

The Government's Proposals on Further Regulation in the Private Rented Sector

The extension of mandatory licensing of HMOs proposals:

1. To remove the three storey condition, therefore making one or two storey HMOs subject to licensing (the occupancy condition remains at five or more persons).
2. To include the licensing of HMOs and Flats in Multiple Occupation (FMOs) with five or more occupants in two or more households above or below commercial buildings (such as flats above shops).
3. Introduce minimum room sizes for licensable HMOs of 6.52 m² for one person and 10.23 m² for two people.
4. Strengthen the 'Fit and Proper' test of people wishing to become HMO License holders by requiring criminal records checks.
5. Make it a mandatory condition on HMO Licenses that holders provide adequate arrangements for the storage and disposal of refuse from HMOs.
6. Where certain private student accommodation is being run in accordance with an approved code of practice that a 50% discount is given on the licensing fee.

New PRS regulatory tools under the Housing and Planning Act 2016:

1. Banning Orders against a landlord or letting agent for certain rental activities, where they have been convicted of certain offences. This is subject to a consultation ending on the 10 February 2017 asking questions about the types of offences that it is proposed would lead to a Banning Order.
2. Establish a database of Criminal landlords and agents.
3. Civil penalties <£30,000 as an alternative to prosecution for certain offences, e.g. failure to comply with improvement notice, to obtain property licence ,comply with overcrowding notice or HMO management regulations.
4. Extending Rent Repayment Orders (RROs), which requires repayment of up to 12 months' rent back to tenant, or LHA to LAs. RROs would be extended to cover illegal eviction, harassment, or use of violence to obtain entry, failure to comply with Improvement Notices, Prohibition Orders, etc. and breach of a banning order.
5. LAs will be able to receive information from tenancy deposit schemes about tenancies and private rented properties in their areas.
6. Stricter fit and proper person test for applicants for property licences.