each fee is too high, about right, or too low.*

3.78 Stakeholders’ views on the proposed selective licensing fees followed a generally similar pattern as views on the additional fees, with landlords and agents (and to some extent businesses) tending to feel that the fees were ‘too high’, whereas organisations, residents and other respondents tended to find them more reasonable (albeit there were also many in these groups who felt particular fees were either ‘too high’ or ‘too low’).

3.79 Landlords and agents were particularly likely to view the standard fees, and particularly the larger fee for a late application, as ‘too high’.

**Table 5: Summary of views around the proposed selective licensing fees (standard and discounted), by stakeholder type**

Type and level of proposed fee	Respondent type (base sizes in brackets)	View on the proposed fee		
		Too high	About right	Too low
<b>Standard fees</b>				
<b>£480 for an incomplete application made within the first 6 months<sup>5</sup></b>	Letting or managing agent (50)	72%	26%	2%
	Private landlord (761)	74%	24%	2%
	Own/manage a business (29)	59%	28%	14%
	Organisation (33)	24%	61%	15%
	Residents and other (597)	35%	50%	16%
<b>£1,100 for any application made outside of the time period stated above for the £480 fee</b>	Letting or managing agent (52)	87%	13%	-
	Private landlord (754)	79%	19%	2%
	Own or manage a business (29)	66%	24%	10%
	Organisation (33)	39%	45%	15%
	Residents and other (597)	39%	48%	13%
<b>Discounted fees</b>				
<b>£400 for an application qualifying under the ‘Early Bird’ discount</b>	Letting or managing agent (51)	61%	37%	2%
	Private landlord (731)	70%	28%	2%
	Own or manage a business (26)	50%	31%	19%
	Organisation (32)	28%	56%	16%
	Residents and other (588)	34%	49%	16%
<b>£380 for an accredited landlord not also qualifying as an ‘Early Bird’</b>	Letting or managing agent (48)	56%	44%	-
	Private landlord (713)	67%	30%	3%
	Own or manage a business (26)	54%	31%	15%
	Organisation (32)	22%	56%	22%
	Residents and other (566)	31%	51%	19%
<b>£300 for an application where the landlord is both an Early Bird and accredited</b>	Letting or managing agent (50)	56%	44%	-
	Private landlord (722)	60%	36%	3%
	Own or manage a business (26)	38%	42%	19%
	Organisation (32)	13%	56%	31%
	Residents and other (565)	25%	54%	20%
<b>£300 for a registered charity providing accommodation as part of the homeless pathway</b>	Letting or managing agent (50)	64%	30%	6%
	Private landlord (689)	68%	29%	3%
	Own or manage a business (27)	48%	41%	11%
	Organisation (29)	24%	66%	10%
	Residents and other (549)	39%	54%	7%
<b>£260 for an application for a new build property</b>	Letting or managing agent (48)	56%	29%	15%
	Private landlord (699)	53%	28%	19%
	Own or manage a business (26)	38%	42%	19%

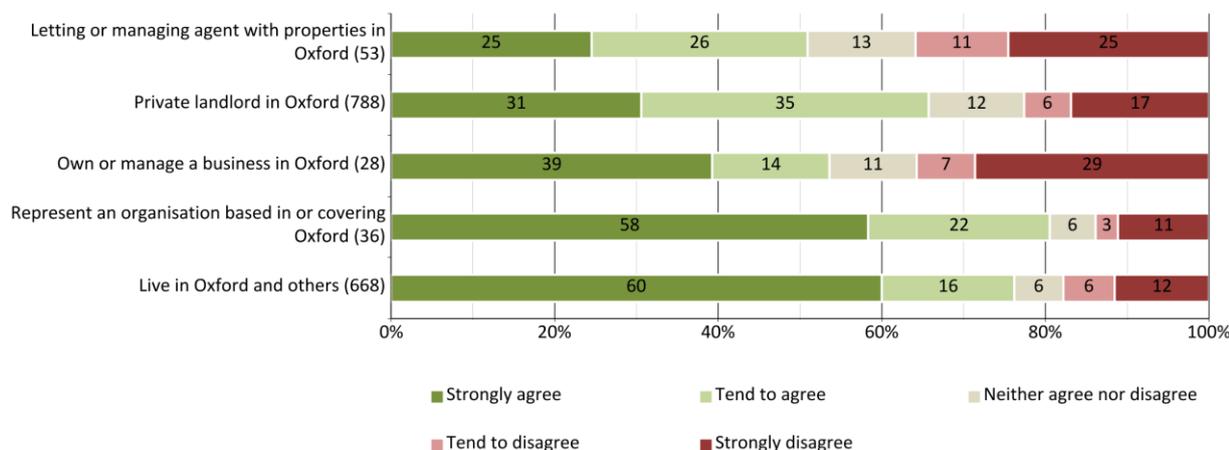
<sup>5</sup> “...or within 3 months for a newly acquired property”

Type and level of proposed fee	Respondent type (base sizes in brackets)	View on the proposed fee		
		Too high	About right	Too low
	Organisation (32)	25%	44%	31%
	Residents and other (561)	22%	45%	32%
<b>£236 where the property is an additional unit / flat in a block<sup>6</sup></b>	Letting or managing agent (49)	53%	37%	10%
	Private landlord (686)	57%	31%	12%
	Own or manage a business (26)	46%	35%	19%
	Organisation (32)	22%	53%	25%
	Residents and other (544)	25%	49%	26%

### Views on one-year licences

3.80 Most landlords (66%) and around half of agents (51%) agreed that it is reasonable to issue one-year licences in instances where there are concerns about the management of the property. Just over half of those responding on behalf of businesses also agreed. Large majorities of those responding on behalf of organisations (81%) and residents and other respondents (76%) agreed that issuing a one-year licence would reasonable under the circumstances described.

**Figure 17: To what extent do you agree or disagree that it is reasonable to issue selective licences for only one year, in instances where the Council has concerns e.g., about the landlord’s management of the property?**



Base: All Respondents (number of respondents shown in brackets)

3.81 While most landlords agreed with the principle of the one-year licence, they were a little less supportive of the proposed fees associated with these licences – particularly the proposed renewal fee, which 63% of landlords felt was ‘too high’. Letting and managing agents and those responding from businesses also tended to think the fees were ‘too high’, although as with landlords, there were some sizeable minorities who felt the proposed fees were ‘about right’.

3.82 Those responding on behalf of organisations, along with residents and other respondents, were generally more likely to indicate that the fees were ‘about right’. Moreover, in relation to charging the standard fees

<sup>6</sup> “...once the first unit has already been charged at the standard £480 or £1100 rate”

for a one-year licence, quite a few of these respondents (close to a quarter) felt the fees might be too low – similar to the proportion that felt they were ‘too high’.

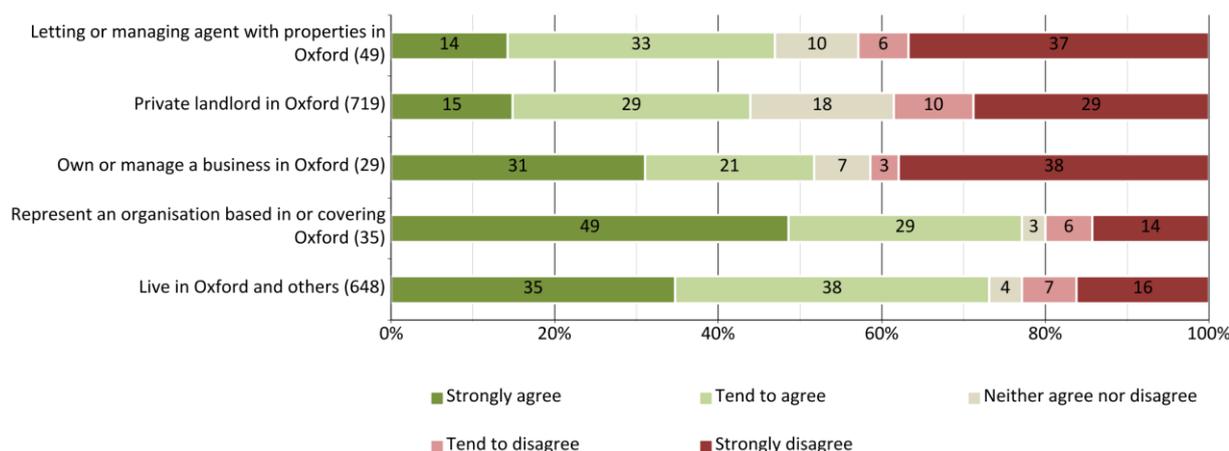
**Table 6: Summary of views around the proposed fees for one-year selective licences, by stakeholder type**

	Respondents	View on the proposed fee		
		Too high	About right	Too low
<b>Views on charging the standard fees for a one-year selective licence</b>	Letting or managing agent (51)	59%	39%	2%
	Private landlord (708)	50%	43%	7%
	Own/manage a business (27)	44%	26%	30%
	Organisation (33)	21%	55%	24%
	Residents and other (583)	25%	51%	23%
<b>Views on the proposed renewal fees following the expiry of a one-year selective licence</b>	Letting or managing agent (51)	59%	41%	-
	Private landlord (696)	63%	34%	4%
	Own or manage a business (27)	52%	26%	22%
	Organisation (33)	24%	58%	18%
	Residents and other (578)	29%	55%	16%

## Licence Conditions

3.83 A little under half of letting and managing agents (47%) and a slightly lower proportion of landlords (44%) agreed in general with the proposed additional licence conditions, while around half of those who own or manage a business (52%) agreed. The proposed conditions were widely supported by organisations (77%) and by residents and other respondents (73%).

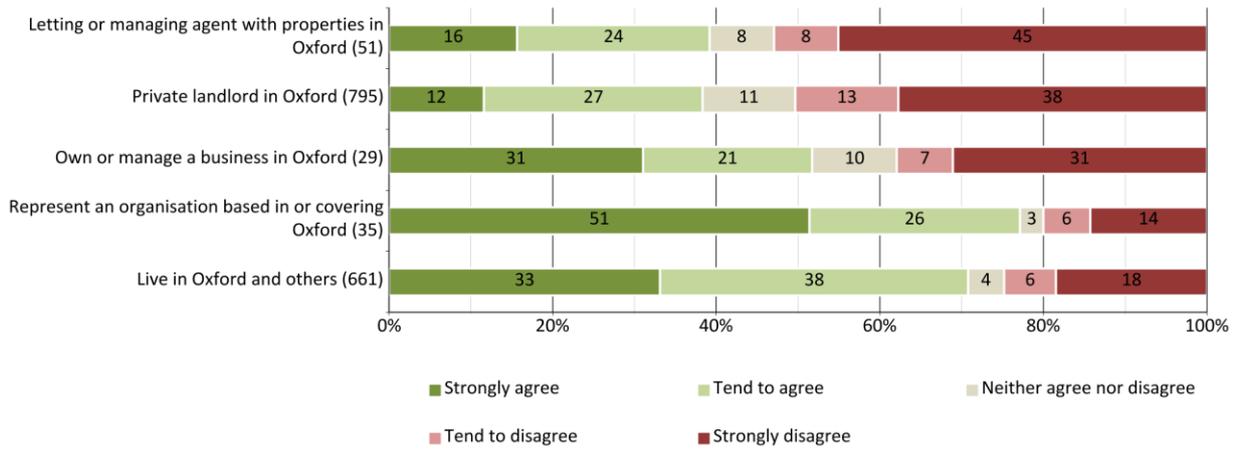
**Figure 18: In general, to what extent do you agree or disagree with the proposed additional (HMO) licence conditions?**



**Base: All Respondents (number of respondents shown in brackets)**

3.84 Just under two fifths of landlords (38%) and agents (39%) agreed with the proposed selective licence conditions, with half or more disagreeing. Around half of those responding from a business agreed (52%), as did the majority of organisations (77%) and residents and other respondents (71%).

**Figure 19: In general, to what extent do you agree or disagree with the proposed selective licence conditions?**



Base: All Respondents (number of respondents shown in brackets)

## Other comments

*Do you have any further comments to make about the proposed fees and conditions, or are there any other things you think the Council should consider to help improve the quality and management of privately rented properties, or are there any other comments that you would like to make about the licensing proposals?*

3.85 A final open-ended question invited respondents to raise any further points they wished to make in relation to the proposed licence fees, conditions, and anything else the Council should consider; and to provide further comments about any other aspect of the proposals. A summary is provided in Table 7; the percentages show the proportion in each stakeholder group who raised each theme.

**Table 7: Summary of responses to the question inviting further comments on fees, conditions, other things the Council should consider, and any other aspects of the proposals (Percentages based on the number raising each theme, as a proportion of all respondents in that group who provided comments; base numbers are shown in the table)**

Themes and comments	%				
	Agents	Landlords	Business	Organisation	Oxford residents/ other
Respondent count for group (i.e., total number who made comments)	35	560	17	17	381
<b>Overall views and comments specifically about <u>additional</u> licensing</b>					
Generally support the additional licensing proposals	3%	1%	.	.	1%
Generally disagree with the additional licensing proposals	.	1%	.	.	.
Existing scheme has improved/helped/supported area in general	3%	1%	n=1	.	.
Current scheme poorly managed/enforced (training/staff issues etc)	17%	7%	n=2	.	6%
<b>Overall views and comments specifically about <u>selective</u> licensing</b>					
Generally support the selective licensing proposals	.	1%	.	.	1%
Generally disagree with the selective licensing proposals	.	3%	.	.	1%
Prefer Option 1 (city-wide selective licensing)	.	*	.	.	1%
Option 1 better for consistency/fairness	3%	1%	.	.	1%
Disagree with Option 1 (city-wide selective licensing)	.	*	.	.	.
Disagree with Option 2 (selective licensing covering 23 / 24 wards)	.	*	.	.	.
Specific area/ward suggested for inclusion in scheme	.	*	n=1	.	.
<b>Overall views and comments not specifically about either additional or selective (e.g., potentially about both/either, or just ambiguous)</b>					
Generally support proposals	9%	4%	n=1	n=4	14%
Proposals will help support/improve the area in general	3%	1%	n=1	n=1	4%
Generally disagree with proposals	9%	8%	n=2	.	4%
Focus on HMOs/only have additional licensing; be stricter on HMOs	6%	6%	n=3	n=1	8%
Focus on AirBnBs and short-term lettings	.	*	.	.	1%
Should target privately rented student accommodation in general	.	1%	.	.	2%
Should license university/college accommodation too, not just PRS	3%	2%	.	.	1%
<b>Other <u>general</u> comments, including comments about enforcement/management</b>					
Proposals will need to be properly managed/enforced	26%	12%	n=1	n=4	19%

Themes and comments	%				
	Agents	Landlords	Business	Organisation	Oxford residents/ other
Respondent count for group (i.e., total number who made comments)	35	560	17	17	381
More/stricter warnings/penalties/fines/prosecutions needed	6%	8%	n=1	n=1	10%
Better support/communication from Council needed	9%	5%	.	.	2%
Sufficient legislation already in place/should enforce this instead	9%	15%	n=1	.	9%
Proposals adds bureaucracy/red tape; is a waste of time/resources	20%	19%	n=2	.	3%
Responsible landlords are already adhering to guidelines	26%	25%	.	.	2%
Need contact info for landlords/agents of problem properties	.	.	.	.	*
Nothing will change / licensing is hard to implement / doesn't help	11%	10%	n=1	.	5%
Licensing schemes have proved ineffective elsewhere	.	*	.	.	*
<b>Other comments about the <u>likely impacts</u> of the proposals</b>					
There will be no benefits / no added value for landlords	6%	3%	n=1	.	1%
Licensing punishes good landlords/only good landlords comply etc	23%	33%	n=2	.	6%
Will affect profitability for landlords, won't be worthwhile to let etc	17%	16%	n=2	.	4%
Rents will go up / costs will be passed on to tenants / already too high	23%	23%	n=7	n=2	21%
Will reduce availability of housing due to landlords leaving etc	23%	12%	n=1	.	5%
Will affect vulnerable/low income tenants, increase homelessness	3%	3%	n=3	n=1	7%
'Bad' landlords may move to unlicensed areas under partial scheme	.	1%	.	.	1%
<b>Other comments about <u>possible alternatives / suggestions</u></b>					
Should target/licensing should only cover 'bad' landlords	1%	n=1	n=1	1%	1%
Should target/licensing should only cover worst areas/wards	2%	n=1	.	1%	2%
Should target/only license properties or households with issues	.	2%	n=1	.	1%
'Smaller'/'accidental' landlords should be excluded/treated leniently	6%	8%	.	n=1	3%
Bigger/commercial landlords should be held to a higher standard	3%	2%	.	.	2%
Need to educate landlords; could be more effective than licensing	.	1%	.	.	*
Money would be better spent improving/upgrading properties	6%	2%	.	.	1%
Should be lighter touch/exclusions if using an agent etc.	9%	12%	.	.	1%
OCC should fund scheme (via council tax) or by fining worst landlords	.	3%	.	.	2%
Enable tenants to raise issues eg via complaints process/ombudsman	6%	6%	n=2	n=2	12%
Target/only cover areas with high rental prices	.	1%	.	.	1%
Don't grant licences to repeat offenders/should not be allowed to let	.	1%	n=2	n=1	3%
Need to educate tenants; could be more effective than licensing	.	1%	.	.	2%
Should only need to apply once for licence/should be permanent	.	*	.	.	*
Abolish/remove HMOs, do not allow new HMOs to be created etc	.	*	.	.	1%
Only license older properties; no need to include modern builds	.	1%	.	.	1%
Need more affordable housing to buy/rent, more social rent etc.	3%	2%	n=1	.	4%
Should have similar scheme for tenants/better to license tenants	.	2%	.	.	.
Should have similar scheme for management companies, agents etc.	3%	3%	n=1	n=1	5%
Should have a similar scheme for Council properties/social housing	.	2%	.	.	2%
Other suggestions/alternatives	3%	1%	n=1	.	2%

Themes and comments	%				
	Agents	Landlords	Business	Organisation	Oxford residents/ other
Respondent count for group (i.e., total number who made comments)	35	560	17	17	381
<b>Other comments about the proposed fees</b>					
Generally agree fees are about right	.	1%	.	.	1%
Fees are too low/should be higher/need to cover costs of scheme(s)	.	.	.	.	2%
Fees are generally too high, should be lower/free	26%	15%	n=3	n=1	8%
Disagree with fees as less money for improvements/maintenance	.	1%	.	n=1	1%
Agree with applying a discount/staggered/ tiered approach	.	1%	.	.	1%
Charge landlord once (not per property), don't need multiple licences	.	*	.	.	*
Should be discounts for use of an agent	.	5%	.	.	*
Shouldn't have to pay full fees if entering scheme part-way through	.	*	.	.	.
'Good' landlords should pay less/should be discounts for compliance	9%	5%	.	.	2%
Landlords are being made to pay to police themselves	.	1%	.	.	.
Organisations/charities working with vulnerable people should be exempt/have discounts	.	1%	.	.	1%
More transparency/information needed about how fees are spent	.	2%	.	.	*
Any money raised from scheme should be 'put back' into local area	.	*	n=1	.	1%
Base fees on no. of properties e.g., higher for commercial landlords	.	2%	.	.	1%
Other suggestions made for alternative fee/pricing structure	6%	1%	.	.	2%
<b>Other comments about the proposed licence conditions</b>					
Agree with making landlords responsible for tenants (including ASB)	.	1%	n=1	.	2%
Agree with making landlords responsible for property safety/upkeep	9%	11%	n=3	n=6	20%
Landlords are <u>not</u> responsible for tackling ASB/waste/parking issues etc; this role is for other agencies (police, council etc)	3%	3%	.	n=4	16%
Landlords need protection/support/help to manage difficult tenants	.	2%	.	n=1	1%
Tenants should have some responsibility for maintaining standards	6%	3%	n=1	n=1	2%
<b>Other comments not covered above</b>					
Proposal is just a money-making scheme, 'tax' etc	29%	23%	n=2	n=1	8%
More info/evidence is needed to back up claims in the proposals	9%	8%	.	n=1	4%
General criticism of the consultation: biased, flawed etc	3%	4%	.	.	3%
Minds are already made up; proposals are bound to go ahead	.	2%	n=1	.	1%
Covid-19 related: should postpone decisions, making changes etc	11%	3%	.	.	3%
Possible equalities issue/consideration	.	2%	n=2	.	8%
Other	11%	8%	n=2	n=6	16%

3.86 The main points raised in relation to the **fees** are summarised in the table above, however some 'other' points raised by fewer respondents included the following:

- » Fees should be linked to one or more of: the size of the property, its condition at the point of application, its sale value, or the rental income (with discounts for properties with a lower rental value, etc.);

- » Concern that charging the fee at a 'flat rate', rather than scaled based on the number of occupants/bedrooms, might encourage landlords to try and maximise occupancy beyond a reasonable level;
- » Concern that providing discounts for additional properties under the same ownership would incentivise "serial landlords" and lead to lower standards;
- » The income from fees should be invested in a better system for tenants to report problems and the Council to investigate them;
- » There should be more payment options (e.g., to allow landlords to pay in instalments rather than the whole amount upfront) or more flexibility around the duration of a licence;
- » A few advocated larger fees or swingeing fines for non-compliant landlords, especially if this helps reduce the fees for the majority who abide by the rules;
- » Landlords should not face punitive charges for delaying a licence application, if they genuinely didn't realise they needed to apply - only if they have been told to apply and have not done so;
- » There is a double standard insofar as landlords are penalised if their application is late (even by one day) or contains a mistake – whereas the Council is not held accountable for any delays or mistakes that occur when it is issuing licences;
- » Although many approved of the discounts etc, one or two respondents stated the variations were complex/unnecessary, and they just wanted to see a 'fair price' for all;
- » At least one respondent felt it was unreasonable that it would (in theory) be cheaper to obtain a selective licence for a badly managed new build property, than for a better-managed existing property owned by an accredited landlord;
- » It was suggested that non-HMO properties should just be registered for a small fee;
- » A one-year selective licence could be upgraded to 5 years from original inception following satisfactory remedial work for just a 'token' fee / no fee at all; and
- » If selective licensing is approved, the Council will have a responsibility to raise awareness to ensure as many landlords as possible can take advantage of Early Bird offers, as well as to send out reminders when licences are due for renewal.

<sup>3.87</sup> As with the fees, the main points raised in relation to licence **conditions** are summarised in the table above; however, some 'other' points raised by fewer respondents included the following:

- » Licences should not be issued until the property has been inspected and found to be compliant;
- » The conditions for a selective licence generally don't need to be as stringent as those for HMOs (although it was also suggested that the conditions should be the same);
- » A handful of respondents felt that improving the energy performance of dwellings should be an important aim of selective or additional licencing (and would align with the Council's wider commitment to sustainability): in particular, one felt that OCC should consider the implications of the Government consultation on "*Domestic private rented property: minimum energy efficiency standard - landlord guidance*", which was published after the consultation started;
- » A rent receipt is rarely required by tenants and can be awkward for the landlord to provide (e.g., if the tenant pays via standing order); the conditions should be amended so that receipts only need to be provided upon request;

- » Requiring landlords to give a reference for a tenant would be good additional conditions.
- » There should be stronger regulation of inventories/schedules of conditions (e.g., more detail on what constitutes 'in a good condition');
- » It should be a requirement for letting advertisements to include a licence number that would allow prospective tenants to view details on the Council's website;
- » Property inspections should be carried out independently (not by the Council) to avoid a conflict of interest (a couple of respondents felt estate agents could be used to take on aspects of running the scheme e.g., commenting on the suitability of properties for renting);
- » Some comments about inspections: landlords need to provide a record of inspections and provide suitable notice; results of the inspections should be given as a public score out of 100 and published on the Council website; sub-par maintenance should constitute a break clause option in tenancies at licensed properties; tenants should be allowed to pay for an inspection and reclaim these costs if problems are identified;
- » The conditions are intrusive for tenants e.g., private homeowners would not accept the Council 'popping round' to look at their homes, so why should tenants;
- » It was suggested that the maximum occupancy could be stated on the tenant's contract, so they are aware if a property is being over-occupied or should be classed as an HMO;
- » There were a couple of complaints regarding cohabiting couples being required to rent separate rooms in a HMO due to the strictness of the occupancy requirements, with claims this has resulted in reduced income and quality of life;
- » There was some concern that landlords would be placed at risk due to tenants illegally sub-letting;
- » It was claimed that staff turnover within OCC has resulted in too many staff getting involved with HMO licence renewals, which has led to too much variation in opinion as to what is needed (e.g., requests to amend items in the property, that had previously been approved by a different member of staff);
- » One respondent was concerned the pest control condition could make the landlords liable for costs caused by a tenant's actions, such as a flea infestation introduced by a pet.
- » It was suggested that landlords be required to inspect the structure/roof of a property at regular intervals, to pre-empt problems with leaks etc., and
- » There were a couple of suggestions that landlords should be required to allow pets (for a slightly higher rental fee if necessary).

<sup>3.88</sup> Other views expressed by questionnaire respondents as part of further comments included:

- » Licensing is needed for the lower end of the market, where tenants are less able to 'vote with their feet' – but the higher end is quite competitive which drives standards, and reduces the need for selective licensing;
- » There should be provision for dealing with poor letting agents (a landlord shouldn't be penalised because their agent hasn't done their job);
- » The additional expenses associated with licensing will discourage landlords from using agents, leading to lower standards and defeating the purpose of licensing;

- » The Council should require all properties to be managed by a licenced letting agent, and then license all letting agents;
- » There were concerns about certain HMOs being over-occupied, and undeclared HMOs (where the landlord pretends to live at the property, or falsely claims the tenants are related to avoid the need for a licence);
- » There should be a limit on the number of properties any individual is able to let out, they should be required to live locally (e.g., Oxfordshire); and there should be a 10% limit on the proportion of new properties that can be purchased as buy-to-lets, with priority given to owner occupiers;
- » Only properties with two or more bedrooms should be subject to selective licensing;
- » Although the Council might be reluctant to signpost landlords to reliable tradespeople (due to potential conflicts of interest), this would help landlords (and ultimately tenants) by leading to improved standards;
- » There should be rent controls (e.g., tied to Local Housing Allowance rates), opportunities for tenants to withhold rents if they are receiving a poor service, Rent Tribunals, etc.;
- » Application systems should be automated as far as possible, for convenience and to reduce costs (e.g., in Southampton one can obtain a £150 'certificate of compliance' prepared by independent surveyors, complete a questionnaire, and upload documents);
- » There should be a 'lighter touch' for HMO renewals (e.g., self-certification) than for properties new to a licensing scheme;
- » There should be an effort to close the 'loophole' that allows a landlord to avoid council tax by creating separate contracts for each tenant in an HMO;
- » The point was made that although Oxford's rents are particularly high, the costs of insurance, finding tradespeople to carry out works etc, is also very high;
- » It was claimed many charities are registered 'in name only' and therefore charities should be treated in a similar way to private landlords;
- » The Council should work with the two universities to distribute materials to students informing them of their rights should they choose to rent from a private landlord;
- » It would be beneficial if tenants did not have to pay for a brown bin for garden waste, as most choose not to and are therefore less likely to take care of front gardens;
- » There was a complaint about some landlords becoming aware of the consultation after it had started, and about a lack of evening and weekend virtual events; and
- » The requirement to attend the Council's in-person training sessions to gain accreditation and qualify for a discount is unfair: as not all landlords are able to easily take time off work and/or travel to Oxford, and bodies like the NRLA provide similar training programmes.

## Further comments from organisations and other bodies

<sup>3.89</sup> Most of the comments made by organisations and other bodies responding to the consultation contained perspectives that have already been described elsewhere in this report; however, some of the more distinctive points are summarised below.

### Oxford Brookes University (response made in consultation with members of senior management)

- 3.90 Oxford Brookes welcomes a number of these proposals as having benefits for tenants and the community. However, it has some concerns about the requirement for landlords to obtain references and would like the Council to consider issuing some guidance on these. Specifically, its concerns are around:
- » Whether the University would be expected to comment on the behavioural record of its students;
  - » Whether students looking to start their first tenancy could face issues finding a place to live;
  - » The possibility of students with joint and severally liable contracts finding themselves disadvantaged by circumstances outside of their control; and
  - » The potential for references to be unfairly withheld by an unethical landlord.

### Divinity Road Area Residents Association

- 3.91 Divinity Road Area Residents Association urges the Council to consider a policy of refusing new licences to landlords who are increasing occupancy levels in existing HMOs, in areas where the planning saturation policy that limits HMOs to 20% of buildings in the immediate area has been exceeded. It is concerned that allowing existing HMOs to increase in size in these areas that may already be well in excess of the limit impacts on existing residents and HMO tenants (in terms of noise, antisocial behaviour, parking, and refuse issues) and undermines the intention of the planning policy.

### ACORN Oxford

- 3.92 ACORN Oxford states that the experiences of its members show that mould and damp is a serious and pervasive problem in the city, yet one that is often downplayed or blamed on the tenants (even when it is clearly due to an underlying structural problem with the property). The response details difficulties have faced in terms of getting landlords to address issues such as leaking water and mould and states tenants have developed “a resigned mentality” towards instances of mould.
- 3.93 ACORN believes that there is a need for improved enforcement of the existing additional licensing scheme. However, it nonetheless feels the HMO licence has led to some improvements in conditions, and that experiences in other cities suggest selective licensing is also likely to improve conditions by bringing about a reduction in category 1 hazards (selective licensing is described as “*one of the best tools available to begin improving conditions in the rental sector*” and “*desperately needed*” in Oxford).
- 3.94 However, ACORN Oxford is concerned about licence conditions that might require landlords to intervene in anti-social behaviour by tenants. It claims other councils have involved police and immigration enforcement in their licensing schemes and is therefore concerned that the proposed selective scheme risks “*further criminalising and marginalising those at the bottom of the pile*”.
- 3.95 Rather than using licensing to police these activities (which are very broad, and complex) ACORN believes the Council should place greater emphasis on improving conditions for renters. ACORN also opposes the proposed requirement for landlords to obtain references, feeling this gives them disproportionate power over tenants.

## Others

- <sup>3.96</sup> **Oxford and District Action on Child Poverty** is keen to support the Council in taking any actions designed to improve the quality of life for people living in privately rented accommodation. It is particularly concerned about the impact of overcrowding and insecure tenancies on children's' development.
- <sup>3.97</sup> A respondent involved with **Syrian Vulnerable Persons Resettlement Scheme** suggests there should be incentives for accredited landlords to take tenants who are in receipt of benefits, as these individuals often face difficulties when being considered for renting private accommodation. Therefore, licensing should be used as an opportunity to discourage discriminatory behaviour (the response cites two recent cases that Shelter has won against different letting agents/landlords).
- <sup>3.98</sup> **Justice for Tenants** is aware of number of issues with HMOs and generally landlords exploiting tenants, particularly vulnerable tenants. It believes additional and selective schemes elsewhere have had a positive impact, e.g., because they make landlords who are breaking the law stand out, which can make it easier to take appropriate action against those landlords who operate unlawfully.
- <sup>3.99</sup> Oxfordshire County Council **Trading Standards Service** was generally supportive of the proposals, though stated that the likely workload would need to be matched with sufficient administrative and enforcement resources, if the scheme is to maintain public confidence.
- <sup>3.100</sup> A respondent with responsibilities related to the PRS in Oxfordshire suggested an approach whereby the most poorly managed pockets of properties are targeted first.
- <sup>3.101</sup> Some additional points raised were as follows:
- » The situation for those hosting foreign language students or school children should be clarified;
  - » There was some confusion / clarification requested (from a registered charity) in terms of whether or not a corporate body can be granted an HMO licence; and
  - » There was a request for clarification (from a charitable organisation) about whether a referral would count as a reference, within the homeless pathway.

## Comments about potential equalities issues/impacts

- <sup>3.102</sup> As noted in the tables of coded comments, some respondents made comments which touched upon equalities matters.
- <sup>3.103</sup> A number stated they share ACORN Oxford's concerns around the inclusion of licence conditions requiring landlords to regulate' anti-social behaviour, on the basis that these risk penalising tenants who might be marginalised, vulnerable or have complex needs. For example, there were concerns about landlords seeking to evict challenging tenants and/or discriminating against particular groups when choosing whom to let to (e.g., people in poverty, transgender individuals, individuals with poor mental health, and sex workers were all specific examples given of the kinds of groups that could be impacted), while leaving the Council or other services to 'pick up the pieces'. A few also felt the Council should issue a public statement affirming that would use the scheme to improve housing conditions – not to police tenants.
- <sup>3.104</sup> The main other concerns, arguments or points raised in relation to equalities are summarised below:
- » Licensing is likely to increase rents which will impact tenants on low incomes, and have a disproportionate impact on the most vulnerable, exacerbate the homelessness crisis etc.;

- » Although Oxford does not have significantly higher levels of deprivation than the national average, it does appear that fuel poverty and child poverty rates are relatively high, and the potential for licensing to increase rents needs to be considered in this context;
- » Licensing may contribute to a 'black market' in housing in which the vulnerable are more, rather than less, likely to be exploited by any unscrupulous landlords;
- » Oxford's high rents hamper social mobility by discouraging students from poorer backgrounds coming there to study, and so any measure which risks increasing rents should be avoided;
- » There should be more emphasis on energy efficiency in the conditions etc, as fuel poverty disproportionately affects the vulnerable;
- » Tenants who have more limited English language skills may require appropriate support or help to understand their rights and responsibilities;
- » Any referencing needed should be based on character rather than finances, to avoid disadvantaging "decent but poorer" people;
- » There is a concern that smaller households (e.g., single parent families) find it harder to have their voices heard in general; and
- » Wheelchair users, those with other types of disability, and people with young children etc are particularly impacted by inconsiderate parking etc in areas with high levels of HMOs/private renting.

## 4. Stakeholder Interviews

### Introduction

- 4.1 Interviews were carried out by telephone, and Microsoft Teams and Zoom video calls, with representatives of landlords and letting agents and other organisations working with and setting standards for landlords, along with organisations representing or supporting tenants and other residents, students' unions, and representatives of emergency services.
- 4.2 Interviewees were recruited via email to arrange a convenient time for a telephone interview and 11 interviews were achieved from a list of contacts identified by OCC. One organisation - Shelter - was unable to take part due to staff shortages. Interviews tended to take around 35 – 40 minutes, thereby allowing an in-depth exploration of interviewees' views; one interview took around 2:45 hours. The interviews were recorded by ORS for analysis with confidentiality guaranteed, other than when interviewees gave explicit consent for their comments to be attributed to them.
- 4.3 Telephone and video interviews were conducted with the following 11 organisations:
- ACORN
  - Association of Residential Lettings Agents (ARLA)
  - CAB Oxford (CAB)
  - National Residential Landlords Association (NRLA)
  - Oxford Brookes University Student Union and Oxford Brookes Student Advice Centre (OBSU)
  - Oxford Community Forum (OCF)
  - Oxford Fire and Rescue Service (FRS)
  - Oxford Tenants Union (OTU)
  - Oxford University Students Union (OUSU)
  - safeagent<sup>7</sup>
  - Thames Valley Police (Police)
- 4.4 To provide relevant context for this chapter, some key background information about several of the stakeholder organisations selected for interview is provided below as it is relevant to the analysis:
- » The three representatives representing landlords and lettings agents (ARLA, NRLA, safeagent) offer accreditation. The question of accreditation is relevant because some representatives argue that the selective licensing scheme adds little to their own accreditation;
  - » Oxford Community Forum represents landlords in the city; and
  - » The two university students' unions provide advice and support about accommodation.

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<sup>7</sup> Formally National Approved Letting Scheme (NALS). Note: safeagent branding uses a lower case 's' at the start of the organisation's name, a style which is followed throughout this report

- 4.5 The interviews meetings began with a short introduction by ORS about the consultation process. All interviewees were aware of the current additional HMO licensing scheme, the proposals, and the consultation. The interviews explored the following themes:
- » The previous licensing scheme:
    - Working with Oxford City Council;
    - Scale, types and causes of problems in the private rented sector in Oxford;
    - Impact of the current additional HMO licensing scheme;
  - » The proposed renewal of the additional HMO licensing scheme for all HMOs in the city;
  - » The proposed selective licensing scheme and the two alternative options for alternative geographies that the scheme would cover;
  - » Licence fees and licence conditions; and
  - » Alternatives and additional suggestions.
- 4.6 The main body of this chapter presents the outcomes of interviews with stakeholders thematically, using short summaries and verbatim quotes to illustrate the different views expressed. Following a short review of stakeholders' views on working with the Council, the chapter divides into two sections covering HMOs, and other PRS properties. There is some repetition of comments in these two sections as interviewees did not always separate the two in their comments. The short summary below draws out the key findings and themes, although it should be noted that there was considerable diversity in terms of the roles and views of the stakeholders, and ORS has sought to highlight and contextualise those differences.

## Summary of key findings

- 4.7 These are the key findings across the 11 interviews with stakeholders.

### Property conditions were identified as a problem throughout Oxford, which made finding suitable property difficult for tenants

- » The high cost of the rent often does not guarantee a high-quality property;
- » The root cause is the high demand and comparatively low supply of privately rented housing, which allows unscrupulous landlords and those ignorant of their responsibilities to continue renting out properties;
- » There are a small number of 'repeat offender' landlords who can be identified from repeated complaints. Some other landlords do not provide accommodation of sufficient quality because of being ignorant of their responsibilities; amateur landlords who inherit or buy one or two properties as retirement income or similar reasons. Another interviewee described the odds of getting a bad landlord or property as 'high';
- » One tenants' organisation suggested that until there is sufficient investment in affordable housing, then even poor-quality housing provides a home for someone who may otherwise be homeless; and
- » One interviewee, however, said that the issue of poor property management and conditions was small and easily managed.

The balance of opinion was that the current additional HMO licensing scheme was helpful and had improved the quality and management of HMOs in Oxford to a greater or lesser extent, but there were dissenting voices

- » There was a high level of awareness of the current additional licensing scheme;
- » Negative views on the existing scheme included that not all properties had been inspected, it was bureaucratic and inefficiently run, and led to significant rent increases, landlords leaving the market, and an increase in homelessness; and
- » The process of issuing licences is perceived to be slow and needs to be improved, otherwise tenants can be living in poor quality accommodation for longer than is necessary.

The balance of opinion was that the additional licensing scheme for HMOs in Oxford should be renewed and that selective licencing should be introduced although, again, some disagreed with

- » Reasons for supporting licensing included:
  - Experiences of poor property condition;
  - Some landlords being reluctant to do repairs unless threatened with the Council taking action; and
- » Some saw enforcement as being essential to ensure that non-compliant landlords become compliant; tenants are vulnerable.

Reasons against supporting the scheme included the previous inspection regime and a preference for alternative approaches

- » Many properties were not inspected in the previous scheme, which leads to the criticism that the Council has not managed to deal with large HMOs covered by mandatory licensing efficiently, so ‘why would they expect to be able to manage licensing of the smaller ones?’;
- » Suggested preferred ways to improve management and property conditions; empowering tenants; improvement through accreditation; a collaborative approach with lettings agents, Police, FRS, and others and utilising existing powers and legislation; educating landlords, and possibly agents; and
- » The landlord or agent, but not both, should be licenced, rather than the property.

To ensure the replacement additional HMO licensing and selective licensing schemes work requires considerable work by the Council

- » Information, openness and transparency; all tenants, landlords and agents need to know that their property should be licensed. A city-wide scheme would help with this. This is particularly important for non-English speakers as they are particularly vulnerable, with many not knowing their rights;
- » The Council must be aware of the scale of work to ensure the schemes work properly;
- » The Council to be proactive, informing and working with landlords and agents before launching the schemes;
- » The Council to be clear about what their objectives are for the additional HMOs and selective licencing scheme and to be effective in meeting those objectives; and

- » Considering postponing any licensing until after COVID-19 restrictions are lifted. Landlords are experiencing problems, notably arrears, while many tenants would have concerns about contractors visiting their homes to make required improvements.

#### There was general agreement that both schemes should be city-wide

- » A city-wide scheme is clear and simple to understand; landlords and tenants can be given a clear message, and all should be aware that their property is within the scheme; and
- » There is no guarantee that all properties in Holywell will be exempt from problems, especially as Holywell has a high proportion of large Victorian houses which could each house a lot of tenants.

#### There was almost universal agreement that the conditions for the proposed additional and selective licensing schemes were appropriate in general, although with disagreement about some specific conditions

- » The main conditions that some disagreed with those around the landlord being seen as responsible for tenant behaviour such as ASB and clearing waste;
- » Landlords are reluctant to get involved in ASB, and both landlord representatives and other stakeholders suggest that other options may work better, such as an OCC ASB team;
- » If the landlord enters the property to clear waste, they could fall foul of 'quiet enjoyment'. A landlord of a single flat may not have the right to clear rubbish from the communal area of flats. Is there a contradiction between shorthold tenancies saying the tenants are responsible and the licence saying the landlord is responsible? While the Council's intention appears to be that if the tenant fails to deal with waste, the landlord should deal with it, it would be useful to clarify this point; and
- » It was suggested that the conditions should be used to improve the security of properties as well as the safety of properties.

#### The overall balance of opinion was that the basic fees were about right, though views were nuanced

- » Some tenants' organisations considered the fees to be too low, other tenant organisations and landlord organisations suggested that the fees should not be too high as they will be passed on to tenants;
- » One tenants' organisation pointed out that £480 over five years is £8 a month, suggesting that such an increase does not make the difference between rent being affordable or unaffordable; and
- » Some expressed concern that higher fees could drive landlords out of the market, leading to the city losing important rented accommodation. Against this, was a view that comparing the licence costs to rent, it would be unlikely for landlords to leave the market.

#### Most agreed with or had no strong opinion on higher fees for late registration and the discounts, but some concerns were raised about the late registration fees and processes

- » There may be a range of justifiable reasons for the renewal being delayed, such as simply forgetting, or if a landlord has died and the property is being dealt with through probate; the extent to which reasonable consideration would be given on a case-by-case basis; and
- » Landlords should not be penalised for process delays or for minor errors in their application.

## Stakeholders' views on the private rented sector in Oxford

### Views on the private rented sector as a whole

- 4.8 All interviewees highlighted problems in the PRS in Oxford, although they recognised standards are variable, with private landlords ranging from 'excellent', to those only being interested in achieving 'as high a return as possible' for the minimum outlay.
- 4.9 A range of views were expressed as to the extent of these problems. The majority considered that issues in the PRS are on a large scale, some could be described as viewing the problems as 'normal' for any town or city with an active PRS (which did not mean that they considered the problems trivial), while one considered the problems in the sector to be small in scale.

*"Absolutely ... we have been speaking to our members about experiences that they've had of renting in Oxford, and we have various examples." (ACORN)*

*"The odds of getting a bad property or landlord are high..." (CAB)*

*"We do get a number of problems. I think the licensing has definitely improved it [in HMOs] but, yes, it does exist, definitely." (CAB)*

*"Yes, definitely but it's not the only problem..." (OTU)*

*"Probably there is a problem, but it is a small and easily manageable issue." (OCF)*

- 4.10 Some suggested that problems arise from landlords lacking understanding and knowledge of best management practices in relation to ongoing investment in, and maintenance of, their properties - and concerning their legal obligations to tenants. Being overly optimistic around the benefits of letting properties and failing to properly plan for maintenance costs and management apparently leads to problems, particularly for small landlords with one or only a few properties.
- 4.11 It was suggested that by engaging reputable agents, many of the issues above can be overcome, and it was hoped that the proposed licensing scheme would continue to educate landlords in best management practices and on the benefits of doing so.

*"I would say it's amateur landlordism ... and a failure on the part of some of those individuals to engage professionally with the sector or engage professional lettings agents ... these people who think they can get hold of a property ... let it out and get an income, and wash their hands of any real responsibility ... or people who accumulate some sort of portfolio that's beyond their ability to manage properly ... the small landlord who gets several properties and gets overwhelmed by it ... It's not an informal, casual thing these days; it's something that has to be done properly." (safeagent)*

*"Typically, it's the landlords that are letting their own properties, not through agents. Smaller landlords, maybe one property, two properties, who are letting their properties themselves." (OCF)*

*"...we would emphasise that the vast majority of reputable lettings agents aren't managing those kinds of properties." (safeagent)*

- 4.12 Interviewees also mentioned the presence of irresponsible, unscrupulous or 'rogue' landlords in the market. Most considered there to be a high number of poor-quality properties, as suggested by their earlier

comments. Some said that the core of the problem lies with a small group of unscrupulous landlords, probably with large portfolios.

- 4.13 While some stakeholders pointed to there also being disreputable agents, others suggested that, like reputable landlords, reputable agents are part of the solution.

*“There are particular landlords who I’m pretty certain they know. It’s the same faces; the same names ... year on year they get away with things and they provide accommodation which you wouldn’t want your worst enemy to live in ... There are particular agents who ought to be run out of town, but the City Council has only so much power...” (OBSU)*

*“There is a criminal element ... and what it does with excessive costs, it pushes the poorest and most vulnerable into criminal hands ... and those criminals will not have the highest standards; or any standards.” (NRLA)*

*“Poor landlords charge tenants for repairs and are unresponsive, unreactive.” (OTU)*

- 4.14 The core problem that allows unscrupulous landlords to let poor-quality accommodation was viewed as the high demand and restricted supply that drives prices up and quality down. Some interviewees identified solutions, including rent controls, more affordable housing, a social lettings agency for Oxford, better collaboration between partners (the Home Stamp scheme in another part of the UK was given as a successful example in this area) - and general wholesale reform of the PRS.

*“There is a limited supply in Oxford and students and other renters are held victim to that, resulting in some of them facing unacceptable accommodation.” (OUSU)*

*“There are collaborative approaches which we’ve been involved with ... Home Stamp in the West Midlands that we partner. This has as partners universities, police, fire, and considers regional and national issues affecting the sector. Provides training for landlords and addressing issues before they arise. There’s already lots of legislation that councils can use and it’s also a struggle for the landlords who are not always experts on this, so I think education, a collaborative approach, and also increasing the number of accreditation agents and landlords, because often they have higher standards.” (Propertymark)*

*“I think there are a lot of options that do fit within the jurisdiction of the local authority, rather than national government, which could get us much closer to a fairer rental system. And part of that package for sure, cracking down on property conditions and rogue landlords, but it’s one part of the jigsaw. [Other parts include] reform to the private rental market and put rent control in place, the City Council making a real commitment by saying, ‘We’re going to make renting in the city fairer’. There are things like putting in place public guide rents, about publishing some of the data ... like average rents per area ... making more of a public campaign about it. Also, we just need loads more affordable housing and ... proper city investment in a social lettings agency and a database of the 500 ethical landlords of Oxford – people who are charging rents that fit within LHA...” (OTU)*

- 4.15 One interviewee suggested that the supply of private rented homes may be reduced by the prevalence of properties let out through AirBnB, as running holiday lets may be seen by landlords as a more lucrative market.

- 4.16 One interviewee noted a national increase in illegal subletting and suggested that this is a problem that will occur in Oxford as in any city. Illegal subletting complicates the landlord-tenant relationship by obscuring who is responsible for the management and maintenance of the properties. The tenant may or may not be aware that the property is sublet, may or may not be aware if it is illegal, and may or may not be aware of the real landlord. The interviewee linked at least some illegal subletting to criminal activity. Licensing could, it was said, have a role in addressing this criminality working alongside the Police and other Council departments.

*“Where there’s a big problem is those people who have a property ... rent a property to someone and they illegally sublet it. That is where the problem’s growing in the United Kingdom ... It happens in Oxford as well as anywhere else...” (NRLA)*

- 4.17 As might be expected, several stakeholders identified a problem of disrepair, much of it related to older properties that have not been maintained over time. Some noted that disrepair can lead to properties, being unsafe, particularly older properties.

*“Repeat problems are damp, mould, physical disrepair, unsafe electrics, boilers going wrong ... A lot of the accommodation is based in Headington and East Oxford and a lot of those properties are anywhere between Victorian through to early 1930s. They haven’t been looked after very well for quite some time.” (OBSU)*

*“...people come in with water running down their walls, no boiler working, no heating and ... there’s a lot of fear about speaking up because they’ll get evicted and because the demand is so high...” (CAB)*

*“[There are problems in] a lot of the housing stock in Oxford. There’s a lot of older buildings and a lot of these properties, particularly the rental properties, are not particularly well insulated, and often have very poor and outdated heating which can really cause issues for tenants. And I think that certainly the older housing stock in Oxford can be a real issue around safety and maintenance.” (ACORN)*

- 4.18 Many, but not all, students will be living in HMOs, sharing a house with two or more other people, but some live alone or with one other person in a property that is not classed as an HMO. For this reason, particular issues around student housing are included here in the general section. However, the view that student shared houses can be classed as HMOs was challenged by one stakeholder.

*“Students on a shorthold tenancy (where individual rooms aren’t let separately, one contract for all) does not qualify as an HMO.” (OCF)*

- 4.19 Both university students’ unions and other stakeholders suggested there are problems within student housing. Again, the essence of the problem is limited supply, which allows some unscrupulous landlords to take advantage of the level of demand and of the fact that many students are not aware of their rights.

*“It definitely seems to be a case at the moment that landlords and agents have the upper hand, because there are so many students and so many other people in the city that want to get housing. I know students are kind of preferred in some cases because they move on very quickly and they're happy to take those deals because they want the house and want to get it sorted very quickly. But that does sometimes mean that students might end up settling for a deal that isn't good enough, or they don't get what is actually designated in the legislation or what should be provided for them...” (OUSU)*

- 4.20 General problems for students include poor repairs and maintenance, safety and security and contractual issues - return of deposits in particular.

*“We also hear of students having issues in regard to getting maintenance fixed or getting things that were promised by the agent to be fixed in the property like technical repairs or maintenance ... absolutely standard issues across the sector I imagine, but they are having an impact on students, and students living in the city, especially given the amount of cost students pay for private accommodation against their maintenance grants or loan.” (OUSU)*

*“There's such demand and so much turnover [landlords] will always fill the houses. It doesn't matter, for example, how many times a house gets burgled because there's a single glazed wooden front door ... because there'll be new students ...” (Police)*

*“Repeat problems are damp, mould, physical disrepair, unsafe electrics, boilers going wrong. Some landlords who try to scam tenants for deposits; some agents who try to scam tenants for deposits.” (OBSU)*

*“Often the students that we talk to have issues with regards to deposit return, and functional issues like the licensing.” (OUSU)*

- 4.21 Other groups identified by Citizens Advice and Oxford Tenants Union as being particularly vulnerable to living in unsatisfactory housing are:

- » Migrants, identified as 'new arrivals';
- » Some European nationals (e.g., Spanish, French, Italian, Polish) who may not understand the legal framework in the UK;
- » Survivors of domestic violence;
- » Households with low and insecure income; and
- » New renters who have left student accommodation and are now young professionals.

- 4.22 Several interviewees listed areas of the city where problems are particularly common. This should not be taken as a definitive list, but it demonstrates that the problems tend to be prevalent wherever there is a concentration of private rented housing and stretches across the higher and lower value areas of the city. The named areas were the City Centre, East Oxford (including St Clements), Headington, Jericho and North Oxford.

## Stakeholders' views on the current additional HMO licensing scheme

- 4.23 Broadly speaking, two distinct views were voiced about the current additional HMO licensing scheme. Some, including landlord and agent representatives, were somewhat critical, whereas others had witnessed its benefits. We consider some positive comments first, followed by negative ones.
- 4.24 The additional HMO licensing scheme was seen as useful in raising standards among landlords who are willing to comply with regulation, as well as those who may need to be pressed into compliance or have action taken against them.

*"I think it's given the good landlords a benchmark and they say, 'Oh, I didn't realise I needed to do that...', so, it's been a nice kind of development tool for the probably quite good properties to tip them over into the compliant side." (CAB)*

- 4.25 The two students' unions said that the additional licensing scheme has been a benefit to students in three main ways: raising standards in HMOs, providing clarity on what tenants can expect, and adjusting the balance of power between the landlord and tenant to the tenant's advantage. For this to happen though, the Council needs to be effective in supporting students and other tenants, and there is some evidence that the OCC team has achieved this.

*"If a student is living in a property that is HMO licensed, our advice service can give the student a little bit more as to what they can expect, because there obviously is a higher level of requirements within the HMOs, and that really supports the student ... or there are restrictions or requests that they can put in to have that licence removed if the conditions aren't being met. So, essentially, it gives students better protection when they are in the sector." (OUSU)*

*"It's helped because they have a reasonably decent-sized team ... Students don't really have anyone they can go to about disrepair in Oxford ... the only way of getting anyone to deal with serious disrepair issues is the threat of the Council ... I think the City Council does more prosecutions than any Council outside London ... so, it feels we have a fallback position if the landlord's not doing [what they should] ... we can talk to the Council and something will happen quite quickly." (OBSU)*

- 4.26 Thames Valley Police has also found the scheme to be useful in achieving their aims.

*"...one example ... we managed to get the HMO team out after we'd executed a warrant because [a] property wasn't safe in our eyes. It just gives us another angle, another tack to come down on some people that aren't abiding by the rules." (Police)*

- 4.27 In general, criticisms of the scheme are around the fact that problems persist despite an additional HMO licensing scheme having been in place since 2015.

*"The Council still receives high numbers of service requests from neighbours and tenants, so it doesn't really seem as if this success story is particularly the case. I'm not sure that extending it would fix the problems." (Propertymark)*

*“There shouldn’t be [problems] after ten years if they’d been doing their schemes properly. The fact that there are [problems] actually raises red flags.” (NRLA)*

- 4.28 Indeed, one of the main criticisms levelled at the current additional licensing scheme is a lack of focus on inspections, with some landlord representatives suggesting that every property within the scheme should be inspected by the Council. The NRLA gave examples of other councils who have been successful in dealing with issues through taking such an approach.

*“...they proposed the 2015 scheme on the grounds that they hadn’t inspected all properties ... We’re now in 2020 and they’re renewing it again... If you say there’s a problem in the private rented sector ... you should inspect all the properties ... Great Yarmouth has done a whole inspection regime in a year; all properties inspected. Oxford is struggling after ten years and are looking to expand the scheme.” (NRLA)*

*“Doncaster, in their selective licensing and additional licensing, do an inspection every year of every property and they’ve changed that sector completely. And they are bringing back selective licensing but they’re not bringing it back on property standards; they’re looking at anti-social behaviour. So, they’ve addressed within five years all the property standards.” (NRLA)*

- 4.29 Some interviewees alleged errors and delays in running the previous scheme, meaning tenants could be living in unsatisfactory conditions for longer than necessary. Additional bureaucracy was also a further concern.

*“[At] one stage, more fees were upgraded, and then we did calculations and it turned out to be that it was wrong...” (OCF)*

*“When you apply for a licence to the Council today [in order] to license your property for HMOs, it will take six to seven months for the Council to respond back and do an inspection and issue a license. Because of this backlog, this means tenants can be in situ six months prior to the licence inspection. If the dwelling fails, the property can’t be vacated [...] therefore leads to letting an unfit property.” (OCF)*

*“I’m sure it had some impact on our members, and that would just be the administrative implementation issues.” (safeagent)*

## Stakeholders’ views on the proposed additional HMO licensing scheme

- 4.30 This section covers the general support or otherwise for a replacement additional HMO licensing scheme. Comments on the proposed fees and conditions tended to cover both additional HMO licensing and selective licensing, and so are dealt with together later in this chapter.
- 4.31 The majority of stakeholders supported the introduction of a new additional HMO licensing scheme, to replace the current scheme, while three did not. Their views are explored below.

### Support for a new additional HMO licensing scheme

- 4.32 While most interviewees agreed with the Council’s proposal around additional HMO licensing, some highlighted certain issues such as: enforcement, support for tenants, ensuring that any scheme’s aims meet

the needs of Oxford City around rents as well as quality of accommodation, and more information and transparency.

#### Enforcement

*“[Would support additional HMO licensing] ... absolutely ... At the moment, the HMO scheme is getting people who are already compliant to get a certificate, it’s not getting people who are non-compliant because they are doing it on the black market. There is no follow through.” (CAB)*

*“I would support anything that raises and maintains high standards in private rented accommodation and prevents people living in [poor] accommodation. It must be regulated because I don’t buy into this idea that the market can self-regulate ... You leave some people to their own devices and they’re likely to just let bad accommodation, so tougher standards I’m fine with.” (OBSU)*

#### Support for tenants

*“... we’ve got a good baseline now, but we need to roll it out and take it further and there has to be proper enforcement and within that enforcement there has to be support for the tenants because they are the people at risk here because the landlord will assume in most cases that the tenants have grassed up the landlord. There is a massive risk for people in that situation ... we have to be very clear because we have very vulnerable people living in [the PRS] .... second languages, escaping domestic violence.” (CAB)*

#### Meeting the needs of Oxford City

*“... moving forward it needs to be more than just safety [of properties] ... I think if it’s going to be bespoke for Oxford it needs to deal with the [specific] issues that Oxford has.” (Police)*

#### Information and transparency

*“Yes, with all the caveats. A key one for me is about transparency. They publish the data on where the HMOs are and the HMO licences, but I think it would be very easy to include within those data the condition of the property and any previous complaints and make that publicly available so there’s a degree of accountability that goes alongside that regulation.” (OTU)*

<sup>4.33</sup> It was also important for supportive stakeholders that OCC learns from the previous scheme, in particular to ensure that the staff, structures and processes are in place before introducing a replacement. It is also seen as important to inform landlords and agents of their responsibilities under a licensing scheme, to ensure that they are ready by the start date (note that the comment below was made in respect of selective licensing but is also relevant to additional HMO licensing).

*“[I]t needs investment in the team ... education to the landlords ... It needs to be proactive before the scheme comes in ... You need to be building the landlords and the lettings agents up to get their houses to standard from the point at which the scheme comes in...” (Police)*

## Disagreement with proposals for a new additional HMO licensing scheme

- 4.34 Reasons given for not supporting the proposed scheme included its bureaucracy, and the view that licensing is the wrong approach to dealing with problems within the PRS. Moreover, interviewees again discussed a lack of progress within the previous scheme, leading to a call for clarity and transparency about any new scheme’s aims and how they will be delivered.

*“I’ve long said there are problems in the private rented sector. Deal with them, prosecute the people who are acting illegally putting people’s lives at risk ... But what they’ve done with their multiple tiered system is create a bureaucratic nightmare both for the Council and the landlords.” (NRLA)*

*“We believe that [after 10 years] of licensing ... [it] hasn’t performed that well, according to the statistics... There is no guarantee on behalf of the Council that if we are given another five years, it will make sure that 53% non-compliance will come down to 15% non-compliance.” (OCF)*

*“I think the Council needs to start addressing some of these bigger issues and if they are going to have another licensing scheme [then] we want to see demonstrable outcomes both for the landlord community and from the tenants’ side.” (NRLA)*

- 4.35 Finally, in relation to criticisms of the additional HMO scheme, it was alleged that the Council has misapplied its procedures, particularly in relation to assigning both elements of the fee to landlords without undertaking the inspections it should, it was felt, be funding.

*“The fee structure ... Part A is quite clearly for the processing of the application and Part B is for the implementation of the scheme – (both) have to be assigned to the landlord. So, there is [an issue] if they’ve not spent that money on those landlords’ properties and that means an inspection ... [are they] just using it as a way to maintain a status quo without actually delivering anything?” (NRLA)*

## Stakeholders’ views on the proposed selective licensing scheme

- 4.36 This section covers the views of stakeholders in regard to the Council’s proposals for a new selective licensing scheme covering non-HMO privately rented properties, including the proposed geographical designations. Comments on the proposed fees and conditions tended to cover both additional HMO licensing and selective licensing, and so are dealt with in a single separate section below.
- 4.37 The majority of stakeholders supported the introduction of a selective licensing scheme, while three did not. One interviewee suggested that one reason for implementing selective licensing is to provide comparable standards within HMOs and non-HMOs and ensure both property types are *“bound by the same regulations and safeguards.”* (Police)
- 4.38 Few additional comments were made about the selective licensing scheme; in general, interviewees referred back to the comments made around their support for, or objection to, the additional HMO scheme. There

was, though, some concern regarding selective licensing, that care needs to be taken to avoid the possibility of losing rented housing stock.

*“Obviously, we don't want to see the fact that that upgrades result in the lowest [quality] stock being removed, or the people in those houses being left out because of the requirements to upgrade.” (OUSU)*

- 4.39 Three additional comments on resource implications and the importance of planning and working with partner organisations are again important to note.

*“Funding, staff ... Is it going to create a bottleneck for the work they've already got? Will it impair the good work they already do in tackling the rogue elements ... Is it going to put too much pressure on departments?” (OBSU)*

*“How are you going to do all these inspections? House prices are ridiculously expensive in Oxford, so where are you going to find the staff? ...” (NRLA)*

*“... they're going to be faced with a lot of applications, early doors. If they don't work with, say, lettings agents and partner organisations effectively, they're going to build up a heavy workload of inspections that then drags on.” (safeagent)*

- 4.40 In general, stakeholders reiterated the points reported above in respect of the additional HMO licensing scheme as being equally important for the selective licensing scheme, particularly in relation to: enforcement, support for tenants, ensuring that the aims of the scheme meet the specific needs of Oxford City around rents and quality of accommodation, and information and transparency.

- 4.41 Furthermore, some stakeholders again made the point that OCC needs to learn lessons from implementing previous additional HMO licensing schemes, when considering selective licensing.

*“I don't think anyone was objecting in principle, and we wouldn't be; but there was a slight sense of, 'Hang, on a minute, they're [the Council] doing it again and extending it into selective licensing – they haven't even got the first scheme right.'” (safeagent)*

## Views on the proposed options for selective licensing designations

- 4.42 There was general support for a city-wide scheme among stakeholders who supported the introduction of selective licensing – and those who opposed the scheme in general also voiced a preference that, if it is to be introduced, it should be city-wide. Reasons for preferring a city-wide scheme were that it would be clear and simple, that the Holywell area may be entirely well managed at the moment but that is no guarantee for the future, and that even University-managed properties might not reach the required standards.

*“I suppose if this was put in in Holywell then there may be opportunities to deal with those issues that are in that ward.” (OUSU)*

*“It has to be [city-wide], the reason being that they say the Holywell area is well managed, but that's at the minute. If that becomes the area where landlords don't need to conform to the rules ... that steers demand to that ward.” (Police)*

*“We have no strong view; we generally support being slightly more targeted, but we were supportive of city-wide in Liverpool and we would be [open] for Oxford to go that way.” (safeagent)*

4.43 One interviewee would support either option for a selective licensing designation.

*“Would support excluding Holywell because most students are in Marston, East Oxford and Headington.” (OBSU)*

## Stakeholders’ views on the proposed additional and selective licensing fees

4.44 Many of the comments regarding proposed fees applied to both the additional HMO licensing and selective licensing schemes. At a high-level, the balance of opinion from stakeholders with differing views is that fees should not be so high as to force landlords, including compliant landlords, out of the market, but nonetheless need to be high enough to pay for an effective scheme.

4.45 In this context, the majority of stakeholders - particularly those representing tenants - broadly agreed with the proposed fee structure, with some even suggesting the potential for higher fees in the context of high rental prices in the city.

*“... given the high cost of renting in Oxford, comparatively speaking these fees seem to be quite reasonable and certainly within the capacity of landlords to pay” (ACORN)*

*“Fine with it. It’s got to be a balance between reasonable recompense to the Council for the work but not so much that the landlord’s pushing it back on the tenant.” (OBSU)*

*“We wouldn’t have an issue with these fees, but we would like to see they are being used to keep landlords in check and to ensure enforcement and to protect renters by inspections and making sure that documents are up to scratch.” (OUSU)*

4.46 Some landlord representatives, though, considered the fees to be too high and the structure over-complicated – and were also keen to see a higher level of transparency around exactly where monies are spent. There was also a view that landlords who would end up paying fees need to see benefits in relation to inspection and enforcement of non-compliant properties.

*“They are very expensive, and I think they’ve over complicated something which doesn’t need to be complicated ... It should be online; split into two parts – Part A and Part B – they’ve not done this.” (NRLA)*

*“We don’t see that cost-reward in terms of the enforcement coming through.” (Propertymark)*

*“What I’d like to see is a breakdown of where the costs are going in the Council. Landlords are paying for a service...” (NRLA)*

4.47 Some stakeholders raised concerns around affordability in the context of the many other charges faced by landlords currently, with fears that any additional costs may lead many to leave the PRS. A further specific

and immediate concern for one stakeholder is the effect of the COVID-19 pandemic, notably on rent arrears, which could remain a problem for the next few years.

*“The initial £480 spread over five years may not seem a lot, but I do think it needs to be placed in the context of all the other fees and charges that landlords in the private rented sector are grappling with at the minute. We’ve had the mortgage interest relief changes. There’s been the Tenant Fees Act and you can’t underestimate ongoing legislation in terms of the electrical safety regulations, with all tenants needing to have an EICR inspection test by next year. Whilst the testing might be able to be done, it’s then the remedial work that can go into thousands of pounds ... So, in the round it’s an additional cost for them ...” (Propertymark)*

*“If you have extreme arrears (owing to COVID-19), we’re worried that extra fees on top of already rising costs could mean that landlords leave the market.” (Propertymark)*

*“The impact of COVID-19 and unemployment ... more people falling into rent arrears is a worry ... so the additional cost is less likely to incentivise landlords to remain in the sector and our members often talk about investment confidence ... and of course, most of them across the country only have one or two properties ... also if you’ve got a mortgage on that there’s a potential impact...” (Propertymark)*

- 4.48 Related to this, several interviewees, irrespective of whether they supported the fee structure or not, were concerned about the effect on tenants should the fees be passed to them, placing an extra financial burden on what can be low-income households. There is particular concern at the moment because of the effects of the COVID-19 pandemic.

*“Fees will be passed to tenants potentially increasing hardship.” (Propertymark)*

*“You’re pricing the lower socio-economic group of people – those on housing benefit – out of the city. That can’t be good for the city if you’ve got the poorest people in society not being able to live in the city, being forced to live in the extremes ... outside the city”. (NRLA)*

*“If they pay more, they’ll only turn it back on the tenant for rent and maybe some sort of discount is fair.” (OBSU)*

*“... The people who are getting hit by this are the tenants ... if you’re at Oxford, you’ve got a reasonable chance of getting a job but people in lower economic groups, this is going straight on their rent ... So, the Council policy is directly affecting those in the lower socio-economic groups in a negative way...” (NRLA)*

- 4.49 It was, though, suggested by an organisation representing tenants and other residents that the relatively low fees being proposed by OCC may mitigate against these worries to an extent.

*“We have heard complaints or disagreement from letting agents who often claim concern that these fees will be passed onto landlords, and then onto tenants, but in fact we found that our members are not particularly concerned by that, given that in fact the cost of £480 over 5 years comes down to £8 a month, and it seems highly unlikely that there is going to be any significant burden of costs passed onto our tenants.” (ACORN)*

*“... the cost, when it is cashed out, is not very high, given the high cost of renting and the high rents that landlords are able to charge. And certainly, the rental sector in Oxford is really booming, and I can’t imagine that introducing this scheme would be sufficiently deleterious to landlords for them to find that it was no longer feasible to rent out their properties. So, our opinion is that it seems like a worst-case scenario and quite unlikely.” (ACORN)*

- 4.50 Many stakeholders supported the higher fees for late applications, although some - particularly those representing landlords, criticised the scale of the increases and suggested strongly that OCC consider leniency for genuine cases of no-fault delays or in the event that it have been cause by the Council.

*“I’m quite happy that where someone applies late, they should pay more.” (OBSU)*

*“We are in agreement that having a jump in the level of fees in order to discourage non-compliance or lateness is a sensible way of motivating landlords to comply with the scheme.” (ACORN)*

*“It’s quite excessive, £1,100. That could easily be a month’s rent or two months’ rent and that could be the difference between staying in the market and not. Sometimes landlords are not up to speed on all the rules and they could quite easily miss the deadline and be liable for that fee. I would like to see leniency here.” (Propertymark)*

*“Every year a landlord has to remember to renew. If they forget for six weeks, the cost skyrockets. This is unfair, landlords may be ill, may have passed away and control of the property is being resolved through probate etc.” (OCF)*

*“If the Council takes six months to issue a licence, they shouldn’t charge five times more for six weeks.” (OCF)*

- 4.51 Others suggested that, again, communication is important to facilitate an equitable but robust process and ensure that the focus stays on ensuring that non-compliant landlords are paying the higher fees.

*“You need good communication ... The scheme starts, it’s been announced, and there’s always going to be a group of people who say they haven’t heard. The focus needs to be on wilful non-compliance, then we don’t mind the more punitive approach.” (safeagent)*

- 4.52 Efficient administrative and communication processes were thought to be needed to ensure fairness in terms of applications, and for landlords to feel they are receiving a good service. This raises questions around when the delay period starts and how to deal with minor application errors while the clock is ticking.

*“... receipt of emails needs to be acknowledged and inboxes need to be checked. It’s just that sheer task of administration ... that initial acceptance. Whatever the hurdle is, is it then a valid application if there are questions of principle like, if they’ve forgotten to sign it or to put the proper postcode in, then it comes back, is [that counted as part of] the six-month run in? It needs to be managed on that sort of level ... At the end of the day, it’s not the £480, it’s the fact that people start thinking that they’re not getting anything for that money...” (safeagent)*

- 4.53 There was considerable agreement with having a discount for accreditation. It was considered important for the Council to work with representatives of landlords, and others, to agree on accreditation, particularly

which organisations might be approved as providing relevant accreditation and what kind of training should be provided.

*“Our overarching point that we’ve made very strongly is that an accreditation discount needs to be there in both [schemes], and it wasn’t clear to me ... when we come onto the selective scheme, is quite what accredited means.” (safeagent)*

*“We do agree with the discount for accreditation ... and that Oxford recognises that as a way to lift standards.” (Propertymark)*

*“... what sort of training? Ours is all online, virtual learning, all checked by the proper representatives and all the rest of it ... The whole of Wales accepts safeagent training for Rent Smart Wales. But the local authority has got to accept our training. We can let them have a look at it; we can give them read-only membership... there has to be a bit of toing and froing about it.” (safeagent)*

- 4.54 The question of who is to be accredited - the landlord or the property agent - was raised, with dual accreditation not thought to be necessary.

*“We would say that, if the landlord has an accredited agent, and that agent is the licence holder, that person should get the discount. Dual accreditation is a huge problem for amateur landlords who, for obvious reasons, have gone to an agent. They don’t want to sit through training courses themselves. That’s what they’re paying the agent to do.” (safeagent)*

- 4.55 One stakeholder suggested more discount for all properties at EPC level C – and another two commented on the charity and Home Choice discounts and suggested significant increases to these.

*“We think there should be discounts if the house is let as a C; that means lower bills for tenants and a better environmental footprint.” (Propertymark)*

*“For Home Choice and charities for homeless pathways the fee should be zero. If the figures are drastically different enough it gives people the incentive to think about whether they could actually offer it for an LHA rate.” (OTU)*

*“All sorts of incentives are offered to landlords in order to do that with homeless individuals. So, we were really pleased to see it ... our feedback would be to make it a decent discount; and we’re very supportive because we say this in every response to the consultation, and this the first one that I’ve seen it’s going through!” (safeagent)*

- 4.56 Finally, in terms of the fees, one stakeholder made a plea for a structure that is responsive to the rent charged and profit made, particularly in the context of *“informal landlords”* who may not be charging a market rent and for whom a *“£50 fee would be prohibitive”* (OTU). Further comments regarding informal tenancies are included at the end of this chapter

## Stakeholders’ views on the proposed licensing conditions

- 4.57 This section covers the proposed licensing conditions for additional HMO licensing and selective licensing schemes as most of the comments made applied to both. Overall, there was agreement that the proposed

conditions are fair, even from those who were opposed to licensing, and a view that good landlords should already be adhering to these standards.

*“Conditions are not a problem.” (NRLA)*

*“Conditions are fair.” (OTU)*

*“[Most are] a basic function of being a decent landlord.” (Police)*

- 4.58 There were requests for two specific additions to the conditions around deposits and ‘no DSS’ advertisements.

*“...we would like to see [something] ... ensuring [deposits are] safely stored during a tenancy through the Tenant Deposit Scheme ... Also something about timely deposit return, or best practice for that, which I'm sure exists within the sector because there are some people who are doing it very well ... that sort of thing would be massively welcomed as part of those conditions.” (OUSU)*

*“We know it’s illegal for them to put no DSS on their adverts, but we also know that that culture still pervades ... It would be really good to see within this scheme specific regulation for punitive action against people who are seen to carry forward that kind of attitude.” (OTU)*

- 4.59 safeagent summarised some of the positive views around the conditions in terms of promoting good practice, while also referring to the view shared by many landlords that conditions related to the behaviour of tenants could be debated.

*“A lot of them are good. We like it when tenancy referencing is required [...] when training is required [...] we like fit-and-proper person; that’s all fine. ‘Anti-social behaviour’? Well, you know, you can argue a bit on that, but we agree with [having an ASB clause] in the tenancy agreement...” (safeagent)*

- 4.60 In fact, the main criticism of the conditions related to the inclusion of those around anti-social behaviour and dealing with waste. Three separate points were made: ASB is not the landlord’s responsibility; the conditions should focus on housing conditions rather than wider issues; and whether it is their responsibility or not, landlords are simply reluctant to become involved in ASB and similar issues.

*“I don’t feel it’s always the landlord’s responsibility to control their (tenants’) anti-social behaviour ... In other areas they have employed anti-social behaviour officers and that seems to make more of an effect than these licensing schemes ...” (Propertymark)*

*“(We support) removing anything about anti-social behaviour and ensuring the scheme focuses purely on material housing conditions and not around policing or immigration...” (OUSU)*

*“Landlords are reluctant to get involved in reports of ASB ... To evict someone, it’s a lot of aggro...” (OBSU)*

- 4.61 There are similar complexities involved in dealing with waste, problems with which are often outside the landlord’s control. It was also suggested that a landlord entering a property to deal with waste might be breaching tenants’ rights:

*“What happens when these areas are communal, like in blocks of flats? This can be outside of the landlord’s control and we ask if they could be in breach of their licensing conditions without any ability to rectify this?” (Propertymark)*

*“Landlords going in and sorting out the waste, is this in breach of the tenant’s right to quiet enjoyment? Could they be prosecuted for harassment?” (Propertymark)*

- 4.62 Finally, while not requesting that the condition be removed, one interviewee highlighted that agents typically have in-house complaints procedures:

*“On ‘complaints’ ... we just urge the Council to recognise the fact that there will be an in-house procedure that the agent has and recourse to the Ombudsman if that doesn’t work...” (safeagent)*

## Additional comment regarding ‘informal’ tenancies

- 4.63 As referred to above, there was some concern voiced about the impact of licensing schemes on the supply of lower-cost housing, in the context that high market demand has led to the growth of informal tenancies. As one stakeholder pointed out, these situations range from those that might make a welcome and useful contribution to the city, to those which are highly exploitative.

*A lot of people that come to us [...] are in informal tenancies because they can’t afford to be in the formal rental market ... Often people are trading large amounts of money or labour or even sex for those kind of living arrangements. Some of them are good, including someone letting a room to a friend’s kid for a year or two, or arrangements that fit more within sofa surfing. .... Not ideal, but [they] are preventing people from being homeless. (OTU)*

- 4.64 Although supportive of licensing in principle and of a view that standards in the PRS must improve, the same organisation raised the point that even poor-quality accommodation helps to prevent homelessness, and that some ‘informal tenancies’ may be at threat from licensing schemes.

*“The type of properties that this would impact are exactly the properties which are keeping people from being homeless ... Some of the places are really affordable, even free and in slightly [poor] condition and so, I guess it just fills me with worry because [you may] get people thinking it’s too much risk, and say ‘I’m going to stop doing this... I can’t be bothered with the bureaucracy. I’ll just leave it empty.’” (OTU)*

*“There are some really poor properties ... we welcome tighter regulation but there is a risk of doing it in too heavy-handed a way [...] So our fear is, if this comes in, the people who are those informal landlords will just decide the risk is too high and stop doing it.” (OTU)*

## 5. Landlords' Forums

### Introduction

- 5.1 Four deliberative online forums were facilitated by ORS research staff to provide the opportunity for landlords and letting agents to hear more about the Council's proposals and, most importantly, to provide feedback on the Additional and Selective Licensing schemes under consideration.
- 5.2 Initially, two online forums were planned to take place in October 2020. Due to a strong response from landlords and agents wishing to take part, a third event was added in November. Finally, following the Council's decision to extend the consultation by four weeks following a second national lockdown in England, a fourth event took place in mid-December 2020.
- 5.3 Because of the videoconference (via Zoom) format, the Council and ORS requested that only one representative from each company or organisation take part in order to ensure that places could be offered to as many different stakeholders as possible. Assigned places were limited to approximately 50 per online meeting to strike a balance between enabling as many different voices as possible to be heard, while working within the inevitable technical limitations of the online format.
- 5.4 To advertise the events, and the consultation more widely, details were published on the Council's website and promoted by the Council, including large-scale email promotion to landlords and agents at three points during the consultation period. Landlords and agents were able to register their interest in attending a forum by contacting ORS via email or the freephone telephone number. Further details of the promotional activities undertaken by OCC may be found in Chapter 2 of this report.
- 5.5 It should be noted that, with the online format, participants joined and left the forums at different times during the sessions. The attendance figures below should therefore be viewed as "maximums", with varying numbers of landlords and agents involved at times.
- 5.6 The four landlords' forums were held on the following dates:

Date	Maximum number of attendees
<b>Tuesday 20<sup>th</sup> October 2020</b>	27
<b>Thursday 22<sup>nd</sup> October 2020</b>	45
<b>Wednesday 4<sup>th</sup> November 2020</b>	53
<b>Thursday 17<sup>th</sup> December 2020</b>	23

- 5.17 Therefore, a total of 148 landlords and agents attended one of the four events. The attendees were diverse by age, ethnicity and area of the city and included a mixture of smaller private landlords and representatives of larger portfolio landlords and management companies. It is ORS' view, therefore, that when taken together, the meetings were broadly representative of Oxford landlords. Just as importantly, the sessions

provided a thorough examination of the Council’s proposals through robust questions, ‘round table’ discussions, and detailed feedback.

- 5.18 Each event lasted between 2.5 and 3 hours and comprised several short presentations about the current and proposed licensing schemes, followed by opportunities for attendees to ask questions for clarification and give feedback. For the discussion sessions, attendees were split into smaller “breakout rooms” in which they could discuss the proposals freely for between five and 10 minutes, then the whole group reconvened, and each breakout room was asked to share feedback to the whole online meeting – a process once again facilitated by ORS staff.
- 5.19 In deliberative discussions at events such as these landlords’ forums, it is the nature and strength of the arguments that matter rather than the numbers in support of or against options. ORS has, therefore, prepared this chapter as a thematic account and explanation of the feedback received, accompanied by verbatim quotes to illustrate the points being made. Our inclusion of specific quotes does not indicate that ORS considers them as more or less important than other statements made – we have simply sought to use examples which:
- » Either succinctly or particularly vividly capture views or concerns shared by many attendees;
  - » Demonstrate different perspectives or opinions to those voiced by the majority;
  - » Address specific elements of the proposals, including the geographic areas covered by each option and the basis for them;
  - » Present alternative evidence or cogent arguments in contrast to those put forward by the Council;
  - » Specifically address potential impacts of the proposals on landlords and tenants – including those related to vulnerable persons or groups with protected characteristics under the Equality Act 2010;  
or
  - » Suggest mitigations, adaptations, or alternative proposals which the Council might consider before moving forward.
- 5.20 It is not ORS’ role to check and verify the accuracy of statements made in the feedback, but rather to ensure that the views of those present are heard. The Council will wish to consider carefully the issues raised alongside all of the consultation feedback and other evidence available.
- 5.21 All the forums followed the same format, with a short introduction by ORS about the consultation process followed by presentations, discussions and feedback covering the:
- » The current additional HMO licensing scheme;
  - » The proposals for new additional and selective licensing schemes;
  - » Proposed licensing fees and discounts;
  - » Proposed licence conditions.
- 5.22 It should be noted that, while the landlord forums followed a structure in which the current additional HMO licensing scheme, which ends in January 2021, and then the proposals for a new scheme were discussed in turn, many of the points made addressed both the past and future. ORS has therefore taken a thematic approach to reporting, bringing together insights and verbatim quotes from all four forums into a single account, rather than attempting to report each event “as it happened”. For this reason, we may have separated out different parts of particular quotes and included the parts under different themes or headings,

in order to communicate more clearly where there were a number of attendees making similar points, even if they did so at different points in the proceedings.

## Summary of key findings

<sup>5.23</sup> The key findings from the landlord forums were as follows.

A few participants praised the current additional HMO licensing scheme/team for:

- » Raising the standard of some sub-optimal accommodation within the PRS;
- » Raising awareness of landlords' regulatory obligations; and
- » Being responsive, helpful, timely and willing to work collaboratively with landlords.

Many others criticised the existing scheme because of perceptions that:

- » It has achieved a relatively low compliance level due to too few inspections and subsequent enforcement action (indeed, this 'failure' led many participants to question the wisdom of expanding into selective licensing without addressing these existing issues);
- » The inspections undertaken by OCC's team are inconsistent, resulting in widely varying outcomes, mixed messages and an apparent need to undertake unnecessary and impractical work;
- » Inspectors lack experience, knowledge and consistency – and require training to ensure uniformity;
- » Its administration is onerous and in need of streamlining;
- » It is costly and overly punitive; and
- » It has not sought to address the issue of landlords avoiding HMO licensing by letting their properties via Airbnb.

There was some support for a new selective licensing scheme to exert some degree of regulatory control over the PRS and improve sub-standard accommodation, but there were more objections and concerns around:

- » A possible (or, for many, probable) lack of inspection of and enforcement action against 'rogue' landlords;
- » The creation of an uneven 'playing field' whereby compliant landlords are financially penalised, while those who do not conform carry on unpunished and benefit from not paying the fee;
- » The potential for those currently operating 'under the radar' to move their operations either deeper underground or into other areas in order to continue doing so;
- » The increasing burden of responsibility, regulation and cost leading PRS landlords to sell up and leave the sector; and
- » Landlords passing additional costs to tenants via increased rents.

OCC was strongly urged to consider:

- » A more robust inspection and enforcement regime than planned – perhaps taking a proactive approach in the form of pre-licensing inspections to ensure licenses are not issued to sub-standard premises;

- » Incentives/rewards (non-financial in this instance) for compliant landlords and those with many years of rental experience; and
- » Better communication of the advantages of licensing schemes to landlords.

It was generally agreed that any new selective licensing scheme should be city-wide because:

- » This would be fairer and more consistent, and ensure the issue of sub-standard accommodation is addressed across the whole of Oxford;
- » It would enable the Council to raise more revenue; and
- » As Holywell ward has been included in the statistics in support of selective licensing, it should be included in the scheme itself.

The proposed licence fees were considered reasonable by some landlords, and there was praise for the prospect of early bird discounts. However, several commented on the complexity of the fee structure – and others suggested:

- » Pro-rata fees and refunds to account for the licensing or selling of properties mid-scheme; and
- » Significant discounts – or even exemptions – for accredited landlords, those already licensed under the HMO scheme, and those using accredited and/or reputable managing agents.

Many attendees felt that the licensing conditions are reasonable, whereas many others noted that several either relate to things the majority of landlords are already doing or are covered (and enforceable) under existing legislation and council powers. Particular concerns were that:

- » Landlords should not be expected to deal with ASB among tenants as it is beyond their responsibility and capability to enforce good behaviour, especially where there are associated social issues around, say, substance misuse;
- » The ongoing COVID-19 pandemic is likely to impact on the frequency with which landlords are able to undertake property inspections – and reassurance is needed that this will not invalidate licences; and
- » References are likely to be so superficial as to be useless.

There was widespread agreement that licensing conditions should be accompanied by a comprehensive set of building standards/requirements of the types of adaptations landlords might be required to make to their properties to ensure compliance under selective licensing.

The following alternatives were most commonly suggested:

- » Landlord rather than property licensing;
- » Self-certification schemes (coupled with random inspections); and
- » Co-regulation between the Council and letting agents.

## Views on the current and proposed additional HMO licensing schemes

<sup>5.24</sup> It should be noted that many landlords who took part in the forums did not own HMOs and therefore did not have direct experience of landlord licensing to date, perhaps indicative of the fact that the possible

introduction of selective licensing for the first time garnered the most interest, as well as that there are many more non-HMO than HMO properties in the city. Letting agents were more knowledgeable on this topic; nonetheless, this meant that a considerable number of attendees stated that they did not feel that they could give an informed view of either the current HMO licensing scheme or the proposals.

### There was some support and praise for the current scheme...

- 5.25 A few participants praised the current additional HMO licensing scheme for having raised the standard of some sub-optimal accommodation within the PRS, and for raising awareness of landlords' regulatory obligations.

*"The scheme is a good scheme"*

*"I've seen a lot of properties where, perhaps, landlords aren't entirely aware of all the regulations, or have perhaps been approached by the Council ... and in those particular cases, you can see a very clear reason for that additional licensing scheme to be in place in order to bring those properties back up to standard as they should be according to the regulations. So, from my perspective, I can see that the standard of HMOs has improved through that scheme"*

*"Some of the standards in the properties have been improved as a result of the introduction of the scheme in areas like fire regulation and precautions and things"*

- 5.26 Moreover, the HMO licensing team was commended for its responsiveness and helpfulness – and one landlord was particularly impressed with the timeliness of the inspection regime, the positive results of joint-working between all parties, and the enforcement of the scheme.

*"The HMO team are doing a good job; they have been very helpful whenever we've contacted them"*

*"We are happy with the number of inspections we get. We never experience tenants wanting an inspection and not being able to get one quickly and that works for us well. We find working together with the Council can resolve issues between landlords and tenants, landlords and agents, agents and tenants. We find the inspections and enforcement... we're happy with that"*

### ...but many more concerns were raised around inspection and enforcement

- 5.27 A recurring theme at all four landlords' forums was that the inspections undertaken by OCC's team are inconsistent, resulting in widely varying outcomes and mixed messages. To illustrate their points, several participants (including some who were positive about the current scheme in principle) shared personal experiences of what they considered to be a lack of experience, knowledge and consistency among inspectors – and of being told they must undertake what they felt was unnecessary and impractical work following inspections:

*"There's inconsistency between different inspectors' views of different properties, and what is needed to make a property compliant or not. In my experience ... it was different in different places ..."*

*"After the initial assessment, I got a list with changes needing to be done and that was OK, but the inspection afterwards was not a very pleasant experience. The inspector had a lack of knowledge on actually what had been done and what was correctly done and didn't seem to know what they were doing. It was also a very expensive experience and I'm not sure that the tenants were pleased with the changes, which actually mainly consisted of fire doors needing to be put in..."*

*"We came to renew the licence again recently, and the next inspector decides that there's not enough sockets in the kitchen. Now, I think this is the third renewal on this HMO, and I just question why we can get issued an HMO licence in the first place and everything's fine and hunky dory, and then the next inspector says this needs doing and the next one another thing ... we've had three different things in the same HMO. I just think that the inspectors need to be consistent"*

*"Our major thoughts were just wanting to make sure there's consistency and also having the appropriate resource. We've found in the past there have been delays in getting licenses and sometimes it can be different HMO inspectors who ask for different works to be carried out on a year on year basis. I think everybody is behind the licensing and thinks it is a good idea, but it's just making sure that it serves a correct purpose and it's manageable and it works on a practical level"*

5.28 The most vivid example, though, was given by the following landlord.

*"There is the occasional lack of experience and knowledge of the inspectors. We had a rather odd situation where we ... had got an HMO licence, and what we found is on subsequent inspections, the inspectors come up with something different that they want changed on it. We've already got a licence and then someone comes along and looks over a particular thing ... on this occasion, they didn't like the fact that when the fire door to the kitchen was closed and with it being next to the cooker, that somebody could walk in the kitchen and there was a chance you could knock the person at the cooker. Therefore, they asked us to cut a window in the fire-door so you could look through the door to make sure there was nobody on the other side of the door before it was opened. I did point out to the inspector that if you start cutting holes in fire doors you very quickly diminish the ability of a fire door to do its job, and in any event, would breach the regulations because the fire door wouldn't be compliant. We ended up cutting a window in an adjacent wall, which meant moving a radiator and it was quite expensive. We did it and we achieved the objective, but I just thought that whoever makes suggestions like that ought to understand that if they're going to make an observation as they did as to the proximity of the cooker to the door, they ought to understand building regulations as to how such a problem could be amended"*

5.29 In light of all this, it was suggested that Council staff should be properly trained before they undertake inspections to maintain consistency of approach.

*"There was some discussion about extra training needed for staff involved in the scheme ... The people who came out know the law, but the law has various grey areas [and] the way it's applied isn't necessarily consistent"*

*"Do your officials support the law? You investigate over 1000 cases, 2.2.% cases are fined, 97% therefore shouldn't have been investigated, very frustrating ... landlords should have the opportunity to mentor Oxford Council, because some representatives don't follow the law"*

## The administration of the current scheme is also considered onerous and in need of streamlining

- 5.30 Many participants criticised the administration of the existing scheme, particularly in relation to the ambiguity and complexity of the online system and associated forms, the need to provide the same information repeatedly and general process delays.

*“The operation of the scheme, the registration, has been a bit difficult. The website wasn’t clear, the forms were not quite clear, and I needed help to fill them in and it was time-consuming”*

*“The agents in the group were saying that ... when they’ve got a hundred HMOs to put through, the system feels quite complicated and difficult for them to manage”*

*“We’re asked to fill in the same information time after time. Why don’t they keep the information they’ve got on file and ask you just to say whether it’s still correct? Because it’s very tedious and time-wasting and, therefore, money-wasting to have to fill in the same basic information time after time.”*

*“The system does not facilitate the provision of documents which should be easy to upload. It should be easy to see the progress of applications and re-applications and how they stand. There is too much delay in processing applications and issues there...”*

- 5.31 In order to streamline the process for users (and indeed the Council), a more automated renewals process such as that used for road tax was suggested.

*“I would like to say about the simplicity of ... submitting the correct certificates and paperwork every year, surely ... if it were automated the way road tax is renewed on the same sort of basis then you don’t have someone sitting in an office having to go through that paperwork and having to validate it ...”*

- 5.32 Moreover, further issues were raised in relation to the renewals process, namely around a lack of information or contact from the Council at the time of renewal – leading to unintentional ‘non-compliance’ among those who fail to proactively check.

*“Sometimes landlords don’t have time, or they neglect, or they don’t look and see when you’re supposed to have the license renewed...”*

*“How many ‘non-compliant’ landlords are due to forgetting to renew?”*

## There are some other less frequently raised but important issues to consider

- 5.33 Finally, in relation to the current additional HMO licensing scheme, complaints were raised around: its cost; its overly punitive nature; and delays responding to tenants making serious complaints about their living conditions.

*“HMO is already complicated and expensive. Penalties are high”*

*“I’ve been critical that when problems were found in an HMO, people had no opportunity to put it right without being penalised straight away”*

*“As an agent I had a landlord that was heavily penalised. When there was an inspection on a house in good condition and there were some things that didn’t comply, he was penalised heavily despite willingness to correct everything. We found that the scheme is punitive in that respect. He didn’t have an opportunity to put things right before bearing a heavy fine, despite being very willing”*

*“I have tenants that have applied to the regulatory side of the scheme to help them and have been told that nothing can be done for nine months when the conditions were really unliveable in. I wonder, how well is this working when things are going seriously wrong? Delays, no proper inspections, not taking it seriously. One wonders, what do they really consider an infringement of the licence?”*

- 5.34 Furthermore, it was alleged that some landlords are avoiding HMO licensing by letting their properties via Airbnb. The concern was that these properties may not be up to standard – and, of course, that such practice is creating an uneven ‘playing field’ among PRS landlords.

*“I think there needs to be stricter definition of Airbnb. Clearly, a lot of stuff is operating as Airbnb that should actually be restricted. I think that’s bad for the PRS”*

*“[Is there an] issue with Airbnb properties in the area? Are people trying to dodge the HMOs licenses by having Airbnb tenants in the properties instead? And would licensing help pick that up to ensure the properties are compliant?”*

*“The Council need to put their thinking hat on with Airbnb. Leaving it open is asking for trouble”*

## Views on the introduction of a new selective licensing scheme

There was some support for the introduction of selective licensing

- 5.35 A minority of landlords expressed support for the introduction of a selective licensing scheme in Oxford in order to exert some degree of regulatory control over the PRS and improve sub-standard accommodation.

*“In principle we did think it necessary to have the scheme”*

*“It’s good to remove sub-standard competition”*

*“I accept that we do need standards. There is great expertise but also a huge amount of shoddy property in Oxford, particularly around the student sector”*

*“There was a general agreement that the idea of licensing – so the Council knows who the landlords are, and has some ability to exercise some control over them – is probably a good thing...”*

A more common view was that a lack of inspection and enforcement will result in ‘rogue’ landlords and agents ‘getting away with it’

- 5.36 The more prevalent view among landlords and agents, though, was that a lack of inspection and enforcement action on the part of OCC will negate the possibility of seeing real advantages in one of the main areas that licensing is meant to positively impact: the identification and sanction of ‘rogue’ landlords.

*“There’s also a concern that there are quite a lot of unlicensed properties and how are they policed, and how are they caught? Because with these schemes, the good people are going to be the people that do what’s required and the problem ones are the one’s you’ve got to get a hold of”*

*“All of us are on board with the standards of private-rented sector housing being improved [but] you’re preaching to the converted. The fact that we’re all on this call, we really do care about standards, being compliant and getting everything right. What we want to make sure is that the resources are being focused in the right areas as the people who don’t want to comply are still not going to comply, and it’s going to take an effort to go and find them”*

- 5.37 Indeed, without proper enforcement in particular, one of the main perceived risks of any licensing scheme is the creation of an uneven ‘playing field’ whereby compliant landlords are financially penalised, while those who do not conform are able to carry on unpunished and benefit from not paying the fee. In this way the burden of the costs falls on good landlords, leading to the sense that the licence fee is a tax by another name.

*“Landlords are operating in very difficult times at the moment ... rents are falling, tenants are losing their jobs. We feel that it’d be an additional administrative and tax burden, which is unwelcomed, and penalises good landlords”*

*“I think the people that care would be doing the work anyway and the people that don’t wouldn’t. And maybe the Council wouldn’t be able to go around and check, and then you end up taxing people that would be doing the right thing anyway”*

*“There is a worry that 80% of the housing stock is owned by good landlords who are trying to do everything they can do to make sure the standards are what they should be, who are effectively being punished for the 20% that aren’t, and that they’re going to have expense in an aim to bring up the 20%”*

*“You’re basically penalising good landlords and taking money from them to fund inspecting and prosecuting the bad ones”*

*“It seems to me that in the Selective scheme landlord just pays for the paperwork and other people’s infringements”*

*“I’m sure everyone on this forum wouldn’t want to be seen as the easy touch for making up the money to pay for this [scheme]. It might be difficult to chase a rogue landlord as they haven’t declared the property as an HMO or for whatever reason; but I think there’s a very delicate balance...”*

- 5.38 In light of these concerns, OCC was strongly urged to consider benefits or incentives (non-financial in this instance) for compliant landlords and those with many years of rental experience - and to better communicate the advantages of the scheme to them.

*“The Council gets the money, but what’s the benefit to us? What’s it bringing as an extra?”*

*“You’re preaching to the converted here; I’d imagine most people here are responsible landlords or responsible agents ... This may go back whether the Council is going to be incentivising the people who are trying to do it properly and legally...”*

*“How do you take into account the fact that many of the landlords here present have many years’ experience of renting properties in Oxford. How is that going to be taken into account in setting out a new scheme?”*

*“There is an obvious need to have inspections for properties that don’t meet standards. There are some landlords that don’t comply, and something needs to be done. However [there’s] a big question mark about what are the benefits to landlords compared to the additional costs involved”*

*“It will be really interesting to know from the Council what extra number of people are going to be employed as a result of this scheme to do the inspections and so on, so that we know, because it’s probably a £10 million cost over five years. So, what are we getting for that?”*

- 5.39 Of particular benefit would be greater protection and assistance in the event of unreasonable or even criminal tenant behaviour, particularly if this results in the need to evict.

*“Overall, licence schemes are good, but there needs to be protection for landlords as well in terms of removing tenants”*

*“It seems that the local Council is well and good to put licensing in for the good of the tenants, but they are doing absolutely nothing to protect the landlords; nothing at all! I have been in a position where I’ve had tenants from the Council sent to me and it’s cost me well over £3,000 when I’ve had to take the tenant to court who would not pay. The Council wanted to do absolutely nothing on recompense. I’ve had another tenant from the Council that had done a runner owing rent and taking soft furnishings from the house ... and now they want me to pay for the privilege of them looking after my house and not taking any responsibility for the tenants who are in it. I think they [the Council] are neglecting what they need to do for the landlords”*

### A robust inspection and enforcement regime will be necessary

- 5.40 Participants were not supportive of the prospect of random rather than blanket inspections for licensed landlords (which was considered inevitable in light of the number of PRS properties in the city). This, they felt, would be detrimental to compliance and the consistent application of standards.

*“In terms of selective licensing, there was a query about how realistically the Council planned to manage [it]. If you’ve got 25,000 houses, it feels that some landlords will be picked on at random for inspections, because you’re not going to get round 25,000 houses over the course of even five years. So, how do you know whether standards will be applied consistently, and what’s going to happen there?”*

*“If you have no inspections, how do you know the property is compliant?”*

*“If Selective Licensing properties are not inspected, what’s the point? I can’t see the justification for it without inspections”*

*“You try to improve standards of let properties for private landlords, but now you are introducing fees without mandatory inspecting every property. How are you then going to keep high standards of let properties?”*

- 5.41 Moreover, it was said that those landlords not subjected to inspection could feel ‘short-changed’ as they would effectively be operating as they are presently but paying for the privilege.

*“For Selective Licensing, people who aren’t inspected will feel they aren’t getting what they pay for. Just charging for a licence to continue doing what they are doing”*

*“We are small landlords and we’re trying to run a business ... Why are we having to spend money on upgrading our properties, potentially making them compliant (which is what we want to do), and then on top of that, having to pay a license fee for the pleasure of it, when we won’t need visits? ... Why does there need to be this large license fee paid every year? Can it just be a small initial fee for a visit and maybe then a nominal fee for renewals there on in?”*

- 5.42 A proactive approach in the form of pre-licensing inspections was suggested at one event. This, it was said, would ensure that licenses are not issued to sub-standard premises and counter a perception that the scheme is a money-making effort on the part of the Council.

*“Not inspecting beforehand means that you’re giving licences to properties that you subsequently discover are properties of concern. You will only discover that once you have given the licence because you would not have visited them before you give the licence ... It seems to me that you’re going to be issuing licences to these properties and subsequently taking the licences away but only after having charged everybody, in order so you can do this”*

- 5.43 Many landlords and agents referred to the compliance level with current HMO licensing scheme (47% of properties) reported by the Council, with most suggesting that this ‘low level’ is due to too few inspections and subsequent enforcement action. They questioned how OCC intends to expand into selective licensing when it is ‘failing’ to achieve significant compliance within the additional scheme – and suggested it should focus on addressing perceived inadequacies within the latter before introducing anything new.

*“With 53% non-compliance with HMO additional licensing, the Council should focus on that before expanding licensing 10-fold”*

*“Enforcement isn’t really happening ... if the current properties are not being managed or properly monitored, how will even more properties being taken into this system be managed and properly enforced?”*

*“Too few inspections, lots of extra properties, the Council won’t be able to cope”*

*“We were struck that there is only 47% level of compliance for HMOs. There’s a danger that the Council will bite off more than it can chew if introducing the scheme across the PRS before getting on top of the current licensing scheme”*

- 5.44 On a related note, there was scepticism that OCC would be able to resource and manage the administrative of a significantly expanded licensing regime given the apparent ‘backlog’ within the HMO team.

*“If it really means 100% of PRS properties how is this going to work admin wise with all those applying for early adoption discounts?”*

*“The HMO licence team already has a backlog for new licence applications and renewal licences which does cause landlords some difficulty. There are concerns that the massive increase in volumes of the selective licensing might make that backlog worse”*

*“Will there be an administrative burden on the Council with the running of HMO and if they’re going to be extending the accredited landlord scheme and extending the licensing scheme? Have OCC have thought through their ability to manage both in a time sensitive manner?”*

There are some other concerns around the implications of selective licensing

- 5.45 There was some worry that the introduction of selective licensing would cause those currently operating ‘under the radar’ to move their operations either deeper underground or into other areas in order to continue doing so. OCC was urged to work with neighbouring councils to mitigate the potential impact of this.

*“You’ll be getting the money from the people that probably will pass these licenses ... you’re going to drive more underground, because there are people that are unscrupulous and tenants won’t report it, because they know if they report it they’ll be homeless; and so the Council just need to be mindful of that going forward”*

*“Is Oxford Council collaborating with other councils from around the district? Or is there going to be a question of ‘licensing stops at the bottom of Kennington’, and then we find that there are poorer conditioned properties out there and we just force the rogue landlords and poor properties onto the outskirts and on to the other councils?”*

- 5.46 Participants noted that the burden of responsibility, regulation and cost faced by PRS landlords is likely to encourage many landlords to sell up and leave the sector (as has apparently happened elsewhere), leading to shrinking housing stock and fewer affordable housing opportunities.

*“The scheme didn’t work in Newham. Landlords sold up to avoid bureaucratic legislation and it resulted in an undersupply of public rented accommodation. It created a problem in the PRS”*

*“It’s not just the extra paperwork, it’s everything you have to go through; it’s the stress of that. It gives you more anxiety as a landlord, thinking, ‘I can’t be bothered with this anymore’. I can see people saying they’re either not going to rent it out and just have empty properties or ‘I’m going to sell it’, and that’s something I would consider if the scheme goes ahead”*

*“...The paper[work], and all the extra things, and I’m wondering if this is a way of discouraging private landlords? Is it like the stamp duty was on second homes? Is it just trying to discourage?”*

- 5.47 Participants also highlighted that landlords are likely to pass any additional costs to tenants via increased rents – which, given they are already very high in Oxford, could lead to people having to find cheaper and poorer quality accommodation.

*“One of the things that was raised was the impact on rents for the tenants... thinking about the extension of the scheme, it’s likely that their rents are going to go up across the city”*

*“...there will certainly be consequence that rents will just go up for tenants, because why won't the landlords pass on the costs directly to the tenants of whatever licensing scheme is being imposed?”*

*“We're all obviously very interested in keeping our tenants safe and happy, and doing our best for them ...but there has already been a lot of extra cost involved. The agents/estate agents can't charge the tenant now for certain fees, so that's coming over in the landlord fee that we're being charged... there's all the electrical safety checks, the PAT checks, the legionella tests, the management fees, insurances, building content, landlord insurance, the stamp duty changes; there have been so many things. So, [the scheme] is going to lead to the rentals going up, otherwise it's not going to be a business that we can carry on with ... The rentals are already very high in Oxford, but I fear that this is going to bring it up again; I can't see any other way”*

*“Particularly at the smaller end (two or three households) what exactly is the justification or the Council adding to requirements over and above what a single household tenancy might be ...all this does is add costs and make rents higher...”*

## The Council's evidence to support introduction of a new scheme was questioned

- 5.48 Some landlords and agents were not persuaded by the evidence presented to support the introduction of selective licensing and sought more detailed information on comparisons between properties in the PRS and those in other sectors – and on the modelling methodology used by Metastreet.

*“The evidence is not compelling for the introduction of selective licensing...”*

*“There has been no real analysis of what types or properties cause these problems”*

*“I would like to see a study of the PRS versus owner occupied stock in Oxford. Evidence of the PRS having lower standards isn't proven”*

*“Given the importance of Metastreet modelling as the basis for this proposal, are we able to see on what basis Metastreet actually extrapolated 2,723 hazards of category one to 6,242. Which obviously brings Oxford over the 20% of housing stock”*

## Views on the options for selective licensing

It was generally agreed that any new selective licensing scheme should be city-wide

- 5.49 It was universally agreed that any new selective licensing scheme should be introduced city-wide for reasons of fairness and consistency, and to ensure the issue of sub-standard accommodation is addressed across the whole of Oxford. Moreover, the inclusion of Holywell ward would, it was said, enable the Council to raise more revenue through the scheme – and it was argued that as Holywell ward has been included in the statistics in support of selective licensing, it should be included in the scheme itself.

*“For a level playing field it should include Holywell; the standard should apply to all. This is more fair and easy”*

*“Option 1 is preferred because ...it's just easier as a mass area. Everyone knows a little bit better within that whole area what they need to do. It brings all the properties up within that area to the bar”*

*“I think you should include Hollywell. Just because it’s being run through the University, that doesn’t prove to me, necessarily, that they’re meeting standards either. I’ve seen my kids at Oxford University in some disgraceful accommodation run by the colleges. So, I don’t take it as read that universities run great properties”*

*“It doesn’t make any sense to start distinguishing. It’s easier to bring in the whole of the city, and if the landlords there are all mostly compliant then the Council can take a load of money and not have to do many checks”*

*“One of the concerns is that, with the Hollywell Ward, it has clearly been included in the data ... in terms of the anti-social behaviour numbers etc., which is obviously in favour of introducing a Selective Scheme. Yet, if and when the scheme is introduced, those properties are going to be exempt from licensing. So, why have they been included in the data now, when they’re not going to have any effect when it comes to the actual licensing stages?”*

- 5.50 There was some concern, though, regarding: “the position there is about the disturbance caused by the tenants in that area, mainly university students. Nobody can control them, not even the universities, yet they’re logged in with our system. That’s unfair, because they’re putting it on the landlord to try and take care of this problem”.

## Views on the proposed licensing fees

There was some support for the proposed licence fees

- 5.51 The proposed licence fees were considered eminently reasonable by some landlords, and there was praise for the prospect of early bird discounts.

*“I think the fees are very well thought out if one takes the time to look at them in detail. If you look at the good landlords, it’s only less than £200 for two years, and for five years is £80 a year. It’s peanuts in my opinion, it keeps us on our toes”*

*“Good early bird offer. It’s going to entice as many landlords to apply as soon as that grace period ends or before that so that’s great”*

*“We appreciate the work that the Council has put in to make it cheaper for compliant landlords; it is nice to see some incentivisation there”*

- 5.52 On the issue of early bird discounts, the opposite was suggested by one participant: that is, financial penalties for late applications (without a genuine reason).

*“If everybody has to have a licence, it’ll be easier to find out the ones who don’t have one, and if they don’t apply within 12 weeks, they’ll have to pay £2,500. That seems to be a positive way of ensuring some kind of compliance for the bad landlords”*

- 5.53 In contrast to the positivity outlined above though, several landlords commented on the complexity of the fee structure – and others suggested pro-rata fees and refunds to account for the licensing or selling of properties mid-scheme.

*“The fee structure is very complicated, even when I had it visually in front of me, I had to write that down”*

*“Too many different charges, time frames etc. ... confusing”*

*“The new charges are far too complicated. We would say it’s obfuscating so you can’t really work out what the charge is ... Too complicated, people won’t understand it”*

*“You’re buying a five-year licence regardless of what your plans are. For example, let’s say the scheme started today, landlord currently owns the property and is refurbishing it, if they miss out on the first six months and they’re only planning to rent it for a year before they move back in, they’ve got a £1,100 bill for it that could only be for a one year licence. So, I think there’s some concern over the structure of the fees and, potentially, having to pay £1,100 for licence that you actually only need for 12 months”*

*“Fees should be refunded if sold after one year”*

### Discounts and exemptions were strongly recommended

- <sup>5.54</sup> There was a strong feeling that accredited landlords should be offered far more significant discounts than proposed – or even exemptions in recognition of the fact they have already been deemed to be ‘fit and proper persons’.

*“Accreditation only worth £100! Accreditation (landlord and working via an accredited agent) should trigger the whole and largest discount”*

*“Financial discounts for accredited landlords should be significantly better or else where is the incentive?!”*

*“If a landlord is accredited or their property is managed by an accredited agent, they should instantly access the biggest possible discount. These are the low-risk properties in the Oxford PRS”*

*“Would the Council consider granting licensing free of charge? There could be a perception that it’s unfair to be charging us for doing something we’re already doing, and if you have trust and faith in accredited landlords that they’re doing everything already, and if we have uploaded documents as proof, it’s a minimal outlay from the Council’s point of view. Would you consider giving the landlords the licence free of charge initially and then perhaps if there is any reason or recourse to visit those properties because tenants have raised a concern then you could perhaps make charges to the landlords”*

- <sup>5.55</sup> As well as recognising accredited landlords and agents, many participants suggested discounts or exemptions for those already licensed under the HMO scheme – as well as landlords using managing agents (especially those that are accredited) given they are already being held to a high standard, reducing the need for inspection and enforcement.

*“A number of landlords that are on this call are already licensed because they have HMOs. Couldn’t they be given a waiver because you already know who they are? All they would need to do is register their wider portfolios with you”*

*“This feels like its forcing us to do it twice”*

*“Most of those things that were in the list, good agents do them anyway so we’re already paying that through our fees. Six-monthly inspections, letting the tenants know, hot water etc, and they are regulated for law anyway, like gas certificates and things like that ... So, I think, that it’s not really doing to change that much, other than we are going to be asked to pay a certain amount for the license”*

*“There is some overlap in what the Council is asking the landlord to do and what the landlord is asking the agent to do”*

*“Landlords who are working within an accredited agent can access it through their agent and have access to that discount. Those that don’t work through letting agents can gain accreditation and they access a single tier of discount”*

*“There are a lot of landlords here ... who don’t feel comfortable managing their own houses, and they want to appoint an agent to do it on their behalf and to make sure it is managed properly and it is up to standard. A lot of landlords make sure they appoint an accredited agent and those are recognised by the Council for doing the right thing, and for them, they’re paying already to make sure the houses are managed correctly and are to a good standard. So, why have they then got to pay again in their eyes to tick a box to have a piece of paper?”*

- 5.56 The subject of Block Discounts for additional flats in a single building owned by a landlord prompted some discussion: some landlords supported fee reductions for those with several properties within one accommodation block, whereas others considered it unfair to those with multiple properties but scattered across the city.

*“Block discount, I’ve not seen that before and I thought, ‘yeah, that is good for those landlords that do own a lot of apartments in one”*

*“I would like to ask the Council why there is a group discount if a landlord owns a block of flats but does not offer the same to a landlord has a portfolio of the same number of properties, albeit in different blocks”*

*“If our properties are scattered around the city, we are being penalised for properties not all being in one block”*

- 5.57 Finally, in relation to the finances, there was some consternation that a significant portion of the fee is designed to cover administration costs – as well as a feeling that licensing generally is a ‘money-making’ (and job creation) scheme on the part of councils.

*“About a third of the cost of the licence for the Selective scheme is administration ... there’s a bit of thought needed on that; on just how those costs stack up”*

*“We understand the Council needs more revenue, but we do feel this is a money grab...”*

*“The whole issue has been driven by getting income for the Council. That was fairly obvious by the fact that the Council has changed the Government’s standard from five people make an HMO to three people make an HMO. The obvious driver for that is money”*

## Views on the proposed licensing conditions

- 5.58 In broad terms, many forum attendees felt that the licensing conditions are reasonable, whereas many others noted that several either relate to things the majority of landlords are already doing, or are covered (and enforceable) under existing legislation and council powers.

*“When you have a flat in a block management company, you pay them and are responsible for fire safety and other things that come under same conditions as the Council. There is some overlap there that needs to be sorted out”*

*“The conditions are already mandatory. You have to do it because of Government legislation”*

*“Since we’re already having to go through gas certificate inspections, electricity inspections, EPC is there any way we could just submit that kind of information to the Council along with photos online? Then there would be little need for a fee...”*

*“The standards are already there by the government. My properties are to a good standard. Why should I pay more tax?”*

### Landlords should not be responsible for dealing with ASB

- 5.59 One of participants’ main concerns in relation to the conditions was the expectation licensing places upon them to deal with ASB among tenants. Many suggested that it is beyond their responsibility and capability to enforce good behaviour, especially where there are associated social issues around, say, substance misuse.

*“We can’t make tenants put the right rubbish in the right bin; ASB is not the landlord’s fault. Tenants don’t always behave...”*

*“Dealing with unruly/noisy tenants can be fraught with problems. Failing to use the correct bin or not putting them out on the right day is very difficult to manage”*

*“ASB. The emphasis is put on landlords, when we in fact need support from other agencies (Police/Council etc.) working together”*

*“Very difficult to get support from the Council (or anyone really) with drug addicts. I had one in the property who didn’t pay rent, over accommodated the room, wrecked the room, threatened other tenants etc. Cost me a lot of money and I lost other tenants due to her atrocious behaviour”*

- 5.60 In light of this, there was a high degree of scepticism that selective licensing would have any discernible effect on ASB levels within the PRS.

*“One of the criteria is that there’s an awful lot of anti-social behaviour but, effectively, in most tenancy agreements there will already be things which say that the tenants are meant to be good, but also that they have a right to their own existence without landlords interfering. So, we’re really not sure of how that is addressed by this scheme...”*

*“One of the six criteria for councils to choose to go for Selective Licensing is anti-social behaviour ... this is moving the responsibility of anti-social behaviour from authorities to landlords and we, as landlords, don’t see that as being our responsibility ... We, like any landlord or agent, take great care in selecting our tenants and if there are issues, then yes, we’ll take it up with them, but it’s very difficult to actually do much enforcement. We’d have to then go back to authorities and ask the authorities to take any enforcement that might be necessary. If we want to remove them from the property, we already have the legislation there, and that’s to issue a ‘Chapter 8 notice’, we can have them removed from the property. But I just don’t see that selective licensing will in any way resolve anti-social behaviour”*

### Other concerns were around references and inspections during COVID-19

5.61 Other issues were that:

5.62 The ongoing COVID-19 pandemic is likely to impact on the frequency with which landlords are able to undertake property inspections – and reassurance is needed that this will not invalidate licences

*“In a pandemic we may not be able to do inspections. If a landlord can’t, if they’re high risk and having to isolate, or tenants, or an agent can’t because that branch is closed could we be open to fines, or will that invalidate the licence? Is there a safety net in this current climate?”*

5.63 References are likely to be so superficial as to be useless

*“In terms of references from prospective tenants, how would that work and what would a reference include? Would that say that a tenant is a very good person and they never do anything anti-social? How will that improve things?”*

### Tenants must also be reminded of their own responsibilities

5.64 In addition to ensuring landlords are aware of their responsibilities, the Council was strongly urged to ensure tenants are too. Indeed, it was considered grossly unfair that a landlord should be penalised for tenant behaviour they cannot easily influence.

*“There should be more tenancy compliancy as well ... We put fire doors in, the tenants don’t shut them, and they prop them open. We put notices on the doors saying keep the fire door closed, and they still leave them open, and they still wedge them open. If the tenants get caught, we [the landlords] get done. So, there should be more tenant liability. It’s not our fault if they don’t comply”*

### Licensing conditions should be accompanied by a comprehensive set of building standards/requirements

5.65 Participants at all forums sought information and clarification around the sort of adaptations they might be required to make to their properties to ensure compliance under selective licensing. Some of the many comments on this issue are below.

*“I don’t know what is involved ... in terms of making alterations. That’s one thing that is really, really missing from this consultation. I was hoping to find out what I might need to do to prepare myself”*

*“We would have liked more detail about the standards that are going to be applied in properties, rather than the conditions. To give feedback we would like to know what standards are going to have to be met for selective licensing properties”*

*“We were talking about the minimum requirements for the non-HMO properties ... it’s quite important to know in advance. Would it be ok for a family of four people having one bathroom? As we don’t know the minimum requirements, we cannot answer this question. It’s quite a big step for the landlords because they would need to spend money on the property to get to the standards that Oxford City Council would be looking for”*

*“What are the other criteria that will be applied when the Council gets round to inspecting the properties? Is it going to be the same sort of criteria that are in the HMO? In my case, I have a property in each camp, but they’re both basically the same house; and things that are appropriate for one house, might not be appropriate or needed in another ... I don’t see the kind of things, exactly, that the Council will insist on and the additional costs that it may bring to a property, and that’s the biggest concern”*

*“How much extra work would be required to a property in terms of fire safety etc.? Would all doors need replacing?”*

*“We haven’t seen enough about what the requirements are going to be in terms of physical alterations to properties, and doors and so on”*

<sup>5.66</sup> Also, the Council was strongly urged to ensure its requirements are not overly burdensome for landlords or off-putting to tenants.

*“They have to make it very easy and straightforward; I think. Hopefully not too regulated. Making the family houses put in things like fire doors would be too arduous on landlords, and also families wouldn’t want that. So, I’m hoping they wouldn’t bring any ridiculous rules like that that would be unliveable for the tenant”*

*“When the Council decide on the non-HMO properties that they’re going to license, in the changes that they’re requiring to make, could they be mindful of not turning these properties into only lettable properties. Some HMOs now couldn’t be re-let or re-sold as a family property because so many changes have been made...”*

*“We obviously don’t know details of conditions and minimum standards that will be imposed if a property has to be licensed ... Are we aiming towards fire doors etc. in a normal residential house, which won’t be as attractive to tenants, is going to cost the landlords an awful lot of money...?”*

## Alternatives, additional suggestions, and other comments

### Landlords require information about the scheme at all stages

- 5.67 Whatever the shape of future licensing schemes, it was considered imperative that all landlords and agents are given sufficient information about them (both in advance and throughout) so they are aware of their responsibilities and of the regulations/standards by which they must abide.

*“Transparency is important. We try to send an email to all of our managed landlords and our rent collection landlords two or three months before a new scheme goes live and so many of them have no idea that there’s a new scheme is coming in”*

*“You already have people that missed the initial trial because they weren’t properly informed. You will have people that just have one property that they’re letting because they’re out of the country. They won’t know what to do, they won’t be informed, they’ll think they can just put an advert in, and they’ll actually be breaking regulations”*

*“My concern was not over the cost of the changes from a recent inspection, it was about the communication of the information of those standards that change regularly. Clearly as a landlord there is duty on me to find out, but it’s about where I can find it out...”*

- 5.68 Furthermore, in terms of maximising information provision and transparency, one landlord suggested the following.

*“It needs to be more transparent. There are some selective licensing or council websites where you can see when a landlord has paid, has applied for his application, it tells you when the Council has picked that up and investigated and then it says when the licence was issued. It is really helpful for a landlord to track where his application is and very good for agents when we’re out taking on properties. We can have a little look on there, like we would for any EPC on the EPC register. Some councils don’t even have any registers. You pay a lot of money and you want to see where that is going”*

### Several alternatives to licensing were suggested

- 5.69 The most commonly suggested alternative across all four forums was landlord as opposed to property licensing.

*“We would rather go for landlord licensing scheme, rather than the one Oxford is going for, which is a general licence for the property”*

*“Cost is very important, and we feel that landlord registration fee might be a better way to look at it”*

*“Instead of focusing on licensing properties through this Selective Licensing scheme proposal, what if it’s the landlord that becomes licensed? ... At the end of the day, if we’re responsible landlords or responsible agents, and we’ve been checked out and we have a license as being such, that’s it: one licence. We don’t really need 100 licences, because it’s very repetitive. We would endorse the idea of landlord licence”*

- 5.70 A self-certification scheme coupled with random inspections was also mooted by a few participants.

*“Should we have some self-certification scheme whereby landlords can indicate that they comply with the regulations that the Council set down and backed up by possibly some random inspection regime”*

*“A self-certification scheme may be an alternative and penalties for default...”*

- 5.71 Other, more specific alternative suggestions are below, including the introduction of national and voluntary licensing schemes and exemptions following successful initial inspections.

*“We do appreciate that if there is going to be licensing of one bedroom upwards, there isn’t a licensing scheme for that. We think there should be, we think there should be a one size fits all scheme. So, you go along, you apply for your licence. If you’ve got one bedroom you’ve got to have x, y, z, and if you’ve got two you’ve got to have this, three that... nationally as opposed to all these little add-ons ... we look after a vast number of properties, spreading across all the various local authorities and if I have a landlord with a property in the city and one in Cherwell and one in the Vale ... it’d be so good to say, ‘This is what you do, this is your rented property, here are your standards, this is what you need’”*

*“We wondered ... whether a voluntary scheme should be run-out and pushed a little bit more, perhaps for a year or two. If landlords can then be accredited by the Council, even if they pay for that accreditation, they’re certainly going to stand out in ... a saturated market. I think we’d rather go to the restaurants that have five stars than the ones that have one ... It would also, then, stop the deluge of works that may have to be done, that has been shown with the current EICRs that have been launched by the Government...”*

*“Initial inspection for everybody would be a good thing but then if they meet a particular standard, that they then were exempt from further licensing”*

- 5.72 In addition to suggestions reported earlier for discounted fees for landlords and agents who are accredited by various national bodies and schemes, there were some questions as to why co-regulation with letting agents is not a feature of the two schemes moving forward (though one landlord was wary of giving letting agents too much power in the interest of ensuring oversight of maintained standards).

*“Given the difficulties with the current scheme, will you allow letting agents to take some of the workload off you?”*

*“The role of letting agents could be enhanced where they are already accredited within the scheme”*

*“I think that by ... giving letting agents some sway over that, you’re moving an aspect of the inspection into the PRS because you would be expecting the letting agents to maintain that standard ... that’s something to be very cautious about. Would letting agents continue to maintain those standards?”*

- 5.73 Delaying the introduction of selective licensing in particular was suggested, given the impact of the COVID-19 pandemic on landlords and tenants generally – and more specifically on the ability of the former to source contractors for necessary renovations and attend accreditation courses.

*“I’m concerned about timing within a pandemic. We’re currently struggling to get contractors to go to properties, tenants are stressed at this difficult time”*

*“If it does need to be introduced, why now? It’s more difficult to find tenants, contractors etc.”*

*“Landlord accreditation during COVID-19. Landlords can’t renew these; they need to attend courses etc. with the Council. Will this mean that landlords who aren’t accredited will be unable to apply for a five-year licence?”*

5.74 Finally, some landlords and agents attending the forums were critical of the consultation process itself, most commonly citing:

- » Issues with the quality and quantity of the evidence presented by the Council to justify the introduction or continuation of licensing schemes, and a lack of detail about the proposals - particularly related to licence conditions;
- » The principle of proposing to introduce new licensing schemes, or running a consultation, during the ongoing COVID-19 pandemic;
- » The legality, or otherwise, of any kind of licensing, and a view that the proposals were simply aimed at making money or were a *de facto* tax on landlords;
- » That the Council has already made up its mind and that the consultation was simply a ‘box-ticking’ exercise; and
- » In a small number of instances, that the presentation and facilitation of landlords’ forums was not entirely neutral and focused too much on ‘making the case’ for the Council’s proposals.

## 6. Tenants & Residents’ Focus Group

### Introduction

- 6.1 In order to understand the views of Oxford tenants and other residents in the city in relation to the PRS and the Council’s proposals, OCC commissioned ORS to organise and facilitate an online focus group with members of the public.
- 6.2 Participants were recruited by Acumen Field, on behalf of ORS, and participants were recompensed for their time and effort in attending the meetings. The focus group lasted about two hours and was explored the issues and encouraging wide-ranging debate related to the PRS in Oxford, in the context of the Council’s proposals for a renewed additional licensing and a new selective licensing scheme.
- 6.3 The focus group was held online (via Zoom) on 4th November 2020 and attended by 10 participants. The group was recruited to ensure that tenants living in properties affected by additional or selective licensing were represented, with the addition of some owner-occupiers to ensure their views were also heard. Participants were diverse by area of residence – as well as by age, gender, ethnicity and working status - and therefore included a reasonable cross-section of Oxford residents (see below).

Participants’ Characteristics	
<b>Male x 3</b>	BAME x 3
<b>Female x 7</b>	White x 7
<b>16-24 x 2</b>	Resident in North West Oxford x 3
<b>25-34 x 6</b>	Resident in North East Oxford x 2
<b>35-54 x 1</b>	Resident in Central Oxford x 3
<b>55+ x 1</b>	Resident in South Oxford x 2
<b>Working x 7</b>	Private renters x 8 (4 x living in 3-4 person HMOs)
<b>University students x 3</b>	Owner occupiers x 2

- 6.21 The format of the session was similar to that of the landlords’ forums. The information presented with regard to the proposals and evidence was almost identical, although slightly briefer - and the sessions began with a short introduction by ORS about the consultation process and the Council’s reasons and evidence for proposing to renew its additional licensing scheme and introduce selective licensing.
- 6.22 It should be noted that, unlike the landlords’ forums, Council officers were not present in the focus group, ensuring that participants felt comfortable to voice their views – including any which might be viewed as critical of OCC itself. While the participants were generally less emphatic and robust in the way they expressed their feedback, they fully engaged and expressed a variety of viewpoints.

- 6.23 As with the other deliberative research activities, ORS has sought – when reporting – to provide a faithful and thorough account of the feedback received during the session. The feedback is presented thematically in this chapter, with sections dedicated to each broad topic covered, and ORS has included commentary on the discussions supported by verbatim quotes. The inclusion of these quotes does not indicate that we view them as more or less important than what was said by other participants; rather, the quotes included are those which most vividly or clearly capture the views of several or all participants, or which relate to specific key aspects of the discussion and the proposals.
- 6.24 In addition to the above, quotes are included which identify differences of opinion and criticism or concern about the proposals, to ensure balance, and provide OCC with important insights to consider. To aid this process of due consideration (Gunning Principle 4), we have summarised the main themes of the feedback shared at the focus group below, before commencing the main body of the chapter.

## Summary of key findings

- 6.25 The main findings from the forum were that:
- » When asked about their experience of living in Oxford, several of the issues that are central to the Council’s view that licensing for the PRS is necessary were raised, including broad concerns about property conditions (particularly relative to the very high cost of rent), as well as specific issues such as fly-tipping and littering.
  - » The majority of participants supported the current additional HMO licensing scheme and its renewal. However, doubt was expressed about the effectiveness of the Council’s inspections and enforcement action – especially given non-compliance is estimated at 53%. As such, there was support for more inspections, as well as more information for tenants about exactly what inspectors are looking for;
  - » There was strong support for the introduction of a selective licensing scheme covering the whole of Oxford, including Holywell – but also some concern that many landlords will pass the cost of licensing to their tenants in the form of rent increases; and
  - » The proposed fees and conditions for both additional and selective licensing were considered appropriate and reasonable – though there was support for ensuring that properties and landlords not only comply with a certain set of standards/criteria, but also offer quality in all aspects of their accommodation.

## Views on the private rented sector in Oxford

### PRS properties in Oxford are expensive, but often of a poor standard

- 6.26 When asked about their experience of living in Oxford (prior to the presentation of any information about the proposals) several of the issues that are central to the Council’s view that licensing for the PRS is necessary were raised, including broad concerns about property conditions, as well as specific issues such as fly-tipping and littering.
- 6.27 Although one resident specifically stated that they were happy with the current quality of properties in their area, most tenants and residents raised issues with poor current or previous property conditions – particularly relative to the very high cost of rent.

*“When I was looking for accommodation it was insanely expensive for the value of the money, and conditions were abysmal...”*

*“When I was looking for properties, I was horrified by the condition of properties for quite massive amounts of money ... I was quite horrified walking into places that were two-bed flats for £1,200 a month with mould up the walls and single glazing and lack of security on front doors, lack of security on back doors. There were a lot of those, and it just seemed to be pot luck whether you found something for a similar price that was actually quite liveable”*

*“The ones in the city centre should be looked at because some of them are asking for ridiculous prices and the state of it is crazy”*

*“The bathroom walls are mouldy. You live here and it doesn’t feel like the UK. You have certain expectations of living in Oxford”*

### Tenants have a range of issues of concern

- 6.28 Fly-tipping and littering were identified as problems in certain areas (Jericho in particular), with tenants claiming that neither their landlord nor the Council seem inclined to address the issue, often passing the buck back and forth between themselves.

*“I live in Jericho as well and the fly tipping and littering is always in front of the house. The landlord says is not their fault and we try to contact the Council and no response”*

*“The only issue in Jericho was that there was a lot of fly-tipping in front of the house ... whatever one did to get rid of it, it would always come back. I emailed the Council about it and nothing much happened...”*

- 6.29 Comments about residents’ own *current* landlords were generally positive, or at least favourable relative to others they were aware of. In discussing tenants’ experiences more widely though, there were specific concerns around unfair deposit retention – and more generally around: the lack of security of tenure often felt by PRS tenants; an apparent lack of protection against, say, rent increases and landlords who refuse to undertake essential property maintenance; and letting agents exploiting renters’ inexperience and need for accommodation.

*“I had bad experiences with letting agents that were trying to put in extremely unreasonable clauses and pressuring us to pay the first month’s rent whilst not finalising terms of contract. There didn’t seem to be any kind of protection in place for easily accessible advice. They seem to exploit people’s inexperience, or people’s desperation to find somewhere to live.*

*“I’m fortunate that I have a decent landlord and a decent letting agent at the moment and a property that’s in relatively good condition, but I still somewhat feel at their mercy in terms of rent and maintenance of the property. For example, I have an outside tap and it hasn’t worked for five years, and every year they email us saying, ‘We’re doing our property inspection, is there anything you’d like us to take a look at?’ and I say, ‘Same old, I’d quite like our outside tap to work’. It never gets fixed. One of the gutters started overflowing and causing damp. Only when I said they were going to get charged that they did something about it. If it’s not something that it’s going to cost the landlord money in the long run or cause a major issue for them, it’s rarely of interest...”*

*“It was the end of the tenancy that I found a confusing experience ... Trying to get deposit back is a real challenge and it doesn’t seem to be fair ... I got some money back but not all”*

*“My main issue is feeling exploited by the market and if they want to put the rent up, there’s not really much I can do about it. I’d like to have more security of where I live. I feel like a bit of a second-class citizen in not feeling settled”*

## Views on the current and proposed additional HMO licensing schemes

There was support for the current additional HMO licensing scheme, but some doubts about its effectiveness

- 6.30 After the brief preliminary discussion, ORS presented information about the current additional HMO licensing scheme. Awareness of the scheme was mixed, but some residents had become aware of it either directly via their landlord or through a Council enforcement team inspecting their property.

*“Last year I was living in an HMO and the landlords were transparent about being an HMO and having a licence. They had a billboard with the HMO licence on it. And we had an inspection ... someone from the Council came...”*

- 6.31 Indeed, one tenant who had become aware of the current additional HMO licensing scheme only when the Council inspected their home felt that this scenario and the lack of communication they had received in advance, during and after the visit had not been ideal.

*“In my previous house there was a certificate as soon as you went in the door. In my current house there is nothing like that, but we recently had an inspection from the Council. There seems to be no communication between us, the Council and the letting agent; they didn’t tell us exactly what they were going to do, they just told us that they needed to go into our rooms. I think people don’t understand that this is my home, I don’t really want someone coming into the place where I sleep ... The letting agent are pretty good, but they didn’t tell us why or what they were looking for and they installed a new fire door which is great, but they installed a new electric plug socket half way through our kitchen, they didn’t explain why. When the person turned up from the Council, he was very polite and professional, but he didn’t explain why he was here, what he was doing. I still haven’t received a licensing thing from the Council; I don’t know if we’re compliant, I have no idea if they’re coming back”*

- 6.32 The majority of participants supported the current additional HMO licensing scheme and its continuance - as evidenced by the results of a Zoom Poll showing that nine of the ten participants agreed (five strongly) that it should be renewed. Moreover, eight of the ten participants agreed that if the current additional licensing scheme stopped and was NOT continued, it would have a negative impact on their local area.
- 6.33 However, doubt was expressed about the effectiveness of the Council’s inspections and enforcement action given non-compliance with the scheme is estimated at 53%. Moreover, one participant said they were aware of landlords breaching the terms of their licence by, for example, adding extra rooms to their property above and beyond what their licence allows (while at the same time creating overcrowded living conditions for their tenants).

*“In terms of more inspections in the future scheme. That statistic that you shared about 53% of properties maybe not being complaint, I guess isn’t surprising”*

*“Some landlords do some extensions or convert a garage into a bedroom and all of a sudden you have more people in your household than possibly the licence they have allows. I don’t know if this is inspected and this creates a big problem because you don’t have enough facilities or you don’t have enough toilets, or your sharing area is getting much more crowded and it affects your living standards”*

6.34 Indeed, results from a further Zoom poll show that of the 10 participants, only two agreed that the current additional licensing scheme has been effective in improving the quality and management of HMO properties in Oxford. A further two neither agreed nor disagreed and the remaining six tended to disagree.

6.35 In light of these issues, there was support for more inspections, but also for more information about exactly what inspectors are looking for and opportunities for tenants to feed into the process.

*“More inspections might be a good idea, but I’d be interested in knowing what the criteria are, what it is they’re looking for? Is it just that the property is relatively clean, or do they check the gutters ... health and safety stuff? It’d be good for the tenant to know that”*

*“Inspections; I agree with more communication. It’d be good to know what they’re doing, what they’re looking for and if we could have an input. Not to stuff up the landlord, just to say, ‘I’m safe and the house is appropriate”*

*“I do think there should be a three-way agreement so the tenant is included and can raise issues. It seems only landlords and the Council are involved”*

## Views on the introduction of a new selective licensing scheme

There was support for selective licensing (Option 1), but also concern about rent increases and a desire for more information on tenants’ rights

6.36 Zoom polls were used at this stage to answer the following two questions:

- » To what extent do you agree or disagree with Option 1: The Council’s proposal to introduce a Selective Licensing Scheme covering the whole of Oxford (24 wards - including Holywell)?
- » To what extent do you agree or disagree with Option 2: The Council’s proposal to introduce a Selective Licensing Scheme covering the 23 of Oxford's 24 wards (excluding Holywell)?

6.37 The results show a clear preference for Option 1: three participants strongly agreed with this option, six tended to agree and one neither agreed nor disagreed. Conversely, only one person tended to agree with Option 2, one neither agreed nor disagreed, and seven disagreed – three strongly (the remaining participant was a ‘don’t know’).

6.38 In discussion, there was some concern that many landlords would pass the cost of licensing to their tenants in the form of rent increases – which it was mentioned by one participant as what happened following the implementation of a law prohibiting tenants from being charged contract renewal fees.

*“My understanding is that if all these landlords are having to pay extra fees for their properties, it feels like most of them would respond by perhaps increasing the rent so the tenants would essentially be paying that fee”*

*“Exactly what happened when the law came in about the tenants not being allowed to be charged the contract renewal fees. The month it happened my landlord said, ‘We’re going to put your rent up’. My landlord said he had to cover the tenant fees. My comment is that it’s going to be passed on to the tenant and what kind of protections are in place?”*

6.39 This was considered to be particularly problematic in Oxford given the already very high cost of rent.

*“I think it’s good that landlords get licensed, but I’d be worried they’d just chuck the cost onto us. It’s extortionate in Oxford as it is”*

6.40 Furthermore, providing more information to tenants around their rights and responsibilities was considered key in ensuring the system is as effective as possible for all parties.

*“The schemes need to exist and improve and be more transparent”*

*“Licensing should be encouraged with the right terms and rules. So, if there is a tick box that said, ‘your walls are painted white’, it should be white, not with mould on it - bathroom regulations. It should be explained accordingly so, as tenants, we will have a bit more encouragement to protect our rights and to say what good looks like, and we can compare accordingly. Easier for inspectors as well”*

## Views on the proposed licensing fees

The proposed fees were generally supported

6.41 Participants felt that the proposed licensing fees for both additional and selective licensing are reasonable, particularly relative to the high rents being charged by many (indeed most) landlords in the city.

*“When compare to average rent, especially HMOs, they seem extremely reasonable”*

*“£400 is very affordable. I don’t think they should be going any cheaper than that. The amount landlords are bringing in, especially in an HMO, they could do at least double that”*

6.42 Discounts for compliant landlords were broadly supported, as were penalties for those who do not comply – unless there are genuine reasons for that non-compliance, in which case some flexibility was suggested.

*“I do think that there should be distinction between compliant landlords and non-compliant. That would incentivise compliant landlords”*

*“The renewal fee for the non-compliant should be higher for more of an incentive to be good”*

*“The penalties seem quite high. If you happen to miss it if you have been away”*

## Views on the proposed licensing conditions

### The proposed conditions were generally supported, but tenants sought an equal focus on accommodation quality

- 6.43 Tenants and residents generally agreed with the proposed licensing conditions, as illustrated by the findings from two Zoom polls which show universal agreement with those proposed for additional HMO and selective licensing (three participants strongly agreed with them and the remaining seven tended to agree in both cases).
- 6.44 There was, though, some feeling that they don't go far enough in ensuring that properties and landlords not only comply with a certain set of standards/criteria, but also offer quality in all aspects of their accommodation.

*“Some of the houses/flats I've seen do fit the standards, but would anyone live in them? That's the question. It should go beyond what is written in the text ... licensing ensures that these standards are done but it doesn't ensure the quality of the house or housing. Like a carpet smelling of urine. If someone had done a check of the house, surely, they would have said, 'No-one can live there because it smells'”*

*“There are pipes showing, but they're not on the way out so it meets the standard. I guess people inspecting don't have that much time. They look for what is in the checklist and aren't putting themselves in our position”*

### Additional suggestions

- 6.45 Other suggestions with regard to improving tenancy management related to:

The introduction of a standardised receipt or rent book to guard against the provision of those of a more unofficial nature that are not accepted as proof of residency by other agencies

*“It'd be great if there was a standard receipt. One of the receipts I was given was a scratched paper and there is no legal acceptance of this receipt. I would like the Council being more clear about maybe proposing legal rent books or a Council template of the receipt so it can be valid for banking applications or immigration applications as well to prove residency or mortgage applications. Make sure there are some regulations on that”*

The need for a third-party regulator to advocate between tenants and landlords/letting agencies

*“When it comes to maintenance issues, I think what is written in the tenancy agreement and what happens are often two very different things ... a third-party regulator would give tenants peace of mind that they would be listened to and not have to go back and forth with the landlord. Often people reach a stalemate with landlords and letting agencies when they're waiting for something to get fixed and it never happens”*

# 7. Written Submissions

## Introduction

- 7.1 During the formal consultation process, 53 organisations, groups and individuals provided written submissions. These were mostly from individual landlords, lettings agencies and organisations/groups representing landlords and agents – but also from a neighbouring District Council, a local community organisation, a group of tenants and an individual tenant.
- 7.2 ORS has read all the written submissions and summarised them in this chapter; none have been disregarded even if they are not expressed in a ‘formal’ way. It is a painstaking but necessary process to identify the main issues raised by respondents.
- 7.3 Submissions received from the following named organisations, along with two lengthy and detailed submissions from landlords and one from a group of tenants, have been summarised individually in the chapter that follows. Contributors whose submissions have been reported in this way are:
- ARLA Propertymark
  - Bullington Community Association
  - Cherwell District Council
  - Group of Oxford-based ARLA or UKALA regulated lettings agents
  - Lucy Properties
  - National Residential Landlords Association (NRLA) Oxford
  - safeagent<sup>8</sup>
  - Two detailed submissions from landlords
  - A detailed submission from a group of tenants
- 7.4 The remaining 44 shorter submissions (43 from landlords and one from a tenant) have been thematically summarised at the end of the chapter.
- 7.5 It should be noted that although some of the submissions are very detailed and expand upon many of the points raised elsewhere in this report, the emails and letters themselves represent the views of a relatively small number of organisations and individuals and should not be considered as representative of the wider sector or community.
- 7.6 Finally, this chapter faithfully reports the views expressed by submission contributors. In some cases, these views may not be supported by available evidence - and while ORS has not sought to highlight or correct those that make incorrect statements or assumptions, this should be borne in mind when considering the submissions.

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<sup>8</sup> Formally National Approved Letting Scheme (NALS). Note: safeagent branding uses a lower case ‘s’ at the start of the organisation’s name, a style which is followed throughout this report

## Overview of main findings from written submissions

- 7.7 The detailed written submissions in this chapter are varied and, at times, strongly polarised and do not lend themselves to easy summary. Readers are therefore encouraged to consult the remainder of the chapter below for a full account of the views expressed. However, the following overview gives a sense of the types of issues raised - a ‘summary of the summaries’ if you like.

### The existing additional HMO licensing scheme was supported by some, but criticised for a lack of enforcement by others

- 7.8 Although most of the written submissions focused on the proposed introduction of selective licensing to the PRS in Oxford, some also commented on the existing additional HMO licensing scheme.
- 7.9 Additional licensing received support in some quarters as a means of driving up standards in the HMO sector. However, its perceived limitations were highlighted by several contributors – most notably in relation to an alleged lack of inspection and enforcement, which has led to only slightly more than half of relevant properties being licensed during the 10-year life of the scheme.
- 7.10 Administrative burdens, delays and difficulties were also reported, though there was acknowledgment of attempts to streamline the system within the proposed renewed scheme.

### Selective licensing of the private rented sector, and the Council’s proposed licensing scheme, received support in some quarters...

- 7.11 Cherwell District Council, the Bullingdon Community Association and several landlords were among those supportive of the scheme and licensing in general as a valuable tool to address known issues in the Private Rented Sector (PRS).
- 7.12 Indeed, even the NRLA and safeagent – both of which expressed many concerns about the proposed scheme - supported licensing in principle, providing it is implemented in a way that takes account of landlords’ needs and the PRS’s own efforts to improve standards.

### ...but many more submissions expressed strong concerns about the introduction of a new scheme

- 7.13 In contrast to the views reported above, other submissions were somewhat more sceptical, expressing a lack of support for licensing schemes in general on the grounds that they: entail considerable bureaucracy relative to the level of enforcement undertaken; generally suffer from a lack of enforcement action, so penalising compliant landlords while allowing others to continue operating under the radar; and can affect local rental markets inasmuch as prospective landlords might be deterred from joining the PRS, and existing ones may be driven to leave.
- 7.14 Some stakeholders and landlords branded the scheme a ‘money-making exercise’ and it was stressed several times that cost increases are likely to be passed to tenants, many of whom will be suffering financially as a result of the COVID-19 pandemic.
- 7.15 There was also concern that the perceived ‘failure’ of OCC’s existing additional licensing scheme does not ‘bode well’ for the introduction of a new selective licensing regime – particularly as these failures were considered attributable to resource shortages.

## Exemptions and flexibility were considered important in relation to licence fees

- 7.16 Discounts for accredited landlords within both schemes were supported (as is the fact that OCC will exempt accredited landlords from inspection, recognising the higher standards to which they operate). There was also praise for the prospect of early bird discounts.
- 7.17 However, there was some perception of unfairness in ‘new’ licence holders applying part way through the designation period having to pay the full fee. As such, ‘pro-rata’ fees were suggested. Weekly or monthly instalments for licence fee payments were also suggested given the COVID-19 pandemic will have impacted on the cash flow of many landlords.

## There were calls for additional support for landlords in dealing with ASB and evictions

- 7.18 Several landlords and stakeholders expressed concern around the onus placed on landlords to deal with ASB. Some felt this could have a negative effect on tenants, who may be rejected for tenancies based on perceived involvement in such behaviour as a result of landlords being fearful of the consequences of non-compliance.
- 7.19 It was also suggested by some that it is unfair to place the responsibility for tackling anti-social behaviour (and often associated drug/alcohol and mental health issues) on landlords. They felt that landlords are not trained and do not have the necessary skills needed to tackle this type of behaviour, and that it is better left to other services, such as the police and local authorities.
- 7.20 Some respondents also felt that landlords do not receive enough protection when dealing with difficult tenants and evictions - and that more support and co-operative working is needed in this respect.

## Some suggestions for adjustments or improvements to a new scheme were offered

- 7.21 Several other suggestions as to how the scheme should work were put forward by stakeholders and landlords, as were a number of alternative approaches. These included:
- » Exemptions for very small-scale landlords for whom the proposed licensing fees would be disproportionately expensive;
  - » Exemptions for landlords using reputable letting agents given they are already subject to frequent checks and are likely to be well-managed;
  - » Reconsidering a ‘co-regulation’ approach;
  - » A more collaborative approach between the Council, letting agents, landlords and professional bodies to tackle issues within the PRS – one that recognises and rewards landlords/agents that already adhere to good practice and enables the better targeting of resources for enforcement;
  - » ‘Property MOTs’; and
  - » Licensing landlords rather than properties.

## Organisations and detailed submissions from landlords

### Landlords and letting agents’ organisations and accreditation bodies

- 7.22 Written submissions were received from three national organisations which represent or accredit landlords and letting agents: ARLA Propertymark; National Residential Landlords Association (NRLA) Oxford; and safeagent (formally the National Approved Lettings Scheme). These submissions are summarised below.

## ARLA Propertymark

7.23 ARLA Propertymark is the UK’s foremost professional and regulatory body for letting agents, representing over 9,500 members.

### General concerns

7.24 ARLA Propertymark does not believe that discretionary licensing schemes are an effective way of promoting higher quality accommodation in the PRS because the schemes are often poorly resourced (particularly in terms of enforcement activity), and “consequently become administrative exercises that penalise compliant landlords and allow rogue operators to continue under the radar”. Enforcement and prosecution apparently remain low where the schemes operate, doing little to improve the minority of substandard properties in the PRS.

7.25 ARLA Propertymark particularly notes that discretionary licensing schemes:

- » Are said to cost more to operate than the funding generated from licence fees;
- » Heavily focus on administration, often directing local authority staff away from enforcement to process applications; and
- » Are poorly enforced, with many local authorities not exercising their powers to ensure additional resources to remedy this.

7.26 ARLA Propertymark believes that instead of introducing further licensing schemes, “local authorities should adopt a collaborative approach with letting agents, landlords and professional bodies to tackle issues within the private rented sector”. This approach, it is said, “recognises and rewards landlords and agents that already adhere to good practice and enables local authorities to better target their resources on effective intelligence-led enforcement”.

### COVID-19 concerns

7.27 ARLA Propertymark is concerned about the impact of Coronavirus on agents’ business costs and overheads. It is also “alarmed” that a number of Councils are ignoring Government guidance that says where local authorities are in the process of introducing non-mandatory licensing schemes, but these are not yet in force, they should consider pausing them to allow limited resources to be focused where they are most needed.

7.28 It is said that the requirement for applications to still be submitted and fees paid will place additional pressure on the sector in the following four ways:

- » Tenants will likely see the cost of licensing passed on to them via rent increases;
- » If landlords who cannot afford the license fee decide not to pay and remove their property from the market, tenants will be forced to seek new homes;
- » With little or no rents being paid, landlords are not able to fund new license fees at this time, leaving them with the choice of criminal liability, or evicting their tenants; and
- » With agents furloughed or continuing to work from home they are unable to access relevant paperwork and documentation to complete licensing scheme applications and process fees.

7.29 ARLA Propertymark considers councils that are pursuing the implementation of licensing schemes to be socially irresponsible - and says that “in this unprecedented situation landlords and agents are not able to

*comply with the requirements of the scheme and Council resources are unlikely to be able to effectively enforce them”.*

### Scheme operation

- 7.30 ARLA Propertymark request more information and greater transparency from OCC around:
- » How many staff members will be employed to ensure the proposed selective licensing scheme runs effectively; and
  - » How the license will be applied for, and whether any online application system can deal with a large influx of applications – and whether a supplementary manual form of application will be available to landlords who are not computer literate.
- 7.31 The proposed £380 fee reduction for landlords using accredited agents is welcomed – as is the fact that OCC will exempt accredited landlords from inspection, recognising the higher standards to which they operate. However, the proposed £1,100 higher rate fee for a new application made six months or more after the start of the scheme, with a length of one or five years, is considered excessive and likely to be *“simply pushed onto the tenant, thus pushing up rents in the area”.*
- 7.32 ARLA Propertymark believes that the PRS can and should play its part in combating climate change and that landlords need incentives and funding to help them do so – such as discounts for those who have improved or attempted to improve the energy efficiency of their property.

### Poor housing conditions

- 7.33 ARLA Propertymark is concerned that landlords with poor properties will not apply for a licence, nor will they rectify the condition of their property in order to be eligible for one. Instead, *“landlords with properties already up to standard will apply and foot the bill for enforcing against rogue operators with substandard properties”.* OCC is urged to step up its efforts to increase the number of accredited landlords given they operate to higher standards.

### Anti-social behaviour

- 7.34 While OCC proposes to introduce *‘specific terms relating to Anti-social behaviour (ASB) in written terms of occupation’* to be used for the management of properties, ARLA Propertymark says that licence holders have limited influence over the behaviour of their tenants and so urges the Council to consider dedicated ASB Officers instead of selective licensing.
- 7.35 Licence holders are considered unlikely to be equipped to resolve issues associated with a tenants’ mental health or drug/alcohol abuse where associated with ASB. Moreover, *“where licence holders feel an obligation to address the anti-social behaviour of their tenants, this will likely result in the tenant being evicted unless support measures are put in place”* – resulting in further displacement across the area.

### Existing enforcement powers

- 7.36 ARLA Propertymark is of the view that local authorities are already equipped with a sufficient legislative toolkit to drive up standards in the private rented sector, but that existing laws and regulations are not enforced. Consequently, it is argued that *“the issue does not lie with existing legislation, rather the lack of enforcement”.*

## Collaborative approaches

- 7.37 ARLA Propertymark believes that instead of introducing further property licensing, OCC should adopt a collaborative approach with letting agents, landlords, and professional bodies to tackle PRS issues (Homestamp in the West Midlands is given as an example). This, it feels, *“recognises and rewards landlords and agents that already adhere to good practice and enables local authorities to better target their resources on effective intelligence-led enforcement”*.
- 7.38 It is also noted that, until March 2020, ARLA Propertymark was a co-regulation partner with Liverpool City Council (LCC), which allowed the Council to *“effectively target their resources and rewarded ARLA Propertymark agents already adhering to high standards”*. The positive contribution made by this initiative has been noted by LCC and it is suggested that the Council take a similar approach.

## Waste management

- 7.39 ARLA Propertymark was part of the London Environment Directors’ Network Group that produced a toolkit of best practice for waste management in PRS properties. The guide covers six sections, including: communications, collaboration, tenancy agreements, waste collection service provision and policies, licencing, and enforcement – and as a result, it is not felt that licensing landlords will change tenant behaviour and improve PRS waste and recycling rates.
- 7.40 Furthermore, it is said that OCC’s inference that selective licensing will fix waste management issues by making landlords more responsible for them (by, for example, carrying out regular checks and ensuring that the common parts, gardens, and yards are free from waste) is incorrect. ARLA Propertymark asks, *“What happens where the receptacles are located in communal areas ... which are outside of the landlord’s ability to control?”* It is also concerned that, should landlords comply with waste management responsibilities as a licence condition, *“they would be in breach of the tenant’s ‘quiet enjoyment’ and could also be criminally prosecuted for harassment”*.
- 7.41 In terms of the proposed introduction of a requirement for providing information on waste disposal and emergency arrangements to tenants, ARLA Propertymark believes that OCC should provide the landlord with the written information they wish to see distributed rather than expecting the landlord to produce it themselves. This should include information and details about landlord, letting agent and tenant responsibilities for waste and recycling before, during and after a tenancy.

## Proposed area

- 7.42 ARLA Propertymark advises that if OCC does go ahead with selective licensing, then option 2 (exclusion of Holywell Ward) is preferable to a city-wide scheme because, *“from the evidence provided, Holywell does not share all the characteristics found in the private rented sector in the other wards”*.

## Enforcement in Oxford

- 7.43 ARLA Propertymark suggests that no matter how good the intentions of the proposed selective licensing scheme, *“resources mean that there will never be many prosecutions, so decent landlords foot the bill for the license, while those in violation of the terms avoid detection...”* Moreover, it also believes that:
- » Parts Two and Three of the Housing Act 2004 should be removed and replaced with mandatory training and accreditation for all landlords;

- » OCC is placing too much faith and resource in the algorithm it intends to use to calculate which properties in Oxford are most likely to be PRS accommodation;
- » Currently, only around 60% of Oxford's c.20,000 privately rented homes have Energy Performance Certificates (EPCs), meaning the remainder are breaking the law. If a similar number of landlords avoid the licensing scheme, then "it will require huge resources to target them, which is likely to exceed the money collected by those in the compliant scheme";
- » The low number of penalties issued previously (since 2017, OCC has issued only 57 financial penalties to rogue landlords and agents) suggests that additional licensing may not have much impact; and
- » Letting agents should not be responsible for checking and guaranteeing compliance for properties on their books as "this would require much more resources and agents are already struggling due to excessive business rates over the years and the COVID-19 crisis".

### National Residential Landlords Association (NRLA) Oxford

<sup>7.44</sup> The National Residential Landlords Association is the UK's largest membership organisation for private residential landlords. The association was created from the merger of the RLA and NLA in April 2020.

#### Consultation

<sup>7.45</sup> The NRLA says that licensing is a "powerful tool" that can resolve many specific issues. However, it feels that the Council needs to undertake additional work to ensure its proposed scheme is workable. The Association is disappointed that the Council has not engaged with it to deliver a successful scheme, as other local authorities have – nor has it "looked at other more successful schemes which have delivered better outcomes, for the local authority, tenants and landlords".

#### Costs

<sup>7.46</sup> The NRLA makes the following points in relation to costs:

- » Any additional costs levied on the PRS could be passed to tenants;
- » It is disappointed that the Council has not mentioned the possibility of weekly or monthly instalments for licence fee payments (especially given that the introduction of licensing post COVID-19 will impact on the cash flow of many);
- » Insurance premiums increase for everyone (homeowners and landlords) when a local authority designates an area with licensing as "it is indicating problems in the area". Oxford is already one of the most expensive areas and this "will continue affecting those on the lowest income, and the local authority trying to place people outside the city";
- » Additional costs will be incurred for adult social care, children's services, and housing if the Council's goal is to be achieved. Evidence that these costs will be met is requested, as is information about how landlords will feed into the system if they suspect a tenant is at risk, and what support will be put in place so a landlord can support a tenant with mental health, alcohol and/or drug issues; and
- » In following the Hemmings and Gaskin court cases, the fee is split which is welcomed – but a breakdown for part B money paid by a landlord is requested, as is information about how it will be apportioned to the individual landlord and works done in connection to the license.

## Criminal activity

- 7.47 The NRLA is concerned that the proposals do not take account of rent-to-rent (including Airbnb) and those who exploit tenants and landlords. For instance, *“there is no provision for landlords who have legally rented out a property that has later been illegally sublet”*. It seeks clarification around the support that will be offered to landlords who find themselves in this position.
- 7.48 The issue of overcrowding is noted as difficult for a landlord to manage if it is the tenant that has overfilled the property. Again, the NRLA asks how the Council will assist landlords when this problem arises.

## Tenant behaviour

- 7.49 The NRLA says that landlords are usually not experienced in the management of tenant behaviour and that contractual arrangements are for the renting of a property, not a social contract. They *“do not and should not resolve tenants’ mental health issues or drug and alcohol dependency”* – and if there are allegations about a tenant causing problems and a landlord ends the tenancy, they will have dispatched their obligations under the selective/additional licensing scheme (and, in any case, the tenancy agreement is the only thing they can legally enforce). This, it is said, moves the problems around Oxford, but does not actually help the tenant.

## Changes to Section 21

- 7.50 The NRLA desires clarification, perhaps in the form of a guidance document, on the Council’s policy in relation to helping a landlord when a section 21 (or ‘future’) notice is served, a property is overcrowded, or a tenant is causing ASB. The Association also says that: the change to how tenancies will end and a move to a more adversarial system *“will mean landlords will become more risk adverse to take tenants that do not have a perfect reference and history”*; it would be willing to work with the Council to develop a dispute resolution service; and it would like information around where the Council expects people who have been evicted due to a tenancy issue to live.

## Tenancy Management

- 7.51 The NRLA argues that a licensing scheme is not a proportional response to a few poorly managed and/or poorly maintained properties, and that the Council should consider enforcement notices and management orders in many situations. It also advocates a strategy that *“includes action against any tenants who are persistent offenders”*. These measures, it is felt, *“represent a targeted approach to specific issues, rather than a blanket licensing scheme that would adversely affect all professional landlords and tenants alike, while leaving criminals able to operate covertly”*.
- 7.52 The NRLA also says the local authority should consider a strategy for the collection of excess waste at the end of tenancies, since tenants often dispose of it by a variety of means when in the process of moving out. An example is the Leeds Rental Standard, which *“works with landlords and landlord associations to resolve issues while staying in the framework of a local authority”*.

## Current law

- 7.53 The NRLA notes that the many laws with which PRS landlords must comply can be easily misunderstood, and that *“the law within which [they] must operate is not always fully compatible with the aims of the Council”*. For example, a landlord keeping a record of a tenant could, it is said, be interpreted as harassment.

## Summary

- 7.54 The NRLA is not opposing the Council's proposals, but says it needs to *"understand how the local authority is going to deliver against what it is proposing"*. It believes that any regulation of the PRS must be balanced and that additional regulatory burdens should focus on increasing the professionalism of landlords, improving the quality of private rented stock, and driving out the criminals who act as landlords. It also feels that good practice should be recognised and encouraged and asks how the Council plans to communicate best practice to the landlords and tenants of Oxford.
- 7.55 The NRLA believes Oxford has seen the development of an unhealthy situation due to policies delivering high rents and whereby the poor have greater difficulty renting in the PRS. It says there are *"already significant challenges around housing in Oxford, and we have concerns that this will be exasperated by this policy"*.
- 7.56 Finally, the NRLA feels that an active enforcement policy is an important part of protecting the sector from criminals who exploit landlords and tenants and creating a level playing field.

## safeagent

- 7.57 safeagent is an accreditation scheme for lettings and management agents operating in the PRS. safeagent firms are required to: deliver defined standards of customer service; operate within strict client accounting standards; maintain a separate client bank account; and be included under a Client Money Protection Scheme. Firms must provide evidence that they continue to meet safeagent criteria on an annual basis, in order to retain their licence.

## Impact of COVID-19

- 7.58 safeagent is currently calling for new property licensing schemes in the PRS to be placed on hold, to free up resources in the wake of the Coronavirus crisis. safeagent says licensing schemes not already in force should be delayed and reviewed again in due course. This approach is two-fold; to ensure focus on maintaining core services to support the wider public health agenda and to discourage non-essential property inspections that could add to community spread of the virus.
- 7.59 Moreover, although agents have been able to re-open it has not been a return to business as usual. As such, safeagent is of the view that this is the wrong time to divert efforts towards licensing.

## safeagent and licensing

- 7.60 safeagent is supportive of additional and selective licensing initiatives, providing they are implemented in a way that takes account of the PRS's own efforts to promote high standards.
- 7.61 Moreover, safeagent believes that positive engagement with voluntary schemes and the representative bodies of landlords and agents is essential to the success of licensing. It also notes that licensing schemes should avoid being burdensome, which can be achieved in part through promoting voluntary schemes (which often require members to observe standards that are at least compatible with those of licensing schemes) and offering discounted licence fees to accredited landlords and agents.

## Promoting professionalism in the PRS - the role of agents

- 7.62 safeagent feels strongly that lettings and management agents have a key role to play in making licensing, accreditation and other, voluntary regulatory schemes work effectively because:

- » Agents tend to handle relatively large portfolios of properties and can gain an understanding of licensing based on wider experience, which can help prevent non-compliance due to misunderstandings about local licensing arrangements;
- » safeagent provides training and ensures its members maintain certain operational standards, have (published) client money protection arrangements in place, keep separate client accounts and comply with their legal obligation to be a member of a redress scheme. This can reduce the need for Councils to use their formal, legal powers in these areas;
- » They are uniquely placed to offer mediation and negotiation between tenants and landlords, and so will have a key role in helping to avoid the occurrence of widespread evictions following the expiry of the COVID-19 eviction ban; and
- » They can set up plans and collate/hold the confidential evidence needed at all stages of the process involved in rent reductions or payment plans for tenants affected by the COVID-19 pandemic.

## Oxford City Council's proposals – specific issues

### Partnership working

<sup>7.63</sup> safeagent urges OCC to:

- » Work closely with accredited lettings & management agents to ensure that its regulatory effort is focussed on tackling the rogue landlords and agents operating under the radar, not policing the compliant;
- » Fully recognise the compliance work reputable agents carry out as standard;
- » Reconsider 'co-regulation';
- » Be clear as to whether accreditation with industry bodies such as safeagent secures local accreditation in Oxford.

### License Fees and Accreditation

<sup>7.64</sup> safeagent supports the fact the Council operates an accreditation scheme and feels that *“safeagent accreditation should passport agents to accreditation under any local scheme”*.

### Selective licensing fees and discounts

<sup>7.65</sup> The headline fee of £480 for applications made on time is reasonable to safeagent, and it agrees with the proposed early bird, accreditation, and other discounts, It should though, it is felt, be clarified that the term “accredited” includes members of recognised professional accrediting bodies such as safeagent – and that the fee discount should therefore be available to: agents who are members of safeagent; and landlords who engage agents that are members of safeagent. It is suggested that this is justified *“because safeagent members and the landlords who engage them are less likely to be non-compliant and that, as a result, there would be reduced costs to the Council”*.

<sup>7.66</sup> safeagent also feels that:

- » safeagent membership mitigates the need for compliance visits by the Council, meaning the visits it does undertake can be risk based and focused on the non-compliant;

- » OCC could apply a requirement for an accredited firm to have one safeagent-trained person per office to qualify for a fee discount; and
- » OCC should make it clear that there does not need to be ‘dual accreditation’ of both agent and landlord and that agents can, where appropriate, be the license holder. This, together with a fee discount, “provides a clear incentive for small landlords to engage a professional, accredited agent”.

### Home Choice Discount

<sup>7.67</sup> safeagent is in favour of any arrangement by which, if a private landlord is assisting the Council by offering accommodation to meet homelessness duties, their license application is discounted. It suggests a 100% discount, so that no fee is payable. Furthermore, it is said that this approach “*could become more structured if the Council were to enter into partnership arrangements whereby lettings agents source properties for Council referrals of homeless people or those at risk of homelessness*”. safeagent is currently working on a ‘social lettings agency’ model.

### Selective licensing period and changes in license holder

- <sup>7.68</sup> safeagent considers it unfair that any ‘new’ licence holder applying part way through the designation period would be required to pay the full fee. It believes the fee should be charged ‘pro-rata’.
- <sup>7.69</sup> Charging of full fees for part periods is also considered anti-competitive, as it can “*add cost to the process of engaging or changing a license holding managing agent*”. safeagent suggests that, in cases where an agent has to step in as licence holder/manager where problems have been identified during the designated period, the licensing fee should again be charged ‘pro rata’.

### Additional Licensing fees

<sup>7.70</sup> safeagent has no strong views about the proposed additional Licensing fees, though it again desires clarity that discounts are available for accredited agents and landlords and says that fees should be waived when a private landlord is offering accommodation to meet homelessness duties.

### Higher fees for late applications

<sup>7.71</sup> safeagent is not opposed in principle to higher fees for landlords and agents who do not comply with scheme deadlines, providing delays are not attributable to the Council. It also feels that if the ‘more than six months after scheme designation’ is applied as a blanket on a set date, this will not allow for sufficient discretion to be exercised.

### Proposed licensing area

<sup>7.72</sup> safeagent welcomes the targeted nature of the licensing proposals but suggests that ‘border’ issues with neighbouring authorities may not have been addressed. It urges OCC to work closely with its neighbouring councils to ensure non-compliance in the PRS is not displaced into adjacent areas.

### Administrative issues

<sup>7.73</sup> safeagent feels that licensing schemes should focus on properties and neighbourhoods that carry higher risk of non-compliance and that, to enable this, there should be sharing of intelligence between the Council and interested parties such as lettings & management agents. Specifically:

- » There should be “greater focus on clear cut, material non-compliance, with a proportional approach being taken to relatively minor matters”;
- » Licensing visits to properties should be co-ordinated with the efforts of agents who are carrying out scheduled inspections;
- » The administrative protocols around complaints from tenants, neighbours and other third parties, as well issues raised during inspections, should be clarified. Maximum use should be made of agents’ own in-house procedures for resolving issues; and
- » The Council should ensure that all staff involved in inspections are aware of the legal and regulatory requirements as they apply in the full range of residential settings.

<sup>7.74</sup> It is also said that the fact the Council is behind in implementing the current HMO scheme does not bode well. safeagent is particularly concerned that the new schemes are at risk from under-resourcing and delays associated with processing the barrage of applications that will be received soon after the start date.

### Licensing conditions

#### Tenant referencing

<sup>7.75</sup> safeagent is supportive of the requirement to obtain references for prospective tenants.

#### Tenancy management

<sup>7.76</sup> safeagent agents:

- » Are expected provide and fill in a tenancy agreement on behalf of the landlord, will always make sure the terms of the tenancy are fair and help the tenant to understand it;
- » Will always provide clear information to the tenant about any pre-tenancy payments and what these cover, any requirement for a guarantor and what the guarantor role entails;
- » Will always serve a tenant with the correct period of notice as set out in their tenancy agreement;
- » Are required to take a deposit to protect against possible damage, explain the basis on which the deposit is being held and the purpose for which it is required, and confirm the deposit protection arrangements. They are also asked to provide details of the number and value of the deposits they have registered with the scheme;
- » Will periodically check the condition of the property and draw up a schedule to outline any deductions to be made from the tenant’s deposit. They will return the deposit in line with the timescales and processes required by the statutory tenancy deposit schemes;
- » Are required to: have a designated client account with the bank; operate to strictly defined Accounting Standards; and be part of a mandatory Client Money Protection Scheme.

<sup>7.77</sup> These requirements “*provide additional security for client monies held*”, over and above the requirements of OCC’s licensing scheme.

#### Licence conditions relating to the property

<sup>7.78</sup> safeagent welcomes OCC’s drive to improve property standards and believes its own standards “*go a long way to ensuring compliance with licence conditions*”. safeagent agents are expected to:

- » Visit any property to be let with the landlord and advise on any action needed before letting the property – and view unoccupied properties with prospective tenants;
- » Explain both the landlord’s and tenant’s rights and responsibilities and arrange for the preparation of a schedule of the condition of the property;
- » Ensure tenants are provided with copies of all safety certificates before they commit to the tenancy, provide details of the condition of the property and a list of its contents, and ensure the property has undergone all required safety checks;
- » Carry out property inspections periodically, as agreed with the landlord, in line with normal good practice. Records of such inspections would contain a log of who carried out the inspection, the date and time of inspection and issues found and action(s) taken – information that could be shared with the Council under a licensing scheme; and
- » Arrange to have routine maintenance work carried out, up to a limit agreed with the landlord.

## Training

- <sup>7.79</sup> safeagent welcomes any proposal that agents who are license holders should undergo training.
- <sup>7.80</sup> Membership of safeagent means that agents already have access to an extensive training package, engagement with which should reduce the need for the local authority to intervene. It further suggests that discounted fees for safeagent firms would *“provide an incentive to positive engagement with training that is fully compatible with the requirements of the licensing scheme”*.

## Anti-social behaviour

- <sup>7.81</sup> Whilst agreeing with the requirement for a specific clause in the Tenancy Agreement, safeagent cautions against unrealistic expectations of PRS landlords and agents around ASB.
- <sup>7.82</sup> safeagent emphasises that, for its members, dealing with actual and perceived ASB in the PRS is a daily activity. However, it has concerns about the assumed link between the amount of PRS accommodation in the neighbourhood and the incidence of ASB as *“correlation does not imply causation ... The causes of ASB are many and varied”*. It is not, in safeagent’s view, *“reasonable to expect agents and landlords to play a disproportionately large part in tackling them”*.
- <sup>7.83</sup> Furthermore, safeagent would strongly advise against any proposals that imply a parity of approach between the PRS and the social rented sector given social landlords are publicly funded (and regulated) to develop and manage housing on a large scale and have a social purpose that brings wider responsibilities for the communities in which they work. As private businesses, *“PRS landlords and their agents cannot reasonably be expected to tackle wider social problems”*.

## Fit and Proper Person test - suitability of licence holder

- <sup>7.84</sup> All principals, partners, and directors of a safeagent firm are asked to make a declaration that it considers to be broadly in line with OCC’s licensing conditions and, *“is another example of where promotion of safeagent membership through discounts could help ensure compliance”*.

## Complaints

- <sup>7.85</sup> All safeagent firms are required to have a written customer complaints procedure, available on request. Moreover, in line with statutory requirements, all safeagent members must be members of a recognised

redress scheme and are required to refer a complaint to a redress scheme once their in-house procedure has been exhausted. They are also required to comply with any award determined by the redress scheme, within the timescale prescribed.

- <sup>7.86</sup> Under co-regulation schemes elsewhere, safeagent has reviewed complaints that have been adjudicated upon by redress schemes – after which it can report to councils on the number of complaints reaching this stage and the adjudications made. Non-compliance with a redress scheme’s adjudication would eventually lead to disqualification of the agent from safeagent. safeagent would be happy to come to a similar arrangement with OCC.

### Measuring the success of the schemes

- <sup>7.87</sup> safeagent believes that regular information on the implementation of the scheme should be made available in a clear and consistent format to local landlord and agent forums, representative bodies, and other stakeholders. This should “help to enable the Council to work in partnership with [these individuals and organisations] to ensure the success of the scheme”.

### Letting agents

- <sup>7.88</sup> Written submissions were received from Lucy Properties (a local letting agent), and a group of Oxford-based ARLA or UKALA regulated agents.

#### Lucy Properties

#### Additional HMO Licensing

- <sup>7.89</sup> In principle, Lucy Properties does not object to the extension of additional HMO licensing subject to the following key points being effectively addressed:
- » OCC must licence all HMOs: despite the scheme already running for 10 years, OCC has apparently failed to licence a significant proportion of HMOs which “*effectively penalises those responsible landlords who have signed up fully to the scheme and does not effectively deal with the real problems in unlicensed properties*”;
  - » OCC must simplify the administrative burden on responsible landlords: progress has been made and Lucy Properties welcomes the potential proposals for an audit-based scheme. It recommends that large-scale landlords have a single point of contact or there is an online system where paperwork can be uploaded; and
  - » Proposed fee increases are not appropriate: Lucy Properties objects to cost increases for responsible landlords and suggests that costs for those agents and landlords invited to participate in an audit-based scheme should be reduced (from £413 to £236 for a five-year licence) to reflect the lessened administrative burden for OCC.

### Selective licensing

- <sup>7.90</sup> Lucy Properties does not support OCC’s selective licensing proposals for the following reasons:
- » Only 55% of HMOs have been licensed even though the Additional Licensing scheme has been running for nearly 10 years. This, it feels, “*seriously calls into question the ability for OCC to enforce*

*the much larger proposed selective licensing scheme*". It is suggested that OCC should focus its resources on addressing the HMO scheme rather than widening licensing significantly;

- » Selective licensing as proposed will not effectively deal with the root causes of poor housing. Instead it will impose a 'tax' on good landlords who comply with the scheme, while failing to deal with problem housing which will remain unlicensed. Lucy Properties says that *"this is not the 'level playing field' that Oxford City Council claims – in fact, it will be the exact opposite!"*
- » No genuine alternatives have been considered by OCC, which is necessary for the consultation to be valid;
- » The proposed fee of £380 per unit is too high and, if introduced, should be reduced to £236 per property for a five-year licence for a large scale, accredited and responsible landlord. This, it is said, would be broadly in line with those proposed for blocks of flats under one ownership - and it is suggested that *"the principles assumed here could be applied to large scale institutional property investors"*; and
- » Information provided in the consultation document appears to be inconsistent/incorrect and, if this is the case, any decisions made as a result of the consultation would be made on an incorrect basis.

### Alternative options

- <sup>7.91</sup> Lucy Properties believes that a better alternative to selective licensing would be for OCC to introduce a scheme requiring landlords to be licenced and to register the properties that they own. This would enable OCC to licence landlords instead of individual properties and would, it is felt, have the advantage of significantly reducing the administrative burden on landlords and OCC, *"allowing both to focus time and resources on the real issue of property conditions"*.
- <sup>7.92</sup> The outline of the proposal would be: landlords with PRS properties in Oxford would apply for a licence and demonstrate they have had appropriate training and are 'fit and proper' persons; the landlord would register all their properties and self-certify their conditions; a fee would be paid per landlord and last for five years; OCC would undertake random and targeted inspections to test the self-certification and issue fines etc. for non-compliance.

### Oxford-based ARLA or UKALA regulated agents

- <sup>7.93</sup> The submission was made by a group of agents who represent landlords and property owners and between them manage over 6,000 rented properties in Oxford.

### Areas of consensus

- <sup>7.94</sup> The agents:
- » Share the desire to further improve the quality of PRS properties in Oxford;
  - » Recognise that Oxford is in a unique position with such a high proportion of properties in the PRS, and so believe that *"the pilot of an imaginative private/public partnership strategy could be exciting and effective"*;
  - » Are concerned that before championing an expansion of licensing a proper, external, review of the additional Licensing Scheme should be undertaken to identify areas for improvement in, for example, the application and renewals process and inspection rates. Indeed, the agents say that, *"Given the apparent failings of the additional licensing scheme, large numbers still not licensed, delays with*

*renewals, limited inspections etc. ... we are interested to understand why more of the same is considered to be the best route to pursue?”;*

- » Are concerned that with both the mandatory and additional licensing schemes, there are large numbers of properties still not licensed (typically ones that *“represent the lower standards of the housing market”*); and
- » Recognise the efforts made to mitigate costs to accredited landlords and their tenants and load the burden of cost onto landlords and agents who seek to avoid compliance.

### Statistical and data concerns

<sup>7.95</sup> The agents are concerned that some of the data used in reports to elected members and to the public in the consultation process, is “at best confusing and contradictory, and at worst misleading”. For example:

- » OCC’s Environmental Health Department reports that 33% of properties in Oxford are in the PRS, whilst MetaStreet data claims 49.3% - a difference of over 10,000 properties;
- » OCC considers there are ‘c.6,900 HMOs in Oxford’ but the current public register of licensed HMOs lists only 3,456. Assuming 10% may be in the process of renewing and therefore off the list, that still means that between 35 and 45% of HMOs remain unlicensed. The agents say that *“it is hard to see how a further extension is going to change this problem without a radical rethink of the enforcement process”*;
- » It is claimed that complaints about properties received by officers of the local authority equates to issues with one in ten properties in the PRS – but Council figures show a complaint rate of no more than 3% of properties per year;
- » The projected income from the Selective licensing scheme is estimated at just over £6.5m, whereas the agents believe the true figure covering all relevant PRS properties should be over £11m. They say, *“It appears that the income projection of £6.5m is already anticipating that only half of the properties will secure a licence... ”*; and
- » It is estimated that 14% of properties in the PRS are likely to have Category 1 hazards across the whole of the UK, whereas Oxford is deemed to have 20% projected to fall into this category.

### Exploration of alternatives

<sup>7.96</sup> The agents say that while the local authority has a statutory responsibility to explore other viable alternatives, there appears to be no real discussion of this in the report. For example, they ask why OCC has not considered a Property ‘MOT’, which *“is already being used by a number of large letting agents in the UK and has been discussed as viable alternative to licensing”*. This scheme, it is said, could be piloted with a moderation and evaluation role for city officers and be resourced by grants from MHCLG and the private sector.

<sup>7.97</sup> Moreover, the agents question the lack of discussion of greater or more substantive use of the Housing Health and Safety Rating System (HHSRS). They say that *“given ... the major complaint is that many properties have issues with standards it makes little sense to ignore this method of enforcement which would directly tackle the root cause of the problem”*.

### Other organisations

<sup>7.98</sup> The Bullingdon Community Association and Cherwell District Council were the two remaining organisations from which written submissions were received. These are summarised below.

## Bullingdon Community Association

7.99 The Bullingdon Community Association, covering the Churchill and Lye Valley City Council wards, runs the Bullingdon Community Centre in Peat Moors.

### General views on the PRS and licensing

7.100 The Association is opposed to further HMOs throughout its area of coverage and suggests that *“rules about acceptable concentrations of private rented accommodation”* in general are worth considering. It is argued that private rented accommodation is *“high-cost housing”*, and the Association is *“not sympathetic to its continuing absorption of ever higher proportions of city housing”*.

7.101 The Association feels that an enforced city-wide licensing scheme *“can only be the beginning of addressing all the problems private rented properties create”*. It is *“disturbed by the clear images of housing neglect often presented by private rented properties”* in its area and is unimpressed by the failure of landlords to provide, for example, lockable side-gates to increase property security. It is suggested that security measures like these should be a condition within new licensing arrangements.

### Affordable housing

7.102 The Association notes the Council’s enthusiasm for PRS accommodation as ‘flexible and vital’ for the city and that it plans to increase ‘access to affordable and high-quality homes irrespective of tenure.’ These assumptions are considered highly problematic because average rents in Oxford are amongst the highest in the South East, which contributes to a rapid ‘churn’ in private rented accommodation, inhibits savings for purchasing a home, and means that *“spending, which could support local businesses and employment, is instead going on rent”*. There is, it is said, *“nothing ‘flexible and vital’ about this”*.

7.103 The Association’s view is that the idea of affordable homes in Oxford is implausible and that *“the combination of the current COVID-19 recession and risk of a hard Brexit recession means local councils need to take very low-cost housing much more seriously”*.

7.104 The Association argues that access to affordable housing may involve expanding all very low-cost housing options as an alternative to over-priced rental properties. This, it suggests, could include:

- » Oxford City Council buying homes on sale for social housing and keyworker-shared ownership;
- » More support to housing cooperatives, co-housing, a far greater number of secure moorings and subdivision of existing council homes to accommodate more households;
- » A reappraisal of land presently used exclusively for vehicle parking in the city when homes around, above, or right over car parks are badly needed as a key social priority; and
- » The re-allocation of employment land long disused to housing (for example the former BT site at the eastern side of the junction of Hollow Way and Garsington Road).

### Overcrowding

7.105 The Association notes that the Council’s consultation document does not mention overcrowding as an issue, despite local media reports to the contrary. It argues that the city should, as part of new licensing rules, ensure that licenses cannot be retained by landlords found to be engaging in overcrowding.

## An alternative approach

- <sup>7.106</sup> In considering Selective Licensing, the Association would favour a city-wide licensing scheme in principle, covering all PRS accommodation.
- <sup>7.107</sup> However, its general preference would be for reducing private rented accommodation by ensuring a better supply of cheaper alternatives. Specifically, the Association desires more social housing (bought from homes on sale in the area) to *“increase the stable population, lead to better-maintained homes, contribute to increasing Council income, and improve community-building...”* Shared ownership, and part rent part buy for keyworkers, would also be welcome.
- <sup>7.108</sup> Coupled with this, the Association would support licensing scheme arrangements that are, in part, integrated with a variety of housing policies intended to systematically reduce private sector accommodation in Oxford, thereby creating a mix of tenures.

## Cherwell District Council

- <sup>7.109</sup> Cherwell District Council (CDC) fully supports OCC’s desire and intention to improve conditions in the city’s private-rented accommodation and describes the proposed renewal of the current HMO licensing scheme and the introduction of a city-wide Selective licensing scheme as an *“appropriate means of delivering the City Council’s objective”*.
- <sup>7.110</sup> CDC says it has not identified any growth in the number of HMOs in Cherwell District that is directly attributable to the introduction of additional licensing by Oxford City Council. It attributes increased numbers in the Cherwell district as a whole to changes in the housing market (including increased rent levels and the unaffordability of home-ownership for many) and does *“not expect the proposed renewal of the City Council’s additional licensing scheme to have any significant displacement effect on the creation of HMOs in Cherwell, believing that any such changes are most likely to have taken place already, and none have been identified”*.
- <sup>7.111</sup> CDC feels that OCC’s intention to introduce selective licensing across its area is supported by evidence of the amount of PRS stock that is subject to serious hazards, and by the reported number of complaints received about rented accommodation and anti-social behaviour. However, it is suggested that *“the fact that conditions relating to the specific improvement of licensed premises cannot be included in licences under a selective licensing scheme will limit its value as a direct means of improving stock condition”*, although it is also recognised that *“accurate identification of the private rented stock will provide an on-going benefit for future enforcement work”*.
- <sup>7.112</sup> CDC considers it unlikely that the introduction of the Council’s selective licensing scheme will have a negative effect on the PRS in Cherwell. Any increased uptake by landlords of rental property in Cherwell rather than Oxford would, it is felt, be difficult to identify, but CDC suggests that this would be unlikely to occur at any speed, *“nor would it result in any direct reduction in property condition”*. Moreover, it is suggested that rather than pose a risk of driving unsatisfactory landlords to move operations to Cherwell, selective licensing could equally *“see a trickle-down of improving practice that might benefit properties in Cherwell owned by landlords operating in both areas”*.
- <sup>7.113</sup> Finally, the Council would be interested in exploring the possibility of extending landlord training opportunities cross-county.

## Detailed submissions from landlords and a group of tenants

<sup>7.114</sup> Two landlords and one group of tenants submitted lengthy and detailed feedback, and this is summarised individually below. This is not an indication that ORS views these submissions as more important or relevant than shorter submissions that are summarised collectively in the next section of this chapter. Rather, summarising them separately avoids the possibility of the shorter but more numerous submissions being “overwhelmed” by the detail in the longer but less numerous ones.

### Landlord 1

<sup>7.115</sup> While the landlord is a participant in and overall supporter of the current additional licensing scheme, they do not feel that its renewal addresses the perceived failures and limitations (in their experience) of the existing scheme, namely:

- » Poor online simplicity and transparency – for example in terms of communication with the Council; pre-advice, general queries, providing feedback, submission of documents, knowledge of application status, reminders etc.
- » The timeliness and backlog of the administration of applications; and
- » The low rate of enforcement and successful avoidance by landlords.

<sup>7.116</sup> The landlord also feels that some of the proposed conditions seek to address issues “in ways that do not take into account of the working needs of landlords, acceptability to tenants and to be inoperable for a landlord to enforce, police or administer”. These conditions, they feel, are prejudicial to the rental market versus the homeowner where such stipulations do not apply.

<sup>7.117</sup> Specifically, the landlord refers to the ‘Discretionary Conditions to be applied to all HMO licences: specific terms relating to ASB in written terms of occupation’, which ask landlords to include specific ASB-related items in tenancy agreements. This, to them, has far reaching implications for landlords by adding clauses to contracts that “*may not wholly cover all scenarios, impacts our ability to work with tenants and in the worst of circumstances may work against us in the courts*”. In the respondent’s view, it is not a landlord’s role to stipulate what constitutes social behaviour or outline what is considered ASB.

<sup>7.118</sup> The landlord is also concerned that the mandatory condition (for selective licensing) to obtain references is a “*major overstep*”. They have a referencing process in place and feel they “*have a right to choose if I believe someone will make a good tenant whether or not they tick boxes on referencing*”, particularly given many tenants have good reasons that preclude them providing a reference.

<sup>7.119</sup> The landlord raises questions over numerous other conditions, such as being asked to monitor the behaviour of tenants. They argue that “*where there is no instrument landlords can use to enforce or effect such management requests [it] makes trying to enforce those we must and should such as fire safety more difficult*”.

<sup>7.120</sup> The proposed new selective licensing scheme for single rentals is considered concerning: the landlord suggests that “if improving housing stock is an area that needs to be addressed it should be population wide and be part of a government incentive scheme to improve the quality of homes for all”. Moreover, while they applaud the need to address the needs of vulnerable persons and those being taken advantage of, the landlord asks how the evidence of enforcement success (or lack thereof) in the additional licensing scheme supports the role the proposed new scheme will play in this regard.

7.121 Finally, the landlord questions why, if the Council’s databases are so adequate as to history, ASB etc. they cannot be used to focus on resolving problems *“rather than introducing a whole new scheme that is onerous for many who play no part in this problem”*.

## Landlord 2

7.122 The landlord is primarily concerned about the emphasis being placed on ASB in the private rented sector, which they suggest is a result of Section 80 of the Housing Act 2004 which requires a local authority to satisfy certain conditions in order to be allowed to designate an area of selective licensing. One of these is that ‘the area is experiencing a significant and persistent problem caused by anti-social behaviour’ and that ‘some or all of the private sector landlords’ are failing to take ‘appropriate’ action.

7.123 The landlord notes that OCC appears to be claiming there is a serious ASB problem across the entire city of Oxford, which they dispute. They say the Council has undertaken an average of 811 investigations a year between 2015 and 2019 in a PRS comprising 30,500 properties – and that the figures show that approximately 20% of investigations relate to just two wards, St Clement’s and St Mary’s. As such, they see the proposed city-wide licensing scheme as an *“attempted power grab, with a nice revenue stream if it can get fees off 26,000 non-HMO PRS properties, the vast majority of which are well managed and maintained”*.

7.124 In terms of how OCC proposes to tackle ASB through selective licensing, one of the two specified methods is to require landlords to include a term in a tenancy contract prohibiting ASB. This is described as a *“useless, toothless measure”* because PRS landlords have no control over their tenants’ behaviour other than to apply for a possession order to evict. Therefore, in the proposed licensing scheme, *“it is implicit that a landlord may be forced to evict should their tenant be reported for ASB, else risk losing their landlord licence”*.

7.125 The landlord also mentions housing hazards and the fact that Selective licensing would give OCC no additional powers beyond its current statutory powers to enforce housing standards. Moreover, they note evidence showing that predicted hazards are not evenly distributed across the city and that ‘concentrations of properties with serious hazards can be found in the central and southeast wards’ – and so question the city-wide designation.

7.126 In light of all this, the landlord says, *“It would seem reasonable to conclude that OCC’s proposal is likely to succeed purely in terms of generating revenue”*.

7.127 Other points made are that:

- » The proposed scheme could result in an increase in PRS evictions by landlords fearful of losing their license, potentially creating an ‘untouchable’ class of private tenants (as *“no licensed landlord will take them with a record of having been evicted for ASB, and a compulsory reference saying so, because he/she will risk losing their licence”*);
- » Landlord non-compliance with current HMO licensing is stated as 53%, meaning *“OCC is failing even to manage the much smaller HMO sector”*. It is considered unlikely it could cope with an additional 26K properties in the non-HMO private sector;
- » Selective licensing would achieve little beyond the powers that OCC already possesses (the power for OCC to force inspections in a privately rented home, to *“pointlessly”* force landlords to include ASB terms in their tenancy contract and to compel them to obtain tenant references);
- » OCC’s failure to provide information about the legal basis upon which it seeks to introduce selective licensing means it has not complied with the requirement to ‘take reasonable steps to consult persons who are likely to be affected by the designation’; and

- » The consultation document is *“highly misleading, omitting relevant context and stats, and lacking transparency”*.

7.128 “The landlord suggests that: “A better way forward would be for OCC to conduct a review into its failure in respect of HMO licensing”, and that “it should seek more creative solutions than bureaucracy, taxation, and forced inspections”.

### Group of tenants

7.129 The tenants applaud the Council’s initiative to take action to protect tenants from unscrupulous landlords but say the city *“must ensure that the result is not an even greater scarcity of rental accommodation in Oxford than already exists”*.

7.130 The tenants are particularly concerned that a licensing scheme that drives landlords away would only further worsen the affordability crisis that has *“left Oxford as the worst city for income-adjusted housing affordability in the entire country”*. They say that when demand for homes exceeds supply, the richest individuals will outbid the rest -- thus causing rent to rise for all.

7.131 If the Council decides to implement the proposed licensing scheme, it is said that it *“should ensure that it does not prevent potential rental units from coming on to the market”* because *“if it does, its effects would run contrary to the purpose of the licensing, which is to protect tenants”*.

7.132 The tenants also say that apartments or houses owned by small landlords, who would be most impacted, provide a large share of affordable housing for tenants. Licensing should therefore be *“easy to obtain and affordable”*. They suggest that the Council could consider implementing a *“streamlined version of licensing or creating more straightforward and understandable documents for potential small landlords”*.

7.133 The tenants feel the Council should carefully consider its ceiling on HMOs because for young people who wish to save money in such an expensive rental market, living with roommates is an *“important and fundamental housing option”*.

7.134 Essentially, the tenants *“urge OCC to ensure any new licensing scheme does not negatively impact supply of rental housing, including HMOs”* because *“it can’t welcome newcomers who would diversify or participate in Oxford’s growing economy to a community that doesn’t have enough homes for them”*.

## Summary of views from landlords’ submissions

7.135 In total, 45 landlords provided written submissions on their views of the proposals. Two of these which were longer and more detailed have been included in the detailed submissions above; the section below provides a thematic summary of the feedback from the remaining 43 shorter submissions received from landlords, as well as one from a tenant.

### There was some support for the existing additional licensing scheme

7.136 Several landlords said they supported additional licensing schemes as a means of driving up standards in HMOs.

*“I fully accept the need in multi occupational properties which is an entirely different market, to professional couples working in the city, many for the University, that are seeking the choice of a decent level of private rental housing”*

7.137 One landlord disagreed though, arguing that:

*“The expiring scheme is an unwarranted burden on landlords, agents and council staff. The conditions are all backed by pre-existing general powers and duties, which do not need to be embodied in a licence to be effective”*

There was also some support for a new selective licensing scheme...

7.138 Several landlords were in favour of the proposed selective licensing scheme and felt it would be good for Oxford. They demonstrated an understanding of the rationale behind the scheme, as a tool to tackle poor landlords and improving housing quality – especially for the city’s many students.

*“I know that there is a consultation under way to improve the quality of properties in the private rented sector in Oxford. As a private landlord myself, I am appalled at the quality of properties offered to students in Oxford. Not all students are irresponsible party throwers and should be entitled to civilised, damp free accommodation. Some bedrooms just have enough room to fit the bed and nothing else!”*

*“I think it is a good idea. Any rented property should have some sort of regulation. Safety for tenants and peace of mind for landlords, as they can be certain that the house is let in a safe condition”*

*“The concept of applying a licensing scheme to all rented properties is essential to protect tenants but just as important to improve standards and safety”*

...but concerns about and objections to the introduction of a new scheme were more common

7.139 A concern expressed by many landlords was that the proposals have no benefit for good, responsible landlords. Indeed, many were apprehensive about whether ‘poor’ landlords would even sign up to a licensing scheme, thereby simply penalising the compliant ones who will do so.

*“If unilaterally applied, the proposed selective licensing scheme will prove time consuming and costly for the Council, while imposing yet another punitive charge on responsible landlords”*

*“We have no doubt ... that your licencing scheme will attract a significant annual fee in addition to the considerable current administrative fees we are obliged to pay and with tax rises already being predicted for private landlords. Although something of a cliché we are anticipating being penalised by an additional tax in the form of your licence fee for the shortcomings of unscrupulous landlords”*

*“Those that currently have no regard for the law relating to being a landlord, or to meeting their obligations as set out in a tenancy agreement, are hardly likely to obey the rules of a city license. Therefore, it will simply end up being an additional tax on good landlords who are not in need of a license to ensure their properties are in good order”*

- 7.140 There was thus a strong sense that OCC should focus its resources on identifying and enforcing against those ‘rogue’ landlords offering poor quality accommodation and who are likely to seek to continue operating ‘under the radar’ within a new licensing regime.

*“Your own admission is that one fifth of landlords are “rogue”; this means that four fifths are probably responsible. You should look for other ways to deal with the rogues. An anonymous tenant hotline combined with unannounced inspections of suspect properties and whistleblower protection followed by immediate enforcement action would do far more than wasting your resources making money from good landlords ... Why do I object violently to these proposals? Because my flats have NEVER attracted a complaint in over 20 years ... just leave good landlords alone and look to the areas, known to all of us, where the real problems are”*

*“Why not just deal with the fifth of the homes which you claim to know have serious hazards, instead of charging the other 80% of good landlords a licence fee?”*

- 7.141 Another strong concern was the effect of the proposed selective licensing scheme on the local rental market inasmuch as prospective landlords might be deterred from joining the PRS, and existing ones may be driven to leave (particularly in light of the impact of COVID-19).

*“Oxford City Council need to be cautious introducing this scheme. The effect in the housing market would be extensive. It will reduce the size of the rental market in the city. Prospective landlords will be deterred, and the number of existing landlords will be reduced”*

*“Licensing will add to ever growing costs of compliance, make fewer funds available for maintenance and reduce the cost effectiveness of renting with consequent lessening availability”*

*“Where there are clear abuses they should be prosecuted, but common sense should prevail. The effect of over regulation will lead to a decrease in available housing stock for rent... This is the inevitable outcome from this overbearing sort of regulation...”*

*“Under normal circumstances it would only serve to drive more Landlords such as myself to reconsider their investments. With rental growth looking very dubious given the pandemic and in fact the general economy beyond, along with the prospects of up to 50% Capital Gains Tax in the next Budget, the appetite for investment property along with further licensing will undoubtedly become totally unappealing ... The introduction of further Legislation is not at all necessary and I would strongly urge the Council to reconsider the proposal with a view to dropping it, especially at this very difficult moment in time on so many fronts for all of us”*

There was scepticism as to whether a selective licensing scheme is required and would be adequately enforced

- 7.142 Several landlord submissions stated that selective licensing is not required in light of the many statutory powers the Council already has to enforce against the provision of poor-quality housing – the Housing Health and Safety Rating System (HHSRS) for example. Gas, electrical and fire safety, and the EPC were also frequently mentioned in this context.

*“Oxford City Council has powers delegated by Central Government to regulate housing in the city ... e.g., Housing Health and Safety Rating System (HHSRS). The general powers should be financed from the general council rates. They include the identification of rented houses by research of council and other public records...”*

*“There is no need for all private rented homes to be licensed as there are already adequate measures in place to ensure all privately rented homes are safe and well managed (Gas Safety, Electrical Safety, Fire Safety and the EPC). It is submitted that all of the above regulations, including the new rules on the electrical safety under the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020, are sufficient to ensure that all privately rented homes are safe and well managed. Any further licensing of the private rented homes would be unjust and unnecessary”*

*“For letting our property there is always a check in and check out report to deal with any issues that require attention. Electrical reports are required for safety purposes. The tenancy agreement then controls any issues that might arise. There is no need for any additional licensing ... which would just be a bureaucratic unnecessary expensive hoop”*

*“We would strongly object to the creation of a selective lettings licencing scheme imposing another tier of bureaucracy on top of our existing contractual and statutory obligations but which we accept are in place to protect our tenants”*

- 7.143 Further concerns about the effectiveness of the proposed new scheme included a feeling that the costs of administering the scheme would be too high to make a scheme worthwhile (as well as a concern that the extra fees would force landlords to increase rent to tenants).

*“Huge resources will be required to follow up varying landlords, agencies, short term tenancies, etc. etc. to establish where the responsibility is to improve premises”*

*“For tenants, it will surely lead to increase in rents as landlords try to cover their costs”*

- 7.144 Moreover, the fact that many HMOs in the city remain unlicensed despite the Council’s additional licensing scheme running for the past 10 years was considered evidence of a lack of capacity to properly enforce it. This, it was said, does not bode well for the success of a new selective licensing scheme.

*“By its own admission, despite the current licensing scheme for Houses in Multiple Occupancy ... which has been running since 2011, a large proportion of the HMOs in the city remain 'non-compliant'. This amply demonstrates that the Council does not have the capacity to enforce these schemes, with the result that rogue landlords continue as before, while responsible landlords comply and pass on the licensing costs to their tenants ... Given that the Council has operated the HMO scheme for nine years with such poor results, it is perfectly reasonable to assume that a similar scheme targeted at private landlords would be equally as ineffective in its stated goal of improving standards, while leading to an undesirable increase in private rents as landlords pass on the fee to tenants”*

## Landlords desire more protection when dealing with difficult tenants

- 7.145 Several landlords mentioned that they are already under a great amount of pressure and should be given more protection, for example, when encountering difficult tenants. There was scepticism that this would be afforded to them under a licensing scheme.

*“Licensing landlords does not deal with tenants who trash perfectly adequate premises or fail to pay rentals which are common experiences with landlords”*

*“I appreciate there are rogue landlords, there are also some very poor tenants. Tenants already have an increasing amount of protection. To start they have a legal contract shared with the landlord. The landlord already has to comply with EPC, annual gas tests, 5 yearly electrical tests, deposit protection and maintain the property to the required standard. If the landlord fails very heavy fines can be imposed, if a tenant damages the property, fails to pay the rent for months and hopefully leaves, there are virtually no sanction open to the landlord. Section 21 changes also have far reaching implications ... Other recent changes including reduced deposit levels permitted to be held, all cost for contract and vetting being borne by the landlord”*

## Landlords generally viewed the proposed licensing fees negatively

- 7.146 Many landlords felt that selective licensing is simply a money-making scheme by the Council. Some were sceptical that licensing has anything to do with improving housing quality and instead uses landlords as an easy “cash cow”. It was again reiterated that cost increases are likely to be passed to tenants, many of whom will be suffering financially as a result of the COVID-19 pandemic.

*“Your proposal, which involves payment of an annual fee, is completely unacceptable to me. This smacks of yet another City Council money making scheme...”*

*“This proposed scheme will generate approx. 12.5 million over 5 years for Oxford City Council and is a plain and simple cash grab or legalised theft and must lead to increases in rent if there are any tenants left who are still in employment and able to pay the rent after this COVID-19 lockdown has passed. Now is not the time to be increasing charges with so many businesses in dire straits”*

- 7.147 One landlord was particularly critical of several aspects of the proposed fee structure, as below.

*“The proposed fees have no basis in fact, without an itemised budget, which has not been provided. The proposal for one- or two-year licences subsidises some landlords at the expense of others. Accreditation is not a sound basis for discounts, all landlords and agents should be treated equally, assumed to be in good faith unless proved otherwise. Only then should penalties be considered, instead of being levied implicitly in the fee structure before any offence has been proved. The fee proposals are too complex and unsubstantiated”*

- 7.148 It was also suggested that fee-based licensing schemes can actually result in lower quality housing stock as landlords have less surplus money to spend on their properties.

*“I am concerned that some of the money spent on an extensive system will be money that could have gone for property renovation. Therefore, there is a possibility that the quality of much housing stock will be lower than before”*

#### Some alternative suggestions were given

- 7.149 Several submissions referenced a need to exempt very small-scale landlords from what was considered to be a disproportionately burdensome scheme for them.

*“I wish to just state that licensing - the cost of this - to those of us who have a single individual as a lodger, will be huge. We, at present, are dependent on our single lodger on the rent a room scheme ... this would be really hugely impactful and will result in families being unable to cope with additional expenditure... Please focus your aim on the unscrupulous housing traders in the city not those families hosting key workers such as our brilliant NHS nurse...”*

*“Please spare a thought for people like us who have acquired flats or houses for our vulnerable/elderly relatives and do not charge them rentals ... many of us have very difficult lives caring for our loved ones and do not welcome the additional burden of more regulation, inspectorates and costs...”*

*“The socio-economic model presented by Oxford City Council ... has treated renting out of a house as more of a business rather than of self-employment for a household with one house ... the cost of licensing proposed may impact more severely [on] the single house letting landlords than the multiple letting house owners/landlords ... in the case of a landlord owning one house to let ... the licensing [should] be made free...”*

*“I do not welcome further licensing and control because this will inevitably put up cost, at a time when mortgage relief is minimised, insurance and other costs are rising, while rents remain static. For a sole trader landlord like me it's hard”*

- 7.150 Moreover, a few respondents suggested that landlords using reputable letting agents should be exempt from licensing given they are already subject to frequent checks and are likely to be well-managed – and already pay significant sums of money to ensure this is the case.

*“I pay Martin & Co 12.5% of the rent I receive from the tenants every month to 'fully manage' my flat, this involves them visiting the flat every 6 months ... where it is clear flats are being well managed through agents it seems to me this scheme you are exploring would not be required...”*

*“We note that the stated aim of the licensing scheme is to ‘ensure all privately rented homes are safe and well managed’. Our properties already meet your standards. They are fully managed by Chancellors, a well-known and competent company. They ensure that the properties are well maintained and that all the relevant safety legislation is complied with. We pay Chancellors a considerable sum for their services. May we suggest that your proposed scheme, which we can see is well intentioned, should only apply to those properties which are not let through a letting agent. It would be a relatively simple matter for your Council to decide which agents are suitable, possibly with some form of accreditation scheme...”*

*“Since [my] property has been let it has always been under full management with an Oxford based estate agent. The agent ensures all the current regulations connected with rental properties are complied with ... inspects the property on a regular basis and is able to confirm that all is in order and the tenant is happy ... In my opinion estate agents who employ staff with property management qualifications should have one licence as acting agents and they should supply Oxford Council of the addresses of any properties they manage under full management confirming that the properties comply with the regulations ... Landlords who pay a licensed estate agent for full management should be covered under the estate agent's license...”*

*“My house is well maintained, and the repair work is carried out regularly as needed. I pay good fees to the agent for full management of the property and so far, there is no complaint. Therefore, in my opinion, there is no need for imposing a new selective licensing scheme for all private rented homes”*

*“We still have to adhere to guidelines and rules via the rental agents who keep an eye on us – re house quality, maintenance, certificates etc. So, I don't see any need for further control ... for those who go through a reputable estate agent/rental company, they do the oversight for you”*

*“I am anxious that the Council doesn't develop an unnecessarily costly bureaucratic system which ends up doing basically the same job as reputable estate agents ... Are landlords in this category expected to pay for new council staff to do what is already being done? I already pay 10% plus commission ... It really concerns me that I could end up paying significantly extra for no extra benefit. I see no reason that those renting via reputable agents should end up paying significantly extra”*

<sup>7.151</sup> There were also several more specific suggestions for how the details of the proposed schemes could be altered to provide a more efficient and fair process. These were as follows:

*“Could the current habitation bands be given some more thought as a house with 6 occupants is very different from that with 10 and requirements should therefore be different. e.g., Is it reasonable to require 3 WCs for 6 people? It obviously is for 10”*

*“I am against the proposed licensing but would support the improvement of a complaint arbitration scheme to resolve tenant issues. I am sure that the majority of ongoing problems would be down to a number of landlords, pick the low hanging fruit don't burden the majority with yet more bureaucracy and cost”*

*“Unlike the proposed 'Early Bird' and other discounts, only the offer of exemption from checks and charges can act as a meaningful incentive to drive up standards. I urge you to suggest it”*

*“A fairer, simpler and less costly modern procedure which is currently used by many and various suppliers is basically a public feedback website governed by a moderator where agents, tenants and landlords can make statement of fact about their experiences thus giving everybody the opportunity to make choices, raise problems and also make recommendations. All parties will still be required to act lawfully with regard to health and safety, tenancy contract terms etc.”*

*“If the Council wishes to impose new additional licensing schemes as a matter of policy, it should start from the fact that landlords provide a substantial social service to the residents of Oxford City. The premise should be that most landlords are honest and treat their tenants fairly. Therefore, the Council should respect the Government recommendation that all HMO licences should initially be for five years. For that mostly computerised exercise a fee of £50 should suffice. The application form should include the statutory conditions, with a certificate of landlord/agent compliance supported by documentary evidence. If, and only if, there are specific grounds for inspection should a fee be levied on any one property, whether before or after grant or refusal of a licence, subject to appeal to Tribunal. Sample survey inspections should be charged to general rates”*

*“I see no reason to exclude University owned properties, this is clearly discriminatory”*

### There was some criticism of the consultation process

<sup>7.152</sup> Finally, several landlords expressed frustration with the consultation process itself – with one commenting on the tight timescales for the consultation itself and the consideration of responses<sup>9</sup>. Some also felt that it was inappropriate to conduct the consultation during the current pandemic and that it should be postponed.

*“I feel that conducting research in the midst of a pandemic is wholly improper and unreasonable. A large number of people are isolated due to the pandemic and are unaware of what is going on and this is preventing people from raising their concerns and from putting forward their objections. Furthermore, community groups are unable to hold meetings and articulate and coordinate appropriate responses that are required. Therefore, I respectfully argue that any consultation should be postponed until next year”*

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<sup>9</sup> These timescales were extended by three weeks.