



# London Borough of Brent

## Consultation on Private Rented Sector Licensing

### Report of findings



Opinion Research Services  
September 2019



# London Borough of Brent



## Consultation on Private Rented Sector Licensing

### Report of findings by Opinion Research Services

#### Opinion Research Services

The Strand • Swansea • SA1 1AF  
01792 535300 | [www.ors.org.uk](http://www.ors.org.uk) | [info@ors.org.uk](mailto:info@ors.org.uk)

As with all our studies, findings from this report are subject to Opinion Research Services' Standard Terms and Conditions of Contract.

Any press release or publication of the findings of this report requires the advance approval of ORS. Such approval will only be refused on the grounds of inaccuracy or misrepresentation

This study was conducted in accordance with ISO 20252:2012 and ISO 9001:2008.

© Copyright September 2019

# Contents

Executive Summary .....	5
Summary of main findings .....	5
The commission .....	5
Nature of consultation .....	6
Overall conclusions .....	11
<b>2. The Consultation Process.....</b>	<b>12</b>
Overview of the Consultation .....	12
The commission .....	12
Quantitative engagement .....	12
Residents’ survey .....	12
Consultation questionnaire.....	13
Deliberative engagement.....	13
Deliberative forums with landlords .....	13
Forums with residents.....	14
Meeting with stakeholders .....	14
Written submissions.....	14
Nature of consultation .....	14
Interpreting the outcomes .....	15
The report .....	15
<b>3. Residents Survey.....</b>	<b>16</b>
Introduction .....	16
Respondent profile.....	16
Interpretation of the Data.....	19
Findings of the residents survey .....	20
Local issues? .....	20
The current licensing scheme .....	22
Renewing the current licensing scheme .....	24
Extending selective licensing to new areas.....	25
Fees .....	27
<b>4. Consultation Questionnaire .....</b>	<b>28</b>
Introduction .....	28
Respondent profile.....	29
Interpretation of the Data.....	29

Consultation questionnaire findings .....	30
Local issues? .....	30
Licence fees and conditions .....	36
Text comments in the consultation questionnaire .....	38
Other text comments .....	41
<b>5. Deliberative meetings .....</b>	<b>46</b>
Introduction .....	46
Views on the PRS in Brent and predicted trends .....	48
Awareness of the current licensing scheme .....	52
Views on the impact and effectiveness of the current licensing schemes .....	53
Evidence in favour of, and monitoring and evaluation of, PRS licensing.....	55
Renewing borough-wide additional licensing of Houses in Multiple Occupation .....	57
Renewing and extending selective licensing of privately rented properties .....	59
Enforcement.....	61
Licence fees .....	62
Licence conditions.....	65
Consultation process.....	66
<b>6. Written Submissions .....</b>	<b>67</b>
Introduction .....	67
Summaries.....	67
Submissions from major landlords/agents and their representatives .....	67
Submissions from residents groups .....	73
Submissions from individuals.....	74
<b>List of Figures .....</b>	<b>76</b>
<b>Appendix 1: Profile of consultation questionnaire respondents .....</b>	<b>78</b>
<b>Appendix 2: Text responses to the consultation questionnaire.....</b>	<b>81</b>
<b>Appendix 3: Questionnaire.....</b>	<b>86</b>

# Executive Summary

## Summary of main findings

### The commission

- 1.1 The London Borough of Brent (henceforth ‘the Council’ or ‘LBB’) is seeking the views of residents, landlords and other stakeholders about the future of private rented sector licensing in the borough.
- 1.2 In January 2015, the Council introduced an additional licensing designation for HMOs and a selective licensing designation in three wards (Harlesden, Willesden Green and Wembley Central). Both designations are due to expire at the end of 2019, and LBB is proposing to renew these for another five years. In addition, the Council is consulting on proposals to introduce selective licensing into another ten wards for the first time (nine fully and one partially)<sup>1</sup>, by means of three new designations.
- 1.3 Opinion Research Services (ORS) is a spin-out company from Swansea University with a UK-wide reputation for social research and major statutory consultations. ORS was appointed by LBB to advise on and independently manage and report aspects of the consultation programme.

### The consultation

- 1.4 The formal consultation period of approximately eleven weeks began on 10<sup>th</sup> June and ended on 25<sup>th</sup> August 2019. During this period, residents and stakeholders were invited to provide feedback through the following:

A consultation questionnaire available for any interested party to complete, which attracted 1,110 responses;

A face-to-face residents’ survey based on 600 interviews representative at borough level, to provide an accurate profile of opinions in the general population across Brent (plus an additional 100 interviews just outside the borough boundary, aimed at understanding views in adjacent areas);

A large event for landlords and representatives of letting and managing agents, for which around 570 reserved places, and around 300 participants attended;

Two deliberative focus groups with local residents, involving 24 participants in total;

A meeting involving six key stakeholders (including the Fire Brigade, landlord representative bodies, and organisations that support local residents/tenants).

Written submissions: stakeholders were able to provide their views by writing to LBB or ORS (16 were shared with ORS and have been summarised in this report).

---

<sup>1</sup> In addition, a 2018 designation introduced Selective Licensing in a further five wards (Dudden Hill, Kensal Green, Kilburn, Mapesbury and Queens Park) for a five-year period. As this designation is not due to expire, these five wards were not included in any of the specific proposals being consulted on at this time.

## Nature of consultation

- 1.5 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

- 1.6 Accountability means that public authorities should give an account of their plans and take into account public views: they should conduct fair and accessible engagement while reporting the outcomes openly and considering them fully.
- 1.7 This does not mean that the majority views should automatically decide public policy; and the popularity or unpopularity of draft proposals should not displace professional and political judgement about what is the right or best decision in the circumstances. The levels of, and reasons for, public support or opposition are very important, but as considerations to be taken into account, not as factors that necessarily determine authorities' decisions. Above all, public bodies have to consider the relevance and cogency of the arguments put forward during public engagement processes, not just count heads.

## The report

- 1.8 ORS does not endorse any opinions reported here but seeks only to portray them accurately and clearly. While offering guidance on the consultation methodology and its interpretation, we seek to profile the opinions and arguments of those who have responded; but we make no recommendations on the decisions to be taken by LBB.

## Main Findings

### Quantitative feedback

- 1.9 The two quantitative strands of the consultation differ in methodology, insofar as the self-completion consultation questionnaire is intentionally made widely available for anyone with an interest, and therefore tends to attract participation from those with particularly strong views on the proposals. The interviewer-administered survey, on the other hand, is intended to target a broad cross-section of the general public to obtain results that are representative of the whole borough. Therefore, the two strands cannot simply be amalgamated but ought to be considered side-by-side in these contexts.

### *Residents survey (face-to-face)*

- 1.10 Around a third of Brent residents felt that poor property conditions (32%) and anti-social behaviour (ASB) (30%) are at least fairly big problems in their local area, and around a fifth feel this way about deprivation (19%).

- 1.11 Very high proportions of Brent residents agreed that landlords should be ‘fit and proper’ persons (94%) and that landlords have a responsibility for managing their properties effectively (93%). Fewer, though still around two thirds, agreed that poorly maintained (67%) and poorly managed (67%) properties are contributing to the decline of some areas within Brent.
- 1.12 There was a consistently high level of support for the main proposals among Brent residents. For example, more than four out of five (85%) agreed with the proposal to renew the boroughwide additional licensing scheme, while an almost identical proportion (84%) agreed with the renewal of selective licensing in Designated Area 1 (Harlesden, Willesden Green and Wembley Central).
- 1.13 Slightly fewer Brent residents, though still a large majority, agreed with the introduction of selective licensing in Designated Area 2 (Queensbury, Fryent and Brondesbury Park) (78%), Designated Area 3 (Barnhill and Welsh Harp) (79%), and Designated Area 4 (Northwick Park, Preston, Tokyngton (excluding Wembley Park), Alperton and Sudbury) (80%).
- 1.14 Most agreed that the proposed fees are ‘at about the right level’ (67% for the additional licence and 70% for the selective licence).
- 1.15 An additional sample of interviews was conducted *outside of Brent*, in wards adjacent to the borough boundary. This produced a similarly positive set of results, with high proportions of residents in agreement with the main proposals.

#### *Consultation questionnaire (online and paper)*

- 1.16 ORS typically reports the views of distinctive types of stakeholders in the open questionnaire separately, in order to understand any key differences in their points of view. For this reason, the views of individuals who landlords and letting or managing agents are reported separately from those of general residents, and so on.
- 1.17 Most landlords and agents agreed with the principle that landlords have a responsibility to manage their properties effectively (93%) and that they should be fit and proper persons (70%).
- 1.18 However, they were consistently less likely than residents and other stakeholders to be supportive of the Council’s actual proposals. For example, only 21% of them agreed that continuing with the licensing schemes would improve or further improve the condition and management of privately rented properties, compared with 73% of the residents who responded, and a similar proportion of the other stakeholders.
- 1.19 The landlords were more supportive of the proposed renewal of borough-wide additional licensing (46% agreeing) than they were of the proposed extension of selective licensing in Designated Area 1 (24% agreeing); however both proposals were supported by a sizeable majority of those residents responding to the questionnaire (80% and 76% respectively), and most of the other stakeholders.
- 1.20 Fewer than a quarter of landlords and agents agreed with the proposals to extend selective licensing into Designated Areas 2, 3 and 4 (24%, 24% and 22% respectively). In contrast, close to three quarters of those responding as local residents agreed (73%, 74% and 73%), as did a majority of other stakeholders.
- 1.21 In relation to fees, the views of landlords and agents were unambiguous, with large majorities feeling that the additional (86%) and selective (94%) fees are ‘too high’. On the other hand, the views of

residents responding to the questionnaire were less clear cut: around two fifths felt the fees were 'about right' (41% for an additional licence and 42% for a selective licence) with the remainder fairly evenly split between those that felt the proposed fees are too high, and those that felt they are too low.

- 1.22 A narrow absolute majority of landlords and agents agreed with the proposed additional licence conditions (55%), although they were quite split in relation to the proposed selective licensing conditions (with 39% agreeing and 44% disagreeing). Substantial majorities of those responding as residents agreed with the proposed additional and selective licence conditions (80% and 78% respectively).

## Deliberative and written feedback

### General views on licensing

- 1.23 The results above illustrate how many residents were broadly positive about licensing in general. Many individuals said that they had noticed a rapid growth in the size of the population locally, which had given them cause for concern in terms of the increased pressure on housing supply and infrastructure.
- 1.24 Others described experiences of issues such as ASB and poor property conditions, which some attributed directly to the PRS in their area (some identified problematic neighbourhoods or streets, or even specific properties, as being the source of these issues).
- 1.25 For many such individuals, licensing was attractive as a potential solution to the perceived problems and they wanted to see it applied widely throughout Brent.
- 1.26 Nonetheless it is worth noting that there was some scepticism, and even some of those who generally agreed with licensing retained some concerns around:
- » Whether the scheme will be adequately enforced (as some felt the number of enforcements to date had been fairly low, while others doubted whether the new scheme could be effective without a robust and proportionate enforcement programme);
  - » The impacts on 'good' landlords – particularly whether some might choose to leave the sector, further impacting on the availability of housing for those wishing to rent privately;
  - » The possibility of rent increases, i.e. if landlords seek to 'pass on' the cost of the licence fee to their tenants;
  - » Whether the scheme places too much onus on private landlords, given that tenants are responsible for many problems (and not just private tenants, but sometimes social tenants as well).
- 1.27 Landlords and agents were typically much more sceptical than residents, frequently seeing licensing schemes as bureaucratic money-making exercises, which punish the compliant majority of landlords and ultimately prove ineffective in tackling the small criminal or 'rogue' element within the PRS. In other words, while many supported the principle of improving standards in the PRS, they were unconvinced that licensing schemes represent the best way forward in terms of achieving this.

- 1.28 Some saw licensing as a *fait accompli* that would go ahead regardless of what feedback was received during the consultation process, while others challenged the Council to produce more evidence to support its case, e.g. to show that licensing had led to improvements in the existing licensed areas.
- 1.29 Many of those opposed to licensing claimed that it is unnecessary because local authorities already have other legislative powers to regulate the PRS, but – for whatever reason – choose not to use them. Many felt that such schemes can place landlords in invidious positions by making unrealistic demands of them to manage bad tenant behaviour. This led some to calls for LBB to offer more support to responsible landlords who are struggling to deal with difficult tenants.
- 1.30 There were also concerns about licensing’s ability to address issues such as illegal sub-letting and overcrowding, which have been known to occur without the landlord’s knowledge, as well as the fact that AirBnB is not discussed in the proposals.
- 1.31 Some of the feedback from other stakeholders echoed these views, inasmuch that most of them tended to be either broadly in favour or opposed to the proposals. For example, organisations representing views of tenants and residents, as well as the London Fire Brigade, were typically more enthusiastic about licensing, whereas those organisations representing the interests of landlords and letting and managing agents tended to be sceptical.
- 1.32 A few of the specific concerns raised by these organisations were as follows:
- » It was suggested that licensing might in fact drive exploitation, by pushing some tenants towards renting from criminal, unlicensed landlords (on the basis that licensed landlords might become more wary about whom they let to) and this will disproportionately affect the more vulnerable tenants in the PRS;
  - » In this context, there were also concerns about the proposed abolition of Section 21 eviction notices, which (it was said) would impact on landlords’ ability to deal quickly with misbehaving tenants, and also make them more reluctant to house individuals or families with more complex needs or histories;
  - » There were calls for joined-up approach that recognises the wider potential impacts of licensing (e.g. the possibility of more interactions between tenants and council services such as Adult Social Care, or increased rates of homelessness);
  - » It was claimed was that licensing schemes actually divert resources away from proper enforcement activity, because of the administrative efforts required to run them (it was noted that many landlords wait an unreasonable length of time for the licence to be granted, due to councils struggling to process with large volumes of applications).
- 1.33 Some indicated that they would prefer a more targeted and intelligence-led approach (e.g. use of the council tax registration process to identify private rented properties and landlords), with more collaboration between the Council and stakeholders (e.g. landlords, agents and professional bodies) and a greater emphasis on recognising and rewarding good practice, potentially via introduction of co-regulation schemes.

## Views on licensable areas

- 1.34 Some who were generally positive about licensing stated that there was a case for borough-wide selective licensing. A few questionnaire respondents sought reassurance that the scheme would be introduced into their areas.
- 1.35 One area that was particularly discussed in relation to which parts of the borough should be licensed was Wembley Park: one reason given in favour of its inclusion was that the more unscrupulous landlords could be encouraged to start moving into the area if it was not licensed.
- 1.36 On the other hand, it was also suggested (by the main Wembley Park developer) that Build-to-Rent (which comprises the vast majority of the PRS in Wembley Park) is distinctive and that Wembley Park therefore warrants being excluded – not just from the selective licensing proposals, but from the proposed additional licensing designation as well.
- 1.37 Elsewhere there was some scepticism (particularly widespread among landlords) about extending selective licensing, and a few highlighted certain wards (e.g. Brondesbury Park and Alperton) where they felt the justification given for selective licensing was weak, generally on the grounds of being more affluent or having newer housing stock.
- 1.38 Having said that, one or two landlords expressed a view that it should be borough-wide, on the basis that it would be fairer if all Brent landlords were affected and not just those in certain areas.

## Views on fees and conditions

- 1.39 As noted above (under ‘Quantitative feedback’) the majority view among residents was that the fees were appropriate (a view that a few landlords shared, although in general they were far more likely to maintain that the fees are too high).
- 1.40 Some individuals (typically those responding as local residents in the open questionnaire) argued for the fees (and/or any fines for non-compliance) to be higher, often because they believed this would allow the Council to have a better-resourced enforcement programme or to invest in other services.
- 1.41 Many landlords in particular were unhappy that the licence fee is the same irrespective of how long the scheme has left to run (i.e. the fact that a landlord applying for a licence four years into the five-year period would only be able to keep this licence for a year before having to pay once again in full). One landlord representative also felt it was onerous that if the household composition changes (e.g. from multiple occupation to a single family) then the landlord would need to re-apply for a different type of licence and pay another fee.
- 1.42 There were also calls for a more nuanced fee structure (e.g. taking the property’s rental yield or size, or the landlord’s previous level of compliance, into account) and for LBB to introduce a wider range of ways to qualify for the discount (e.g. by accepting those who are accredited by other landlord or agent representative bodies, not just the London Landlord Accreditation Scheme).
- 1.43 In terms of the conditions, a range of suggestions were made as to how these could be supplemented or enhanced. For example, many residents felt that there should be greater emphasis on the exterior of the property and in terms of gardens, outbuildings etc. Many also placed a high level of importance on the correct disposal of waste (e.g. by advocating conditions that specify appropriate numbers of bins per property and having information about waste and recycling displayed in common areas of

the property). As outlined above, there were some concerns about whether overcrowding and sub-letting are adequately addressed (with a few mentioning related issues such as parking problems in streets).

- 1.44 However, there were also some concerns expressed about the existing proposed conditions. As mentioned above, many landlords (and their representative bodies) were concerned about proposed licensing conditions relating to tenant behaviour, which was felt to often be outside the licence holder's ability to control. It was also suggested that these conditions could in fact impact negatively on tenants and contribute to wider problems, such as increased evictions and homelessness.
- 1.45 Two written submissions questioned some of the proposed conditions, feeling they were likely to contravene the Court of Appeal's judgement in the case of *Brown v Hyndburn Borough Council* (2018), *Clark v Manchester City Council* (2015) related to the council's Amenity and Space Standards, and recommending removal of the 'Finder's Fee', arguing that is not lawfully permitted within the constraints of the Housing Act 2004 [referencing *Crompton v Oxford City Council*(2013)].

## Overall conclusions

- 1.46 In summary, throughout the consultation period a range of positive and negative views were expressed around the proposals to renew the licensing schemes that were first introduced in 2015, and to extend selective licensing into new areas of Brent.
- 1.47 Both the quantitative and deliberate elements of the consultation showed a contrast in views between general residents (who were largely positive, and sometimes very enthusiastic, about the proposals) and landlords, agents and representative bodies (who were much more negative and sceptical about licensing schemes in general, and particularly of selective licensing, even though many supported the general ambition to improve standards and reduce criminality in the PRS).
- 1.48 Many of those who were opposed to licensing outlined particular concerns or grievances that they felt make licensing more onerous for those affected and which they might wish to see addressed or alleviated, while a wide range of stakeholders put forward several detailed points for the council's consideration.
- 1.49 Should it wish to proceed with the proposals, it will be up to LBB to consider how it might address these and to decide what (if any) mitigations it might introduce.