

The Case for Additional and Selective Property Licensing

Introduction

The private rented sector in Islington has grown substantially since 2011, now represents a third of the housing in Islington and is home to 74,000 of our residents including over 4,600 children and young people.

Our Islington Together 2030 plan and private renters charter sets out our belief that everyone deserves to have a home that is safe, well maintained and well managed and our commitment to ensuring local people can enjoy safe, decent, secure homes.

Property licensing helps us to regulate the condition and management of private rented properties in the borough and we license properties to help:

- Improve property standards and management.
- Protect our residents from rogue landlords.
- Support the reduction of other problems being caused by poorly managed privately rented accommodation such as anti-social behaviour and waste management issues.

Over the past 5 years we have implemented discretionary licensing to improve regulation in the private rented sector alongside the national scheme for Mandatory Houses in Multiple Occupation (HMO) that cover five or more unrelated sharers. This has been in the form of boroughwide licensing of smaller Houses in Multiple Occupation and more recently extended coverage of our Selective Licensing for single households to three wards: Finsbury Park, Hillrise and Tollington.

Our boroughwide licensing scheme for small HMO's (additional licensing scheme) is due to end in February 2026 and having reviewed the evidence we believe that it should be implemented for a further 5 years, and that a further nine wards meet the required criteria and would benefit from the adoption of selective licensing. These include Barnsbury, Caledonian, Tufnell Park, Mildmay, Highbury, Junction, Laycock, Canonbury, and Clerkenwell.

We have laid out the evidence in this report and the Council is committed to consulting widely with a range of stakeholders and carefully consider all responses before making any decisions.

We believe the current schemes have been successful and have given the Council a greater ability to proactively deal with poor property conditions, non-compliant landlords, and poor management.

Licensing provides clear guidance for landlords on the expected standards for property conditions and management. It has also provided a much better understanding of the borough's growing private rented sector and enabled us to proactively inspect privately rented properties without the need for a complaint from a private renter, providing advice to landlords sooner and identify issues before they arise.

Property licensing also provides greater protection to tenants and £423,000 has been recovered for Islington tenants in the last 5 years alone and in all cases the property was not licensed.

Significant effort has been put into bringing properties into compliance however, licensing applications have shown a considerable number of properties were still missing documentation already required by law or it was incorrect. This clearly demonstrates the need for continued, proactive intervention and that self-regulation alone is not sufficient. Licensing inspections have revealed a significant number of properties that are sub-standard so there is still much scope for improvement.

Whilst there are many good landlords, even landlords with good intentions may not always be up to date with the latest legal and safety requirements, and new landlords are entering the market not knowing their full responsibilities. The high demand for property in Islington with very high rents can drive over-occupation of premises that are not suitable, and we are increasingly seeing rent-to-rent arrangements, these often lead to mismanagement of the property. Operators fail to adequately maintain or repair the property, leading to dissatisfaction among both the renter and property owner. These properties not only endanger the health, safety, and wellbeing of tenants, but cause issues with neighbours and end up increasing demands on already stretched council services.

Due to the large number of households living in Islington's private rented sector, some of whom are vulnerable, the Council needs to remain proactive in inspecting privately rented homes, supporting private tenants and ensuring landlords comply with their legal obligations.

We invite your views in relation to property licensing within the borough to build on the success of the current schemes in addressing poor housing conditions and a range of other issues associated with private rented housing.

We are seeking your opinion about these proposals, our objectives, our proposed licence conditions, our proposed licencing fees, and the alternatives that you think we should consider. Whether you are a private renter, landlord, managing or letting agent, local resident, or business, or you are otherwise impacted by privately rented property, we want to hear your views on the Council's proposals for private property licensing in Islington.

Should the Council decide after considering the evidence and the consultation responses that a new additional licensing scheme and / or that further wards would benefit from Selective licensing, then the new schemes may come into effect in early 2026.

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Background

Islington is an extraordinary place with a clear commitment to create a more equal future for all our residents. We are a borough of contrasts in wealth, income, and access, with 225,000 residents living in only 15 square kilometres. We have 16,321 people living in each square kilometre making Islington the second densest borough in England and Wales, 28% of our children living in income deprived families, we have the fourth highest levels of pensioner poverty in London and 14.8% of households in fuel poverty. Conversely, 96% of our schools are outstanding and good, we have strong economy, with a strong cultural and voluntary and community sector.

Over 6,000 local people participated in 'Let's Talk Islington', an extensive engagement to understand residents' perceptions and experiences of inequality and their priorities and aspirations for Islington. Housing and safety were top priorities for residents and we used this wealth of insight to help build the Council's Islington Together 2030 plan.

Islington Together 2030 provides a strong vision for the future of our Borough across five missions: child friendly; safe place to call home; fairer together; greener and healthier; and community wealth building. We want Islington to be a place where people know their children will get the very best start in life, where people can access help and support when they need it and where wealth is created and enjoyed locally. A place where people can live sustainable, happy, and healthy lives.

Our private rented sector continues to grow and now accounts for a third of properties with all wards having a higher proportion of privately rented properties than the national average. It is home for over 74,000 of our residents including over 4,600 children and young people. Despite being home to over 30% of our residents, privately rented properties have the highest percentage of non-decent homes and are not improving at the same rate as other sectors.

Private rents continue to rise, reaching an average of £2,510 per month in June 2024, an annual increase of 14.6% from June 2023. Given the high proportion of people living in private rental accommodation in Islington, this has implications for unequal vulnerability to the cost-of-living crisis, and subsequent tenure insecurity, as rents rise faster than inflation.

We are determined to ensure that by 2030, everyone in Islington has a safe, decent place to call home and our residents feel safer and appreciate that the root-causes of anti-social behaviour are routinely and actively tackled and managed by landlords, the Council, and police.

We have affirmed our commitment to stand up for private renters, to cooperate with private landlords and residents to maintain and improve standards in our Private Rented Sector Charter and create a more equal Islington.

As part of putting our purpose into action we have undertaken work to better understand the private rented sector in Islington and to consult widely on proposals to extend our property licensing schemes. We want to proactively drive improvement, engage with the private rented sector, and allow local people continue to play a role in the delivery of this plan.

Property Licensing in Islington

There are three licensing schemes currently in operation in Islington.

Mandatory – a boroughwide scheme for Houses in Multiple Occupation (HMO's) covering five or more people from two or more household's sharing one or more basic facilities such as a bathroom and/or kitchen. This obligation has been in place across the country since 2006 and does not expire.

Additional – a boroughwide discretionary scheme adopted by the Council commenced in February 2021, covering smaller HMOs occupied by 3 or 4 persons who are not members of the same household who share kitchen and/or bathroom facilities. It also includes properties converted into self-contained flats where the conversion work was not carried out in accordance with the Building Regulations 1991. This scheme is due to expire in February 2026 unless a new scheme is approved.

Selective– a discretionary scheme initially adopted by the Council February 2021 covering the old Finsbury Park ward boundary for single and two-person household properties or a single family. Our selective scheme was expanded in May 2024 to cover the new Finsbury Park, Tollington, and Hillrise wards and is due to expire in May 2029 unless revoked or renewed.

Discretionary licensing schemes run for a maximum of five years and a fee is payable for each licence.

The Council has received 7,523 applications and issued 6,627 licences since the introduction of our original schemes including 3,556 Additional and 3,271 selective licences (up to 31/12/2024).

Property licensing helps us to regulate the condition and management of private rented properties in the borough. We license properties to:

- Improve property standards and management.
- Protect our residents from rogue landlords.
- Support the reduction of other problems being caused by poorly managed privately rented accommodation such as antisocial behaviour and waste management issues.

Review of current Selective & Additional (HMO) Licensing Schemes

Significant effort has been made to encourage applications and bring properties into compliance during the first phase of the scheme.

As of the 1st of April 2024, a high level of compliance was achieved with 94% of our original estimated number of properties receiving applications.

Progress against estimates (up to 1st April 2024):

License type	Applications received	Original estimated number of properties	%
Additional (including S.257)	3,421	3,500	
Mandatory	538	700	

Selective	1,725	2,000	
Temporary Exemptions	159	n/a	
Total	5,843	6,200	94%

The council maintains an easily accessible online public register of licensed properties and Temporary Exemption Notices. The register updates automatically as property licences are issued.

The public register is available on our website and allows anyone to search by clicking here: [PRS Public Register](#)

Full address: <https://propertylicensing.islington.gov.uk/public-register>

The council offers discounted fees for landlord and managing agents that have joined a recognised accreditation scheme to promote professional management of the private rented sector.

Accreditation allows landlords and managing agents to demonstrate their knowledge, training and skills to manage properties and tenancies in line with best practice. They undertake continual professional development (CPD) to keep up with changes in the law, safety requirements and best practice.

Around 20% of applications received so far have been from accredited applicants, By January 2024 there were 1,734 London Landlord Accreditation Scheme (LLAS) accredited landlords which is an increase of 88% since 2018 and above average when compared to all London boroughs. The council plans to further promote the benefits of accreditation to landlords as part of our engagement work going forward.

Discounts may be refused for applicants that make late applications or where the council has served a warning letter for failure to license the property or has had to make multiple requests for required documentation.

Proportion of accredited landlords

Licence Type	Additional	Mandatory	Selective
% Accredited	17%	29%	21%
Overall	19% of all applicants so far have accreditation		

Processing Applications

Over 50% of applications were received in the first 15 months of the scheme, the uptake in applications in 23/24 represents the enforcement activity undertaken to identify unlicensed premises.

Application received by year.

Licence Type	Year 1 2021-2022	Year 2 2022-2023	Year 3 2023-2024	Total
Mandatory HMO	199	105	127	431
Additional HMO	1,985	528	602	3,115
Selective	743	260	676	1,679
S.257 HMO	106	25	24	155
*Temporary exemption	78	15	63	156
Total applications	3,033	918	1,429	5,380
	56%	17%	27%	

Note figures between tables will differ due to application received before 1st April 2021) Most licence applications result in a license being issued, however some are refused or withdrawn as the premises either does not require a licence or is not suitable for the style of occupation proposed. A license may be withdrawn if the property is sold or no longer rented. Applicants and interested parties also can also make representations on the conditions applied once the licence has been granted in draft form

Licensing Decisions

Decisions			
Applications refused	4	Licences varied	118
Applications withdrawn	175	Revocations and variations refused	3
Reduced term licences issued (1 year)	7	Temporary exemptions granted	134
Licences revoked	96	Representations made 518	Representations accepted 332

Compliance with the scheme is also measured by verification inspections. The council aims to inspect most premises at least once during the duration of a licence. The council aims to carry out at least one routine verification inspection during the lifetime of the licence. However, these inspections are allocated on a risk basis. By April 1st, 2024,

nearly a third (32%) of licences have been subject to a verification inspection. Of these, 25% have been found to be completely satisfactory, 11% have been found to be unsatisfactory and have required attention, and 63% requiring some minor issues to be attended, with over 1,100 hazards being identified and rectified.

Proactive inspection numbers were initially impacted by covid restrictions. To address this and maintain business as usual activity, additional inspection staff have been recruited on a temporary basis while permanent recruitment is undertaken to meet the needs of our scheme. The team are now inspecting over 200 inspections a month. These levels are being monitored closely to ensure all targets are met by the end of the scheme.

We are also currently trialling a process that allows landlords to book their own inspection slots at times and dates convenient to them to help reduce administration and missed appointments.

Over 300 service requests were received about licensed properties during this period, over 70% of which related to the condition of housing including damp and pest issues. Most issues found were dealt with following our intervention via advice and warnings; 68 formal enforcement notices were served in other cases.

Unlicensed Property investigations

The service received 160 referrals concerning properties operating without a licence, with over 50% being referred by residents and neighbours, 22% from external agencies and the remaining 28% from council services.

The outcome of concluded investigations was that 26% required no further action because either they did not require or already had applied for a licence, 42% made applications as the result of an intervention of which 3 required further formal action and 3 being resolved by informal action.

Suspected unlicensed properties are also identified proactively through analysis of multiple data sources such as the presence of a property on one of the three tenancy deposit schemes or previously had a Temporary Exemption.

The council writes to suspected unlicensed properties outlining the consequences of operating an unlicensed property and the action required. The next stage will be to carry out unannounced visits where no suitable response or application has been received. This will lead to enforcement action if they are found to be rented without a licence.

Civil Penalty Notices

The Council has reviewed its approach to Civil Penalties in line with many other local authorities because of precedent set by a first-tier tribunal case and the draft Renters Reform Bill which is expected to impose a duty requiring local authorities to prosecute a range of new offences or issue 40 plus Civil Penalty Notices per year as a minimum.

Rent Repayment Orders

A rent repayment order (RRO) requires repayment of rent or housing benefit or housing cost elements of universal credit paid in respect of a tenancy or licence, by a landlord/agent who has committed a particular offence set out in the Housing and Planning Act 2016.

Justice for Tenants report that £423,000 has been recovered for Islington tenants in the last 5 Years.

Other Private Sector Improvement Work

Client Money Protection, Tenancy Deposit protection and Tenant Fees Act

Letting and property management agents in the private rented sector in England that hold clients' money, must join an approved 'client money protection scheme.' These schemes make sure landlords and tenants are compensated if they cannot repay their money, for example if they go into administration.

Landlords must put deposits in one of three government-approved tenancy deposit schemes (TDP) within 30 days if they rent a home on an assured shorthold tenancy that started after 6 April 2007.

These schemes are there to ensure tenants get their deposit back where tenants meet the terms of their tenancy agreement, do not damage the property, and pay their rent and bills.

The Tenant Fees Act bans most letting fees and caps tenancy deposits (to maximum of five or six weeks depending on rental value) paid by tenants in the private rented sector with new or renewed tenancy agreements signed on or after June 2019.

The aim of the Act is to reduce the costs that tenants can face at the outset, and throughout, a tenancy. Tenants should be able to see immediately, what a given property will cost them in the advertised rent with no hidden costs.

An estate agent, letting agent or property manager dealing with residential properties must join an approved redress scheme. This allows a customer that has a complaint about service that cannot be resolved, means to complain to the scheme.

During the current scheme, the following notices have been served; 51 for client money protection, 29 for not belonging to an appropriate Redress Scheme and 21 for Tenant Fees Act offences.

Client Money Protection (CMP) Scheme

Letting agents (and property managers) are required to protect client money (i.e., that of landlords and tenants). This means that, in the event of a letting agent becoming insolvent or, at worst, embezzling money, client money is protected. Since 2023, the council has issued 19 fines (monetary penalties) totalling £117,200. The fines range from £200 to £30,000 (the maximum penalty per offence). The lower fines are usually issued where the letting agent is not displaying, as required, the CMP certificate. Before a fine is issued, we issue a Notice of Intent (NOI), but this does not always result in a fine as the NOI gives an opportunity for the letting agent to make representations. This process is illustrated by the fact that we issued 30 NOI's but only 19 fines.

Redress Scheme

Letting agents must also belong to a Redress Scheme, which is an independent arbitrator of complaints that can award compensation to clients (landlords and tenants) payable by the letting agent. Since January 2023, the council has issued 8 financial penalties totalling £15,750 where the letting agent did not belong to a scheme. The fines ranged from £50-£5,000. 14 NOI's were issued but only 8 resulted in a fine.

Tenant Fees Act

Another way to protect tenants is the Tenant Fees Act. The council adopted a proactive approach, with the prohibition on tenant fees where not exempted. Since January 2023, the council have issued 17 fines totalling £28,750, ranging from £150 to £14,000. The maximum fine, per prohibited fee, is £5,000.

Minimum Energy Efficiency Standards (MEES)

The council have been proactively enforcing the MEES domestic requirement since 2021 when the regulations changed to require private rented sector properties to have an energy efficiency rating of E or higher (or register an exemption if applicable), evidenced by the EPC. We have issued 39 fines (financial penalties) ranging from £100 to £4000 (where the maximum is £5000).

The table below summarises the number and value of fines issued since April 2023:

	Client Money Protection (CMP)	Redress Scheme (RS)	Tenancy Fees Act (TFA)
Number of Final Notices issued (i.e., fines)	19	5	8
Total value of fines issued since April	£117,200	£5,700	£28,750

Engagement

Improving communication across the sector is crucial. Raising awareness of the responsibilities of landlords, agents, and tenants, sharing good practice, and enhancing the role of relevant professional bodies will help maintain standards at all levels of the market. Additionally, disseminating information to keep landlords updated on new legislative changes, local initiatives, and policies related to private sector housing is essential. Promoting internal and independent advice and assistance for private renters and creating opportunities for private renters to obtain direct advice from the council, are also key components. Some of the engagement activities we have rolled out, include the following:

- Phone Advice Line with Pre-Booked Drop-In Sessions launched in September; this service operates every Tuesday. It has been well attended, with 26 private renters receiving advice via phone, email, or in person during September.
- Regular London Landlord Accreditation Scheme (LLAS) training for Islington private sector landlords is being provided.
- Property Licensing Frequently Asked Questions (FAQs) for PRS landlords have been made available on our website.
- Website improvements have been made to provide dedicated content for private renters and landlords.
- A PRS bulletin and regular landlord forums are planned.
- A widespread damp and mould campaign is underway to provide residents with practical information and advice as winter approaches.

Requirements for the introduction of discretionary licensing

Local Authorities can introduce a discretionary Licensing scheme for –

Additional licensing of HMOs

Where they consider that a significant proportion of the HMOs in the borough consisting either;

- Houses or flats occupied by 3 or more unrelated people who share kitchen and/or bathroom facilities
- Properties that have been converted into self-contained flats, but where the work does not comply with the 1991 Building Regulations, meaning for example that fire protection is inadequate.
- Properties that are being managed sufficiently ineffectively as to give rise, or to be likely to give rise to one or more problems, either for those occupying the HMOs or for members of the public.

Selective Licensing

Under current guidance, a local authority can only make a selective licensing designation if the area has a high proportion of privately rented properties. High proportion means equal or above the national average which is 19%. The area must also be experiencing one or more of the following:

- Low housing demand (or is likely to become such an area)
- A significant and persistent problem caused by anti-social behaviour
- Poor property conditions
- High levels of migration
- High level of deprivation
- High levels of crime.

Private Rented Housing in Islington

The key findings arising from our tenure intelligence and stressor modelling are;

Private Rented Property

- Our private rented sector continues to grow.
- A third of properties (33%, 37,206) in Islington are now privately rented, up from 28% (26,443) in 2011 census data.
- All 17 Islington wards have a higher percentage of PRS than the national average.
- The percentage of PRS in each ward ranges from 25% in Hillrise to 41% in Caledonian.
- The PRS is home for over 74,000 (31%) of our residents including over 4,600 children and young people.
- PRS is home to 2,860 families with children under the age of 18 over and 1 in 3 are overcrowded
- 8.6% of private renters in 2021 census declared themselves as disabled under the Equality Act
- The most common private rented property type in Islington is flats (82%).
- The age profile of housing can have an impact on housing conditions and Islington has a high number of residential properties (49.6%) built pre-Second World War.

Private Rental Market

- The Indices of Multiple Deprivation (IMD) 2019, ranked Islington as the **6th most deprived local authority in London** and 53rd most deprived local authority area in England (out of 317 local authorities) and, it has the 10th highest level of income deprivation affecting children, and 4th highest in England for income deprivation affecting older people.
- 15 of 17 wards have aggregated IMD rankings below decile 5 (national average).
- Islington has a higher proportion of households in fuel poverty (14.8%) when compared to southeast England (7.5%) and England (13.4).
- Islington has an above average rented property possession rate, with 17.6 claims per 10,000 households in 2023, compared to the average number of claims for authorities in England (8.7 per 10,000).
- Islington has well above average rents for England (£2,025). The national average is £850, and the London average is £1,625.
- Justice for Tenants report that £423,000 has been recovered via Rent Repayment Orders for Islington tenants in the last 5 Years related to housing and property licensing offences.

Property Conditions and Management

- 3,100 private rented properties in Islington are likely to have at least one Category 1 or high scoring Category 2 hazard.
- Islington recorded 1,886 complaints and service requests from private tenants and others linked to 1,719 PRS properties over a 5-year period.
- Islington is in the top 3rd of London boroughs for fire incidents in residential dwellings according to data from the London fire brigade (LFB).
- Over a 5-year period (2018-23), Islington served one or more housing and public health notices on 141 unique residential premises.
- Over a 5-year period (2018-23), Islington issued 55 civil penalty notices and prosecutions after witnessing housing offences.
- The Council has recorded a total of 10,213 incidents related to anti-social behaviour (ASB) linked to 2,891 PRS properties over the past five years.
- Private rented property is 1.7 times more likely to receive a complaint about ASB than owner occupied.
- Over a fifth of applications for a selective license under our current scheme had missing or expired certification already required by law.

HMOs

- Analysis shows that 1,179 of 3,224 shared amenities of all HMOs in Islington (37%) are predicted to have at least Category 1 or high scoring Category 2 hazards.
- Islington recorded 1,295 complaints relating to 934 HMOs, from tenants and others linked to HMOs over a 5-year period (2018 –2023). Additional HMOs with tenant and other complaints are distributed across all wards.
- 2,201 ASB incidents have been matched with 691 individual HMO properties.
- Over a 5-year period (2018-23), Islington served one or more housing and public health notices on 43 unique residential premises.

The data outlined in the stressors report indicates that;

- **A significant proportion of HMOs in the borough are being managed sufficiently ineffectively as to give rise, or to be likely to give rise, to one or more particular problems either for those occupying the HMOs or for members of the public.**
- **In the case of selective licensing, that a further 9 wards (Barnsbury, Caledonian, Mildmay, Tufnell Park, Junction, Clerkenwell, Highbury, Laycock, Canonbury, St Mary's & St James' and Holloway) contain a significant number of properties in the private rented sector that need to be inspected in order to determine whether any of those properties contain category 1 or 2 hazards and/or are suffering from anti-social behaviour, which could be addressed through improved property management.**

What are the Benefits of Property Licensing

Property licensing helps deliver improvements by:

- Helping to drive better management and faster resolution of issues.
- Identifying landlords who do not proactively manage property standards and struggle with other property management issues.
- Supporting the identification of properties that are more likely to have serious hazards and need regulation.
- Preventing criminal landlords from renting property to residents through the fit and proper test.
- Issuing shorter licences to landlords subject to enforcement action to encourage better management and apply additional licensing conditions. This closer monitoring ensures struggling landlords are forced to improve the management of their properties.
- Speeding up the process to get important repairs and maintenance completed.
- Reducing the burden of enforcement costs on other sectors.
- Allowing risk-based audits of licensing conditions to be checked to ensure hazards are properly managed. Obtaining and monitoring safety certificates to ensure common hazards and tenancy issues are addressed.
- Creating a level playing field for good landlords and penalising rogue operators.
- Promoting better engagement with landlords and agents.
- Allowing an intelligence-led proactive approach to tackle poor housing conditions, reducing the risk of vulnerable and isolated tenants (who would otherwise not report issues to the council) going unsupported.

Benefits of licensing for landlords

- Poor performing landlords will receive support and training to help them improve.
- Landlords will be more knowledgeable and legally compliant with tenancy matters.
- Responsible landlords will receive information and support to help tackle antisocial behaviour.
- Improvement in the reputation of private landlords.
- Shorter void periods.
- Landlords who have voluntarily engaged with a recognised accreditation scheme can also benefit from a reduced licensing fee.
- Create a level playing field for landlords who are fulfilling their responsibilities.
- Greater ability for the landlord and authority to deal with rogue tenants.

Benefits of licensing for private renters

- More professional landlords providing good quality homes
- Likelihood of improvements to their properties
- Licensing will create a clear set of rules that all landlords must follow
- Reduced risk of homelessness and increased length of stay
- Licensing would ensure private landlords are managing and maintaining their properties
- Minimum standards for rented housing are met leading to improved health outcomes for occupiers.

Benefits of licensing for the wider community

- Reduce crime and ASB.
- Improved security and more settled communities.
- Reduced environmental problems, such as graffiti, litter, and fly-tipping.
- Landlords will have to give and ask for references for their tenants.
- Protecting vulnerable people who may currently be living in poorly maintained properties.
- Lower demand on public services such as NHS/Council/emergency services due to improved living environments.

Additional Property Licensing

Additional Property Licensing in Islington

Property licensing is one of the tools the council uses to help address inadequate housing standards, criminal landlords, anti-social tenants, and the impact of poor management within the private rented sector (PRS). In an area subject to licensing, all private landlords must demonstrate that they are a 'fit and proper' person to let a property, obtain a licence and provide and manage accommodation to a reasonable standard. If they fail to do so, the council can take enforcement action.

Boroughwide Additional Licensing

Under Part 2 of the Housing Act 2004, a local authority can designate a whole or part of its area to be subject to Additional (House in Multiple Occupation (HMO)) Licensing, applicable to smaller HMOs housing 3 or 4 people. Additional (HMO) licensing can be introduced when it is believed that a significant number of smaller HMOs in the proposed area are being poorly managed, leading to issues for residents. The rationale behind such concerns must be substantiated with evidence.

Dwellings inhabited by 3 or 4 occupiers, residing in two or more distinct households, and sharing common amenities like a kitchen or bathroom currently require an additional licence in Islington.

Section 257 HMOs are defined by the Housing Act 2004 in Part 7. This type of HMO is a converted block of flats where the standard of the conversion does not meet the relevant building standards (Building Regulations 1991) and fewer than two-thirds of the flats are owner-occupied.

After considering the evidence and being satisfied of the benefits following some small-scale pilots and a full consultation, the Council made a designation introducing boroughwide additional licensing from February 2021. As schemes can last for a maximum of 5 years, this scheme is due to expire in February 2026, unless renewed.

Additional HMOs

Additional HMOs are distributed across all wards

2,907 known Additional HMOs are distributed across all wards; Tollington (292), Holloway (231), Finsbury Park (227) and Caledonian (213) have the most known additional HMOs (Figure 1).

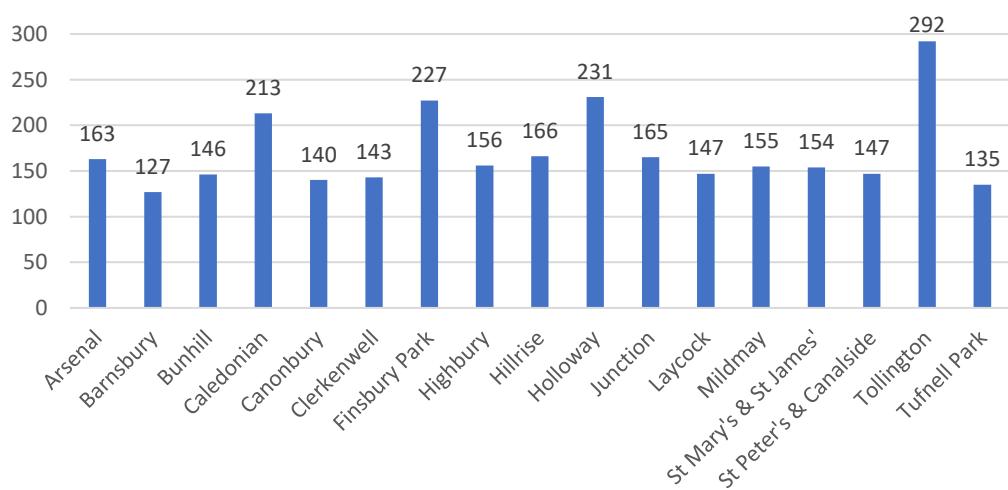


Figure 1 – distribution of Additional HMOs (source Metastreet TI 2024)

Housing conditions in HMOs

Over a third of HMOs in Islington are predicted to have at least one serious hazard.

Housing conditions are affected by the level of maintenance, quality of repair & management, the age of the property, thermal efficiency, and type of construction.

Proper management of HMOs is necessary to safeguard the tenants and the wider community. The HMO Management Regulations require the manager to keep all parts of the HMO safe, clean, and well maintained. They also place a duty on tenants of HMOs to cooperate with the manager and not damage any fire safety equipment.

Using a sample of properties that are known to have at least one serious housing hazard, it is possible to predict the number of HMOs with at least one serious hazard (Category 1 and high scoring Category 2, HHSRS A-D) across the borough (Figure 29). Further details of the methodology can be found in the Housing Stock Condition and Stressors Report.

Analysis shows that 1,179 of 3,224 shared amenities of all HMOs in Islington are predicted to have at least one serious hazard. The number of Category 1 and high scoring Category 2, (HHSRS A-D) hazards is highest in Tollington (127). All wards have HMOs with predicted hazards (Figure 29 & Map 11).

Most wards have received complaints from tenants in Section 257 HMOs. Over a 5-year period 39 complaints were received.

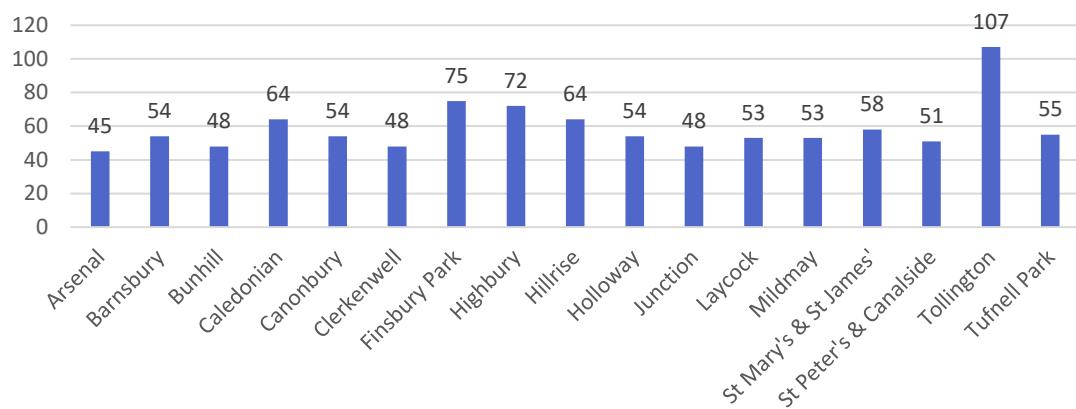


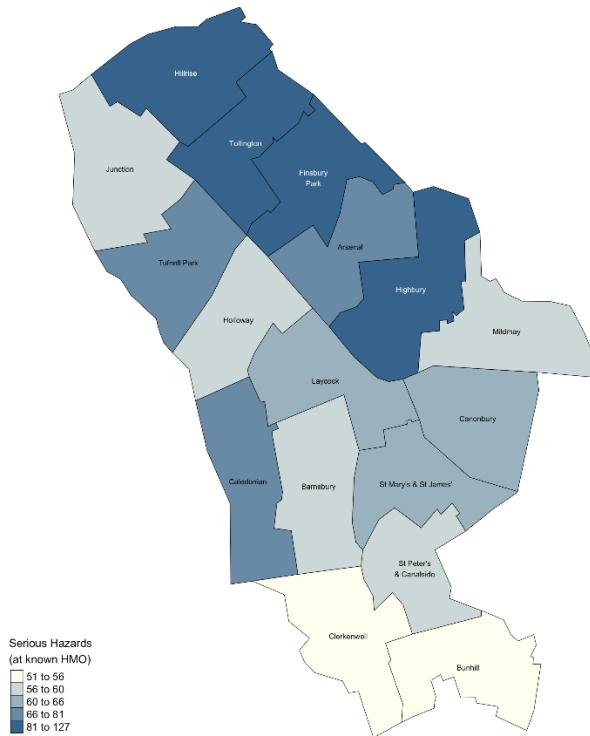
Figure 2. Number of HMO with Category 1 and high scoring Category 2, (HHSRS A-D) by ward (Source TI 2024).

Complaints made by tenants and others to Islington Council regarding poor property conditions and inadequate property management are a direct indicator of low quality and poorly managed HMOs. Islington recorded 1,295 complaints relating to 934 HMOs, from tenants and others linked to HMOs.

The estimated average hazard rate for HMOs is 36%, considerably higher in every ward than the national average for private rented properties.

Table 1 - Ti 2024 HMO Hazard Prediction	
Ward	Hazard rate (per 100 properties)
Arsenal	35.9
Barnsbury	42.2
Bunhill	34.8
Caledonian	30.7
Canonbury	41.3
Clerkenwell	34.5
Finsbury Park	36.7
Highbury	48.3
Hillrise	42.5
Holloway	23.0
Junction	31.7
Laycock	36.3
Mildmay	34.1
St Mary's & St James'	37.3
St Peter's & Canalside	36.1
Tollington	39.1
Tufnell Park	43.6
Grand Total	36.6

Additional HMOs with Category 1 and high scoring Category 2, (HHSRS A-D) are distributed across all wards; Tollington (107) has most hazards (Figure 9 source TI 2024).



Map 1: Distribution of HMOs (all types) with Category 1 and high scoring Category 2, (HHSRS A-D) by ward (Source TI 2024, map by Metastreet).

Additional HMOs with tenant and other complaints are distributed across all wards;

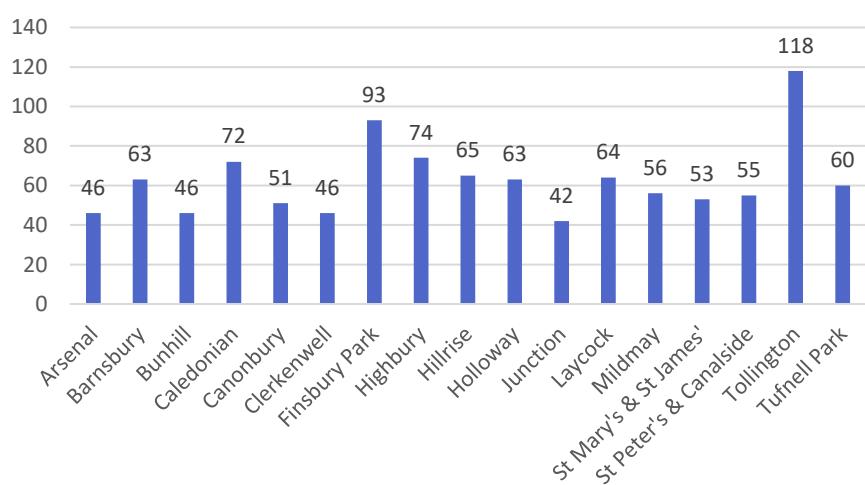


Fig 3 Number of tenant & other complaints linked to Additional HMOs by ward (Source TI 2024)

HMOs & anti-social behaviour (ASB)

There are a high number of ASB complaints associated with Additional HMOs.

Different types of ASB incidents recorded by the council over a 5-year period (2018 –2023) have been linked to known HMO properties and analysed. 2,201 incidents have been matched with 691 individual HMO properties (Figure 4). It is important to note, where incidents could not be matched directly at the property level with an HMO, ASB incidents have been discarded from this study. For example, ASB incidents investigated on a street corner that cannot be directly linked to an HMO property have been excluded.

Additional HMOs with linked ASB incidents are distributed across all wards;

Additional HMOs with linked ASB incidents are distributed across all wards; Caledonian (203) has most ASB incidents

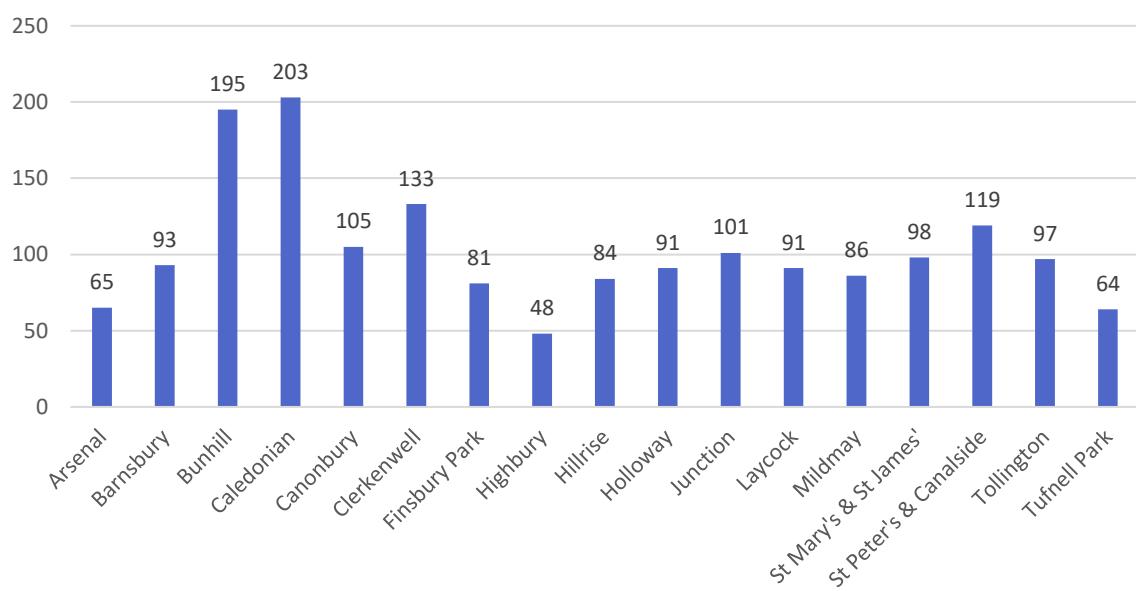


Figure 4. Number of ASB incidents linked to Additional HMOs (all types) by ward (Source Ti 2024).

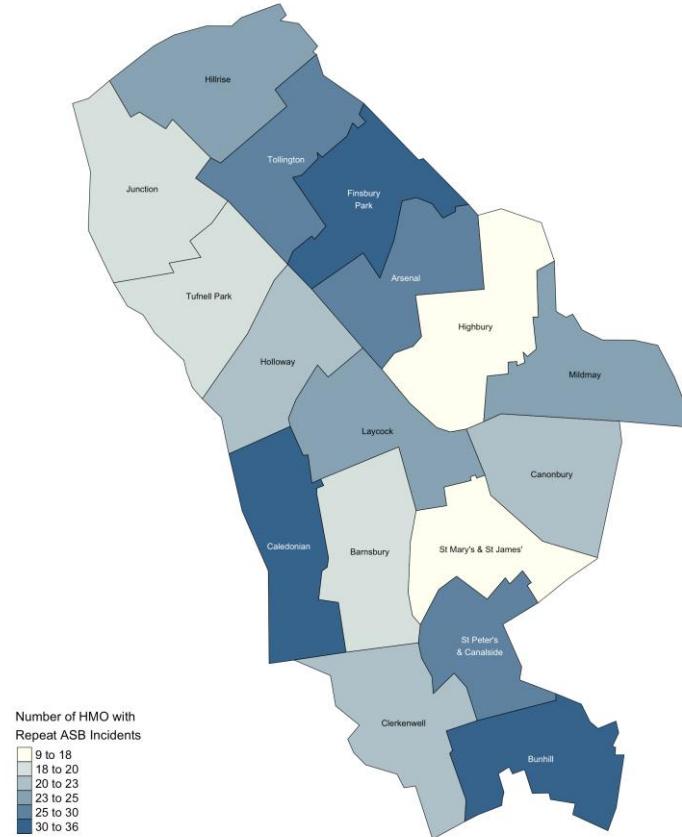
Section 257 HMOs linked to anti-social behaviour (ASB) incidents are present across all wards, with 793 recorded incidents over a five-year period. Junction Ward accounts for the highest number of incidents, with 116 reported cases.

HMOs with repeat ASB incidents (two or more) may indicate poor tenancy management or other underlying issues.

Enforcement and Inspection Results

Enforcement Notices have been served in most wards

Islington uses a range of statutory housing and public health notices to address poor housing standards in the HMO population. Over a 5-year period (2018-23) Islington served one or more housing and public health notices on 43 unique residential premises (Figure 22). Notices have been served in most wards (Map 15)



Map 2: Distribution of HMOs (all types) with linked ASB incidents (Source Ti 2024, map by Metastreet)

Issues with Compliance have been found during the application process and inspections

Compliance

During the initial phase of the existing Additional Licensing scheme, a high number of applications were found to be missing core documentation and safety certificates already required by law before renting a property, and had to be requested and chased by the Council to validate an application.

An analysis of 1,205 compliance inspections undertaken in Additional HMOs as part of the licensing process found that 11% were found to be unsatisfactory and had serious hazards identified, and a further 58% had other issues (listed below) that required attention. This means that in over two thirds of premises visited, issues have been identified requiring attention.

Other Issues

Room Sizes

Room standards are designed to ensure consistency of approach on minimum room sizes used for sleeping within HMOs and set occupancy relevant to the size of sleeping accommodation and available amenities, (toilet, bathrooms, and kitchen facilities) and prevent overcrowding or unsatisfactory spaces being used for sleeping accommodation.

The government accepted when setting the minimum statutory standards that it is likely that the local authority will need to inspect the property to ensure effective compliance with the minimum room sizes.

Waste and Recycling

Islington, like many Inner London boroughs, generally performs less well than London Boroughs and has a range of specific circumstances that make high levels of recycling more difficult to achieve.

This is considered to be due to high levels of deprivation and population density, high percentage of flats and significant rented accommodation,

Poor waste management and fly tipping, particularly in HMOs, has been cited as an issue in many wards.

We have introduced a contaminated recycling bin policy that places a greater responsibility on landlords to ensure their residents are using their recycling sites properly.

We want to ensure that all our residents have access to regular and convenient recycling collections, wherever they live or whoever their landlord is. We will continue to work with landlords to provide guidance, advice and practical support to improve recycling, but we also expect landlords to take responsibility for recycling at their properties to ensure their residents can and do recycle effectively.

Studies have shown that many sharers are not sure how or when their waste was collected, and what action was necessary in order to make it happen and that lack of leadership. Landlords had little presence in the set-up of the recycling system.

Getting information on waste management responsibilities and collection services to tenants can be difficult where there is a high turnover of tenants, or where multiple households live at a common postal address. To address this: service information for new tenants needs to be provided early on in a new tenancy i.e. within the first month (but not necessarily on day one when a new tenant is more likely to lose the information due to the disruption of moving).

Difficulties can arise where tenants do not understand responsibilities or cannot correctly use the waste and recycling system in place / issues with access to bins to fill and/or collect. Expectations of waste management at the end of the tenancy are often unclear or are disregarded, leaving tenants unsure of how to correctly dispose of waste, which is then left at the property and the Landlord does not (or does not understand how to) compliantly deal with any waste generated / remaining.

Conclusion

In summary

- **Additional HMOs are distributed across all wards.**
- **Over a third of HMOs in Islington are predicted to have at least one serious hazard and exceed the national average for the PRS in every ward.**
- **Additional HMOs with tenant and other complaints are distributed across all wards.**
- **Issues with compliance have been found during the application process and are being found during inspections with two-thirds of premises visited having issues requiring attention.**
- **There are a high number of ASB complaints associated with Additional HMOs, distributed across all wards.**

The current 5-year term has been shown to be sufficient only to begin to understand the PRS in an area, not to achieve the aims of the legislation; we believe that a minimum 10 years is thought necessary, to allow for the extensive mobilisation phase all schemes have been demonstrated to need to be completed before it can begin to deliver outcomes.

Therefore, the Council believes that additional licensing should be extended for a further 5 years as part of our long-term strategy to improve housing conditions and tackle ASB.

Selective licensing covers all private rented properties in an area subject to selective licensing, which are not HMO properties.

Making the case for Selective Licensing in Islington

Property licensing is one of the tools the council uses to help address inadequate housing standards, criminal landlords, anti-social tenants, and the impact of poor management. In an area subject to licensing, all private landlords must demonstrate that they are a 'fit and proper' person to let a property, obtain a licence and provide and manage accommodation to a reasonable standard. If they fail to do so, the council can take enforcement action.

Under Part 3 of the 2004 Housing Act, a local authority can designate the whole or any part of its area as subject to Selective Licensing, per Section 80 of the 2004 Housing Act under The Selective Licensing of Houses (Additional Conditions) (England) Order 2015. Selective Licensing can be deployed as an additional tool to help tackle a range of social and physical factors affecting a local area linked to the PRS.

Local authorities have powers to introduce selective licensing of privately rented homes in order to tackle problems in their areas, or any part or parts of them, where they are experiencing one or more of the following conditions:

- **low housing demand** (or is likely to become such an area);
- **a significant and persistent problem caused by anti-social behaviour;**
- **poor housing conditions;**
- **high levels of migration;**
- **high level of deprivation;**
- **high levels of crime.**

After an initial pilot covering the old Finsbury Park ward, the council made a designation covering the 3 wards of Finsbury Park, Tollington and Hillrise (with the new 2022 Ward boundaries) for selective licensing in February 2024, representing just under 20% of the borough.

In an area subject to Selective Licensing, all private landlords of properties meeting the criteria, must obtain a licence and comply with the licence conditions, or face enforcement action.

Islington has a high percentage of PRS properties in every ward

The percentage of PRS properties in each ward ranges between 24.5% (Hillrise) and 40.4% (St Peter's & Canalside) showing that all Islington wards have a higher percentage PRS than the national average in 2023 (19%).

Wards	PRS dwellings	% PRS
Arsenal	2,396	36.4
Barnsbury	2,147	33.7
Bunhill	2,813	37.6
Caledonian	2,018	32.0
Canonbury	1,717	26.8
Clerkenwell	1,958	30.3
Finsbury Park	2,823	40.3
Highbury	2,044	31.0
Hillrise	1,687	24.5
Holloway	2,178	33.6
Junction	2,080	30.6
Laycock	1,802	28.4
Mildmay	1,862	27.4
St Mary's & St James'	2,287	36.3
St Peter's & Canalside	2,830	40.4
Tollington	2,519	36.4
Tufnell Park	2,045	33.3
Grand Total	37,206	33.0

Table 2. Number and percentage of PRS properties by ward (Source Ti 2024).

A significant number of premises are estimated to contain category 1 or 2 hazards and should be inspected to determine if hazards exist.

A significant number are affected by ASB and repeat ASB incidents.

The Council believes that there are two conditions met to introduce selective licensing, which are ASB and property conditions.

Table 3: Summary of Conditions for Selective Licensing in Islington

Social or physical factor/condition	Specific Criteria	Meets the criteria
Low housing demand	High turnover of residential premises; high number of long-term unoccupied residential premises available to buy or rent; and a lower than-expected value of residential premises in the area.	No
Significant and persistent anti-social behaviour	Significant number of one or more ASB incidents linked to the PRS AND a significant number of multiple ASB incidents linked to the PRS	Yes
Poor housing conditions	Significant number of properties suspected to contain category 1 or 2 hazards. Under section 3(1) of the 2004 Act, the local housing authority considers it would be appropriate for a significant number of the properties referred to in article 3(1)(a) to be inspected, with a view to determining whether any category 1 or category 2 hazards exist on the premises	Yes
High levels of migration	A population increase of around 10% or more over a 5-year period	No
High levels of deprivation	High levels of deprivation compared to other similar neighbourhoods in the local authority area or within the region	Supporting factor
High levels of crime	The area has displayed a noticeable increase in crime over a relatively short period and crime rate in the area is significantly higher than in other parts or is higher than the national average	No

Low Housing Demand

As demonstrated by the high rents and increasing size of the PRS, Islington is not an area of low housing demand and so this not a relevant factor in the proposal to designate further wards for selective licensing.

Anti-Social Behaviour (ASB)

The council has received over 10,000 incidents related to anti-social behaviour (ASB) linked to PRS properties over the past five years.

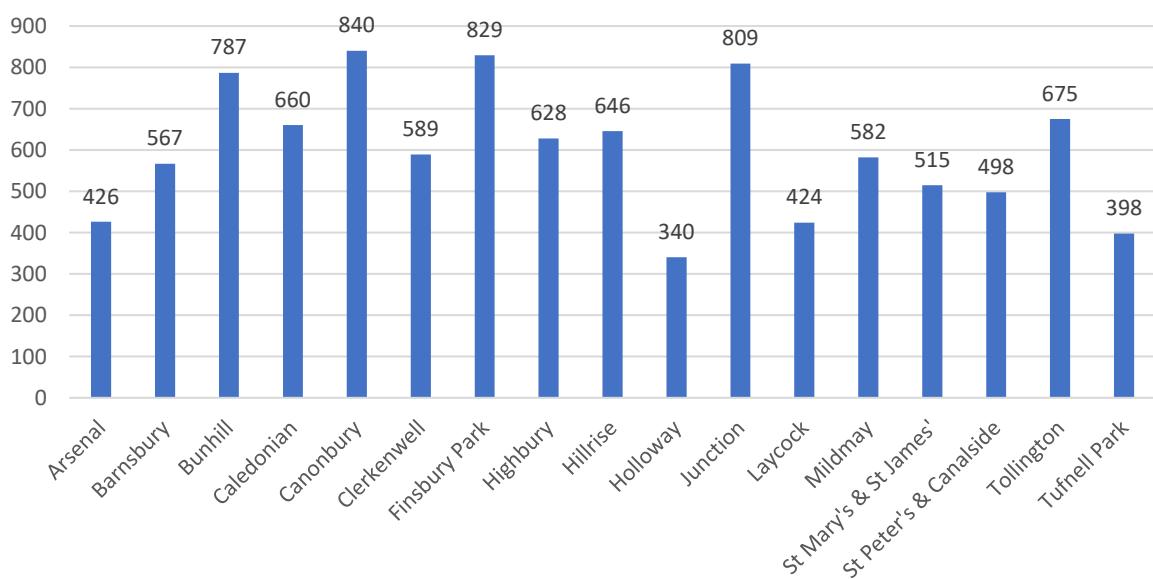
A privately rented property is significantly more likely to have reported an ASB incident than an owner-occupied premises.

The council recorded a total of over 10,000 (10,213) incidents related to anti-social behaviour (ASB) linked to 2,891 PRS properties over the past five years. Canonbury (840) and Finsbury Park (829) have the highest levels of PRS ASB incidents. Figure 5 shows that there is a significant amount of ASB in most wards in the borough.

The effect of ASB is often understated, and evidence suggests ASB can result in victims suffering from a range of negative emotional, behavioural, social, health, and financial impacts. These include negative mental health effects, avoidance behaviours, and decreased economic productivity.

ASB-related issues can include intimidation or harassment, noise disturbances, rowdy and nuisance behaviour, vehicle-related nuisances, drug-related activities, anti-social drinking, graffiti, fly posting, littering, and waste disposal.

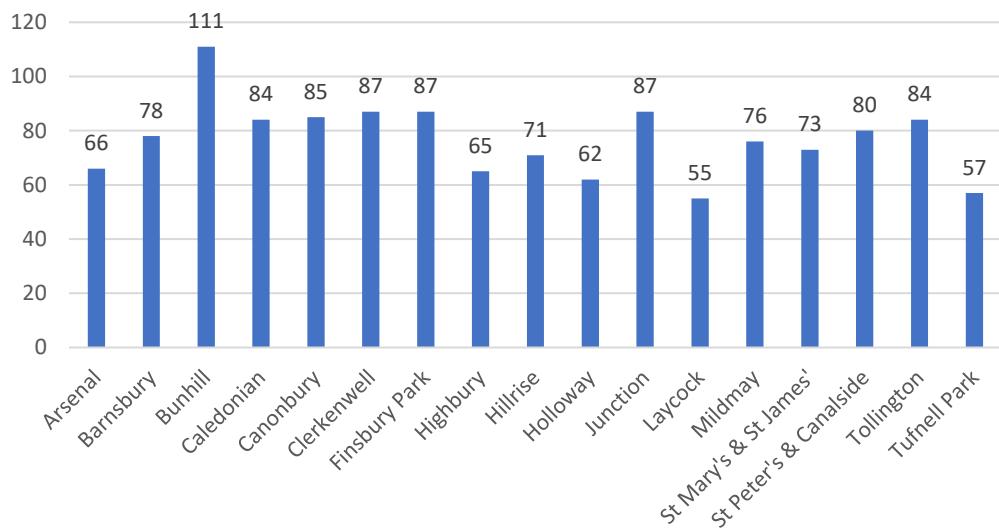
Figure 5. Number of ASB incidents linked to PRS by ward (Source Ti 2024).



Selective Licensing is not the only way we are tackling ASB, but it adds to the tools the council has at its disposal. Licence conditions can set management standards which assist landlords to play their part in helping to mitigate against ASB associated with the PRS, examples include:

- Obtaining reference checks for proposed tenants.
- Licence conditions and management arrangements relating to anti-social behaviour by tenants and their visitors.
- Undertaking regular property inspections.
- Providing information and suitable receptacles for waste management and recycling facilities.

Figure 6: Graph showing PRS properties with 2 or more noise ASB incidents by ward (Source Ti 2024).



Analysis of the data showed that the level of complaints concerning PRS properties were 1.7 times that of Owner-occupied properties.

Poor Housing Conditions

A significant number of private rented properties in Islington are likely to have at least one serious housing hazard.

The council receives a high number of complaints concerning property conditions in private rented properties.

Hazards

If a hazard is a serious and immediate risk to a person's health and safety, this is known as a Category 1 hazard. If a hazard is less serious or less urgent, this is known as a Category 2 hazard.

In 2023, the average for the total housing stock (8%) had at least one Category 1 hazards significantly higher than social rented dwellings (4%). Furthermore, the private rented sector had the highest proportion of non-decent homes (21%). It is notable that there is a gradient of risk with age of the property, the risk being greatest in dwellings built before 1900.

Islington has a high number of residential properties with nearly half (49.6%) being built pre-Second World War.

82% of properties are flats with a high proportion being converted terraced houses and flats above shops.

There are an estimated 3,100 private rented properties in Islington that are likely to have at least one serious housing hazard (Category 1 and high scoring Category 2, HHSRS). PRS properties with serious hazards are distributed across all wards. Finsbury Park (367) and Tollington (305) have the highest number of properties with at least one Category 1 and/or high scoring Category 2 hazard.

Many wards are estimated to be above the national average for serious hazards (8%), with 12 wards over 10%.

A significant number of PRS properties are likely to have serious hazards.

Table 5 - Ti 2024 all PRS			
Wards	% PRS	Hazard marker (HHSR S)	Hazard rate (per 100 properties)
Arsenal	36.4	209	8.7
Barnsbury	33.7	277	12.9
Bunhill	37.6	226	8.0
Caledonian	32.0	254	12.6
Canonbury	26.8	183	10.7
Clerkenwell	30.3	210	10.7
Finsbury Park	40.3	465	16.5
Highbury	31.0	244	11.9
Hillrise	24.5	262	15.5
Holloway	33.6	195	9.0
Junction	30.6	235	11.3
Laycock	28.4	196	10.9
Mildmay	27.4	227	12.2
St Mary's & St James'	36.3	218	9.5
St Peter's & Canalside	40.4	193	6.8
Tollington	36.4	432	17.1
Tufnell Park	33.3	256	12.5
Grand Total	33.0	4282	11.5

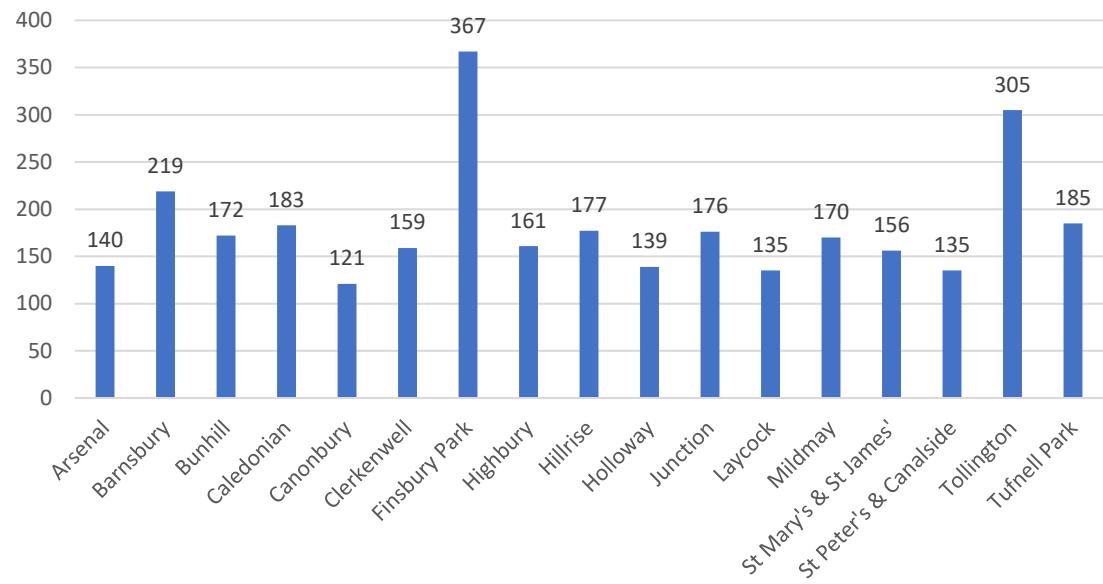
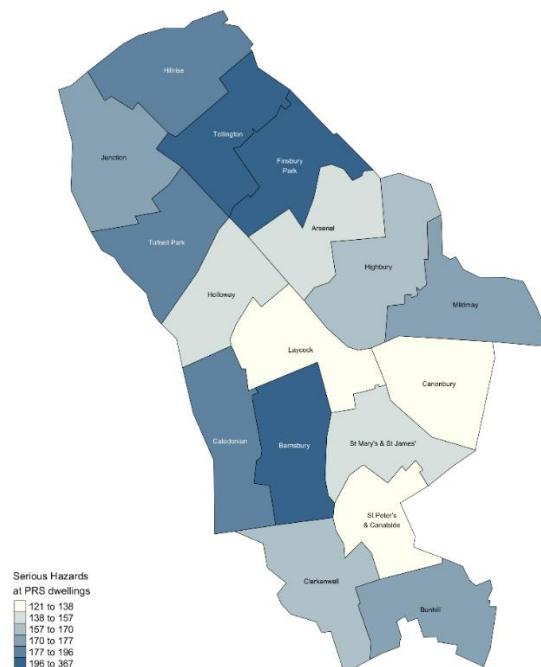


Figure 7. Predicted number of dwellings with serious hazards by ward (Source: Ti 2024).



Map 3. Distribution of PRS dwellings with predicted Category 1 and/or high scoring Category 2 hazards (HHSRS) (Source: Ti 2024, map by Metastreet).

Other factors influencing property conditions.

Findings from Inspections

Damp and mould and excess cold accounted for over a third of the hazards identified, and a fifth for fire safety issues.

Of an analysis of nearly 3,500 hazards identified during inspections undertaken by the council over the last 5 yrs, the top hazard is damp and mould, and together with fire, excess cold, falls and electrical safety accounted for over 50%.

Rank	Hazard	Number
1	Damp And Mould Growth	795
2	Fire	609
3	Excess Cold	439
4	Falls On Stairs and Steps	200
5	Electrical Hazards	160
6	Personal Hygiene	160
7	Crowding And Space	151
8	Domestic Hygiene/Pests	109
9	Food Safety	109
10	Falls Between Levels J	108
11	Entry By Intruders	106
12	Falls On the Level	90
13	Lighting	89
14	Structural Collapse etc	73
15	Falls Assoc. With Baths etc	67
16	Entrapment or Collision	47
17	Excess Heat	46
18	Hot Surfaces + Materials	30
19	Noise	15
20	Un-Combusted Fuel Gas	15
21	Collision from low	14
22	Carbon Monoxide	12
23	Poor Ergonomics	12
24	Asbestos	6
25	Water Supply	6
26	Lead	2
	Volatile Organic	
27	Components	2
28	Explosions	1
Grand Total		3473

Table 6. Hazards rank and number identified in compliance inspections over the last 5 years

Experience from existing licensing schemes.

More issues in properties have been identified in our current scheme than were predicted.

A significant number of applications have not been able to produce the correct documentation immediately as part of the application process, despite already being let to private renters.

Over two-thirds of premises visited so far in our current scheme had issues identified requiring attention.

Evidence from our current scheme found a significant number of applications were missing core documentation, safety certificates or incorrect documentation already required by law before renting a property, which has had to be requested and chased to validate an application. This indicates that self-regulation alone is not sufficient to ensure the safety of many of our residents.

An analysis of 255 selective compliance inspections undertaken as part of the licensing process found that 70% were to have serious hazards identified, and a further 58% had other issues that required attention. This means that over two-thirds of premises visited had issues identified requiring attention.

Complaints

Islington recorded 1,886 complaints and service requests from private tenants and others linked to 1,719 PRS properties over a 5-year period. Up to April 2024

Complaints by Ward	Number	Rank
Tollington	305	1
Finsbury Park	301	2
Junction	219	3
Laycock	176	4
Caledonian	174	5
Hillrise	170	6
Tufnell Park	170	7
Barnsbury	168	8
Arsenal	152	9
Mildmay	147	10
St Mary's and St James'	138	11
Holloway	137	12
Bunhill	131	13
Clerkenwell	125	14
Canonbury	116	15
Highbury	111	16
St Peter's and Canalside	102	17
Grand Total	2,863	

Table 7. Complaints by ward

Analysis of 2,500 complaints received by the service show that the main service request 'types' received by the council for PRS properties, were housing conditions, damp, and mould.

Complaint type	%
Condition of Housing	50%
Damp	26%
Pests	11%
Nuisance/PH	8%
Filthy & Verminous	2%
Fire	2%
Harassment/Eviction	1%
Hoarding	1%
Overcrowding	1%

Table 8. Complaints by Type

Enforcement

Over the past 5 years (including the Covid-19 period where activity was suppressed), 520 hazard warning letters were sent, 361 notices and 55 civil penalty notices issued, and 5 prosecutions undertaken after witnessing housing offences.

Other property management issues

Minimum Energy Efficiency Standards (MEES)

Since 2021 it has been a requirement for private rented sector properties to have an energy efficiency rating of E or higher (or register an exemption if applicable), evidenced by an Energy Performance Certificate for which we have issued 39 financial penalties.

Tenant Fees Act and Client Money Protection (CMP) Scheme

Landlords must put deposits in one of three government-approved tenancy deposit schemes (TDP) within 30 days if they rent a home on an assured shorthold tenancy that started after 6 April 2007.

These schemes are there to ensure tenants get their deposit back where tenants meet the terms of their tenancy agreement, do not damage the property, and pay their rent and bills.

The Tenant Fees Act bans most letting fees and caps tenancy deposits (to maximum of 5 or 6 weeks depending on rental value) paid by tenants in the private rented sector with new or renewed tenancy agreements signed on or after June 2019.

The aim of the Act is to reduce the costs that tenants can face at the outset, and throughout a tenancy. Tenants should be able to see immediately, what a given property will cost them in the advertised rent with no hidden costs.

An estate agent, letting agent or property manager dealing with residential properties must also join an approved redress scheme. This allows a customer that has a complaint about service that cannot be resolved, the means to complain to the scheme.

Letting agents (and property managers) are required to protect client money (i.e., that of landlords and tenants). This means that, in the event of a letting agent becoming insolvent or, at worst, embezzling money, client money is protected.

During the last 5 years the following notices have been served; 51 for client money protection, 29 for not belonging to an appropriate Redress Scheme and 21 for Tenant Fees Act offences concerning illegal letting fees or excessive tenancy deposits.

Migration

Migration is not currently considered a contributing factor for the expansion of selective licensing in the borough.

Migration refers to the movement of people from one area to another. It includes migration within a country and is not restricted to migration from overseas. Authorities should consider whether the area has experienced a significant increase in the size of the population over a brief period. In assessing this, the local housing authority should consider whether net migration into the designated area has increased the population of the area.

The 2018 Rugg & Rhodes Report stated that “Eighty per cent of recent migrants to the UK from overseas live in the PRS, and this proportion is higher in London; lower-income migrants are often disadvantaged in the PRS as a consequence of housing rights and responsibilities and language difficulties; there are concerns that ‘right to rent’ regulation is further disadvantaging migrant renters who may be more likely to fall into the more informal and shadowy PRS”.

The Office for National Statistics mid-year population estimates show that between 2018 and 2019 14 out of 16 wards in Islington experienced an increase in population. The Department for Levelling Up, Housing & Communities guidance suggests that an increase of greater than 15% in a 12-month period is an indicator of high levels of migration. This means that migration is not currently considered a contributing factor for the expansion of selective licensing in the borough.

Deprivation

There are areas of severe deprivation throughout Islington with many wards in the top 30% nationally and deprivation is considered a supporting factor for the proposals.

The Indices of Multiple Deprivation (IMD) is an official measure of deprivation in England. An area is scored using thirty-nine indicators and the indicators are grouped by seven domains: income, employment, education, skills and training, health deprivation and disability, crime, barriers to housing and services, and living environment, which are used to measure the deprivation experienced by residents of the area. A decile score of 1 means that the area is part of the 10% most deprived.

The Indices of Multiple Deprivation (IMD) 2019, ranked Islington as the 6th most deprived local authority in London and 53rd most deprived local authority area in England (out of 317 local authorities). It has the 10th highest level of income deprivation affecting children, and 4th highest in England for income deprivation affecting older people.

The pattern of deprivation differs to many other London boroughs, with affluent areas being immediately next to deprived areas. Islington has well above average rents for England (£2,025) compared to the national average of £850, and the London average of £1,625 and on average, rent accounts for about 70% of gross earnings.

15 of 17 wards have aggregated IMD rankings below decile 5 (national average).

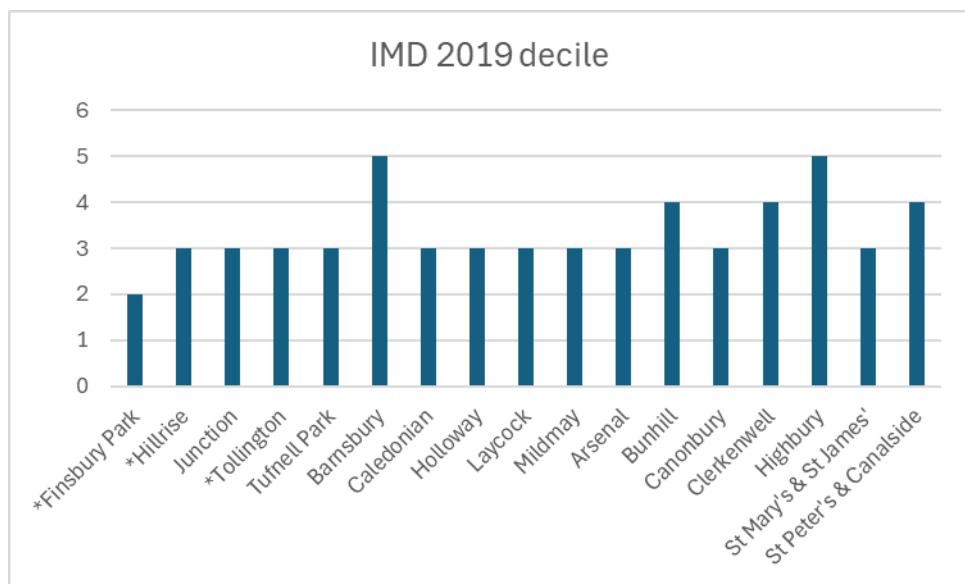


Figure 8. Average IMD (2019) decile by ward (Source: IMD 2019). Horizontal line shows the national average (decile 5).

Islington has a higher proportion of households in fuel poverty (14.8%) when compared to southeast England (7.5%) and England (13.4%).

Islington has an above average rented property possession rate, with 17.6 claims per 10,000 households in 2023, compared to the average number of claims for authorities in England (8.7 per 10,000).

The IMD data for Islington, shows most wards have a decile score of 3, with Finsbury Park scoring the lowest with 2, and Barnsbury and Highbury scoring the highest with 5. In relation to IMD scores, anything below 4 is a cause for concern.

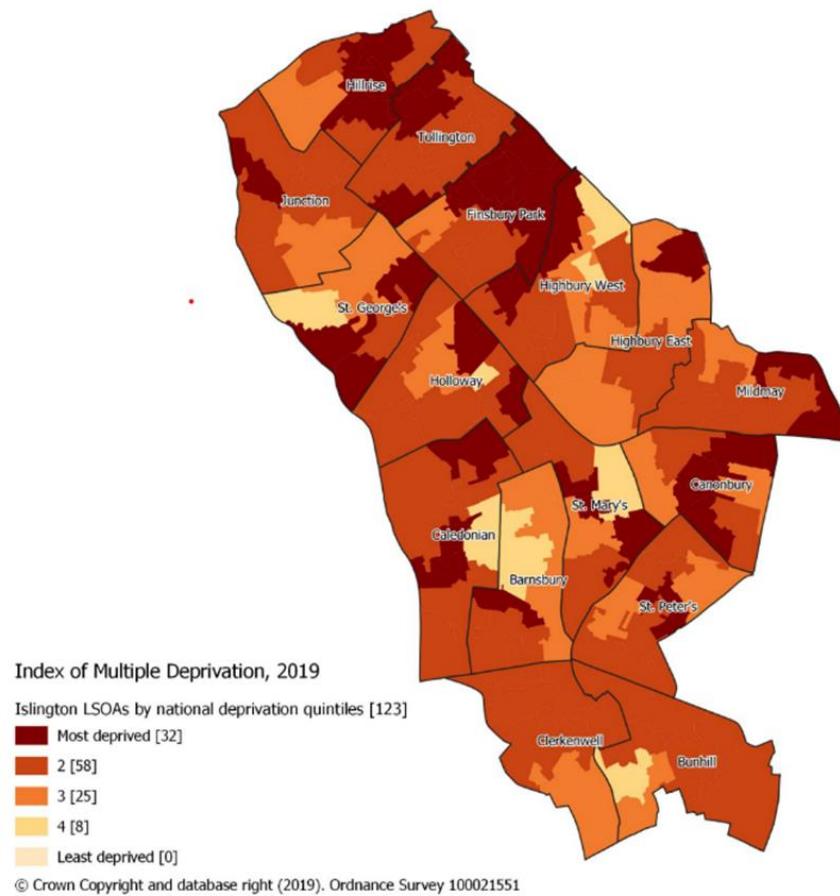
When interpreting IMD data at ward level, as the decile score is an average, areas within a ward which may be more affluent would raise the overall score of the ward, masking the areas of high deprivation.

The Income Deprivation Affecting Children Index (IDACI) measures the proportion of all children aged 0 to 15 living in income deprived families. In England, Islington ranked 10th, with 27.5% of children living in income deprived families.

Map 4 shows there are pockets of the high deprivation in every ward in Islington. The only wards in Islington which do not contain areas of the most deprivation are Bunhill and Clerkenwell, but even these areas contain areas ranked 2, making them the bottom 20% which is still cause for concern. This highlights that 14 out of 16 wards have areas of the highest deprivation in them.

There are areas of severe deprivation throughout Islington with many wards in the top 30% nationally. Deprivation is considered a supporting factor for many of the wards included in the proposals.

Licences under the designation will help to ensure that properties are responsibly managed and thereby contribute to an improvement in the well-being of the occupants and the wider community in those wards and surrounding areas, and so contribute to a reduction in deprivation.



Map 4: Map of Islington LSOA's by national deprivation quintiles, 2019 IMD

Crime

Islington has high rates of domestic burglary meaning property security is an issue in Islington.

Crime over the last 12 months in Islington has not changed significantly overall.

When compared to the other 32 London local authorities, Islington ranks 16th for the sum count of total crime offences, displayed in Figure 9. For combined burglary offences relating to residential properties, Islington also ranks 16th.

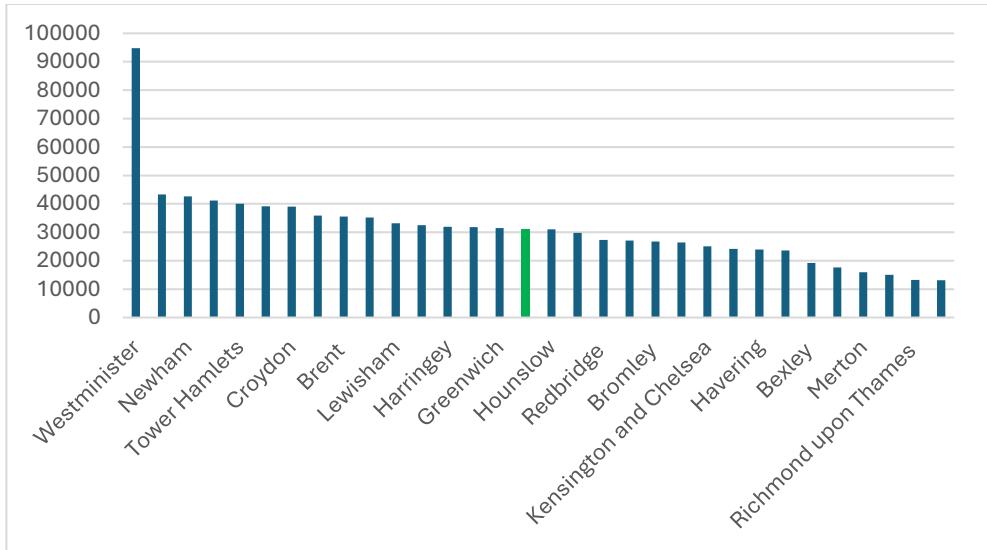


Figure 9 Graph showing sum of crimes counts in London Local authorities

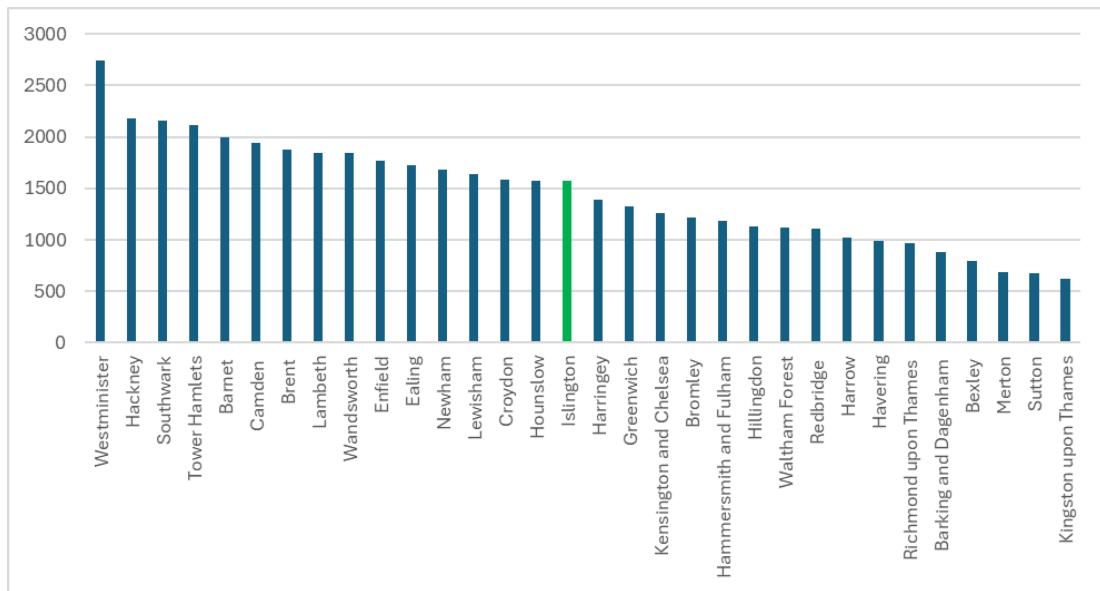


Figure 10 Graph showing burglary offences across London Local authorities

In considering whether an area suffers from a high level of crime, the local housing authority should consider whether the area has displayed a noticeable increase in crime over a relatively short period, such as in the previous 12 months; and whether the crime rate in the area is significantly higher than in other parts of the local authority area or is higher than the national average.

Crime over the last 12 months in Islington has not changed significantly from 2022/23 to 2023/24 (with a change of 2%). According to our datasets for 2023/2024, Finsbury Park experienced the highest number of total offences, followed by Bunhill and Clerkenwell. Burglary is the offence most closely associated with housing and for this metric, Bunhill, Junction and Hillrise were the three highest scorers.

Where a high proportion in the area are in the private rented sector in particular, the local housing authority may consider:

- whether the criminal activities impact on some people living in privately rented accommodation, as well as others living in the areas and businesses therein;
- whether some of the criminal activity is the responsibility of people living in privately rented accommodation.

It is noted that some of our southern wards are close to major transport hubs with a large number of offences being associated with an influx of travelling public and being targeted by criminal behaviour.

Crime is not the primary reason for selective licensing, although in designated wards licence conditions can set management standards part of a wider strategy to address crime to assist landlords play their part in helping to protect properties from entry by intruders including maintaining entrance doors, locks and door entry systems, door, and window key management arrangements.

The outcome of the designation (together with the other measures) should lead to a reduction in crime in the area.

Table 9 Crime Total Notifiable offences percentage change table

Ward	Number of total offences 22/23	Number of total offence 23/24	Percentage change 22/23-23/24
Arsenal	1,204	1156	-3.99%
Barnsbury	1,756	1719	-2.11%
Bunhill	2,594	2713	4.59%
Caledonian	1,479	1553	5.00%
Canonbury	1,127	1080	-4.17%
Clerkenwell	1,994	2035	2.06%
Finsbury Park	2,963	3266	10.23%
Highbury	1,243	1177	-5.31%
Hillrise	1,179	1246	5.68%

Ward	Number of total offences 22/23	Number of total offence 23/24	Percentage change 22/23-23/24
Holloway	1,128	1131	0.27%
Junction	1,841	1978	7.44%
Laycock	1,889	1997	5.72%
Mildmay	1,229	1222	-0.57%
St Mary's & St James'	1,902	2025	6.47%
St Peter's & Canalside	1,311	1399	6.71%
Tollington	1,487	1302	-12.44%
Tufnell Park	1,070	1077	0.65%

Table 10 Percentage change for burglary and total notifiable offences 22/23 - 23/24

Ward and Crime Category	Percentage change 22/23-23/24
Arsenal	
Burglary Offs	-21.05%
Total Notifiable Offences	-3.99%
Barnsbury	
Burglary Offs	-21.05%
Total Notifiable Offences	-2.11%
Bunhill	
Burglary Offs	-13.07%
Total Notifiable Offences	4.59%
Caledonian	
Burglary Offs	-9.76%
Total Notifiable Offences	5.00%
Canonbury	
Burglary Offs	-5.32%
Total Notifiable Offences	-4.17%
Clerkenwell	

Ward and Crime Category	Percentage change 22/23-23/24
Burglary Offs	0.00%
Total Notifiable Offences	2.06%
Finsbury Park	
Burglary Offs	2.21%
Total Notifiable Offences	10.23%
Highbury	
Burglary Offs	-13.98%
Total Notifiable Offences	-5.31%
Hillrise	
Burglary Offs	75.00%
Total Notifiable Offences	5.68%
Holloway	
Burglary Offs	20.88%
Total Notifiable Offences	0.27%
Junction	
Burglary Offs	76.67%
Total Notifiable Offences	7.44%
Laycock	
Burglary Offs	-22.92%
Total Notifiable Offences	5.72%
Mildmay	
Burglary Offs	-12.12%
Total Notifiable Offences	-0.57%
St Mary's & St James'	
Total Notifiable Offences	6.47%
Burglary Offs	6.59%
St Peter's & Canalside	
Burglary Offs	13.83%
Total Notifiable Offences	6.71%
Tollington	
Burglary Offs	21.93%
Total Notifiable Offences	-12.44%
Tufnell Park	
Burglary Offs	-1.12%
Total Notifiable Offences	0.65%

Summary

Table 11. Wards by issues experienced

Rank	Ward	High predicted Hazards	High ASB	High Deprivation
1	*Tollington	X	X	X
2	*Finsbury Park	X	X	X
3	*Hillrise	X	X	X
4	Barnsbury	X	X	n/a
5	Caledonian	X	X	n/a
6	Tufnell Park	X	X	X
7	Mildmay	X	X	X
8	Highbury	X	X	n/a
9	Junction	X	X	X
10	Laycock	X	X	X
11	Canonbury	X	X	X
12	Clerkenwell	X	X	X
13	St Mary's & St James'	n/a	X	X
14	Holloway	n/a	X	X
15	Arsenal	n/a	X	X
16	Bunhill	n/a	X	n/a
17	St Peter's & Canalside	n/a	X	n/a

*Already designated for selective licensing

Conclusion

Based on the evidence, the Council believes that a further nine wards (Barnsbury, Caledonian, Tufnell Park, Mildmay, Highbury, Junction, Laycock, Canonbury and Clerkenwell) meet the criteria for the adoption of Selective Licensing and it would be appropriate for a significant number of properties to be inspected with the view to determining if any category 1 and 2 hazards exist.

How will the schemes be delivered?

The council is committed to ensuring that our property licensing schemes continue to contribute to improvements in housing conditions and property management across the private rented sector. Most licensable properties will receive a compliance inspection over the period of the licence. The Local Authority will provide advice and support to landlords to help to bring property conditions up to the required standards along with ensuring that the landlord's statutory responsibilities are also met.

The administration of the licensing application process, including the undertaking of inspections and the provision of general advice and support to landlords will be undertaken by Environmental Health Compliance Officers. The income received from the fees shall be used to cover the additional costs incurred by the council in employing these staff with associated costs.

The council has invested in a public facing IT system designed to make an online application process for landlords as quick and efficient as possible. The system provides some automation of back-office systems helping to keep our administration costs to a minimum and enables us to focus more resource on inspections, monitoring, and enforcement using tablet devices in the field.

The initial focus has been to bring landlords into compliance and a significant proportion of this time has been consumed chasing missing or unsatisfactory documentation and payments. The council is updating its advice and guidance pages and will be taking a stricter approach with regards to timelines for submission of applications and documentation.

Landlords are required to demonstrate through their licence application(s) that they, and anyone involved in the management of their property, meet the fit and proper person criteria, and that the management arrangements are satisfactory. Their application must be supported by plans of the property and certificates covering fire, gas and electrical safety, energy performance and the existence of a UK based property manager.

Properties must also meet minimum room sizes and welfare standards which limit the number of occupants that a property can accommodate legally, this helps prevent overcrowding and maintain welfare standards.

Tenancy agreements are also reviewed to ensure they meet the statutory requirements of the Tenants Fees Act. This act bans certain letting fees and caps tenancy deposits paid by tenants. It also helps ensure that tenants' deposits are placed in a tenancy deposit protection (TDP) scheme to ensure tenants are protected from excessive charges and deposit money is protected.

A licence can be granted for up to five years. The duration of each licence will in practice be determined on a case-by-case basis taking into consideration any history of non-compliance, poor property management and incomplete or unsatisfactory documentation. Such concerns will result in the licence period being reduced so that the council can monitor compliance more intensively. The landlord will then be required to make a new license before the original license expires, failure to do so could result in enforcement action.

The council aims to process valid applications where complete documentation and payments are made within three months. Our experience in the early part of the scheme is that much more time than was expected has been spent chasing documentation and payments to allow applications to be validated and granted. The council is therefore adopting a stricter approach with firmer deadlines going forward to ensure timely processing of applications.

The Private Housing Team will focus resources proactively with the key aim to improve the physical appearance of neighbourhoods and the quality of housing across the designations, particular focus will be on ensuring that the management of properties meet required standards and where necessary landlords or agents are educated appropriately to improve their management processes ensuring any issues are dealt with promptly and effectively.

Landlords will need to abide by a set of conditions as part of their licence. Draft licence conditions have been drawn up. These conditions include both mandatory and discretionary elements that support Islington's priorities for the designated areas. These conditions shall be finalised following feedback from the consultation process.

Licensing has enabled the Council to take a proactive approach to improve the living conditions and environment for tenants, some of which are the most vulnerable.

Considerable progress has already been made with landlord engagement and the proposed redesignations should continue to build on this relationship. This will enable the Council to focus resources on housing related enforcement activity within the designated areas, whereby landlords either fail to licence their properties or fail to comply with licence conditions.

It is also likely that issues regarding poor housing conditions or ASB across other areas of the Borough may be brought to the attention of the Local Authority because of the increased awareness brought about by licensing. Where such enforcement action is needed (for example in relation to identified category one hazards within a dwelling) then this shall be referred and dealt with by the existing Private Sector Housing Standards Team who work in accordance with the Local Authority's housing enforcement policy.

Licence Conditions

Property licence conditions have been reviewed and amended following feedback and will be included in the consultation process and ensure they are in line with scheme objectives. The main changes being:

- Restructured into sections under relevant heading to make the clearer to understand
- Providing a comprehensive set of conditions that include relevant conditions prescribe in law and local licence conditions designed to reflect the objectives of the licensing schemes
- Inclusion of revised conditions to tackle ASB
- Addition of limitations of the licence for clarity
- Separate conditions have been added for HMOs (Mandatory and Additional), Selective and S257 licences.

Please see the separate document containing the proposed conditions

Fees

Fees have been reviewed to ensure the schemes remain cost neutral to the general fund and discounts have been proposed for accredited Licence Holders, properties with A-C energy ratings and for applications made at the same time for properties within the same building curtilage to reflect reduced travel time.

The proposed fees are split into Part A to cover administration and processing of applications and Part B applied after granting to cover inspection and ongoing monitoring.

Discounts will be subject to proof of eligibility, specified conditions and applied to the part B fee.

Discounts may be refused for applicants that make late applications or where the Council has served a warning letter for failure to license the property, or the Council has had to make multiple requests for required documentation.

Proposed HMO FEES

Type of Application	Part A	Part B	Total	Notes
Standard HMO	£500*	£400 plus £100 per letting*	£900 plus 100 per letting*	*See notes section for definition of a letting *Letting fee capped at 21 Lettings
Fee with approved accreditation discount.	£500*	£325 plus £100 per letting*	£825 plus 100 per letting*	*See notes section for definition of a letting *Letting fee capped at 21 Lettings
Application fee for large student accommodation developments	£500*	£400 plus £35 per letting*	£900 plus £35 per bed space	Fee capped at 21 lettings

Proposed Section 257 HMO

Type of Application	Part A	Part B	Total	Notes
Section 257 HMO	£450	£350 per building*	£900 per building*	
Application fee for Accredited** licence holder or manager	£450* per building*	£275* per building*	£825 per building*	*See note below Conditions apply (see notes)

Proposed Selective Fees

Type of Application	Part A	Part B	Total	Notes
Standard house	£450 per house*	£400 per house*	£850 per house*	
Accreditation discount	£450 per house	£325* per house	£775* per house	*See notes

Further discounts:

For application with a valid energy performance certificate with a rating A, B or C at the time of application £50

For multiple applications for properties in the same building shell within the same ownership **made on the same day** the first application will be charged at the full rate and a discount of £50 will be applied from the 2nd application.

Please see the separate document for full details concerning the proposed Fees.

Any income generated from property licensing fees will be spent on the administration, monitoring and enforcement costs associated with the scheme. There is no net financial gain for the Council. Detailed staffing and resourcing plans will be developed if the proposed designations are confirmed. Staffing levels will be required to flex depending on application numbers to ensure continual balance over the lifetime of any scheme adopted and regular monitoring will be undertaken to ensure balance is maintained.

Income will be monitored, and a team proportionate to the demand for the service will be employed. Resourcing costs to operate the various schemes are therefore projected to be approximately equal to the income projections. If income falls or rises, resources will be provided accordingly to match the costs.

The predicted numbers of applications mean that additional processing and enforcement officers will need to be employed. The figures in the table below are based on initial estimates and detailed staffing and resourcing plans will be developed if the proposed designations are confirmed. Current staffing proposals are funded from within the anticipated income received, with some flexibility to match staffing requirements to the income and workload.

Over the period of 5 years, it is anticipated that the net surplus will be £48,103 should the scheme be adopted as proposed which would be reinvested into the service.

As income is front-loaded, but costs distributed relatively evenly over the lifetime of the scheme – a separate reserve will need to exist to ensure the income-expenditure profile matches. Where income exceeds expenditure, a contribution will be made to earmarked reserves; conversely, where costs exceed the income in any one year – a drawdown from earmarked reserves will occur.

	2025/26	2026/27	2027/28	2028/29	2029/30
<i>HMO and Additional Income</i>	-2,325,440	-1,497,002		-1,233,530	-635,268
<i>Selective Licensing Income</i>	-4,315,156	-2,625,113		-2,013,829	-2,085,179
<i>Total Income</i>	<i>-6,640,636</i>	<i>-4,122,115</i>		<i>-3,247,359</i>	<i>-2,720,447</i>
<i>Salary estimates with oncosts:</i>	2,850,176	2,956,893		2,542,703	2,544,926
<i>Non-Salary Costs: Equip, Recruitment, Training, Overheads, IT, Legal, Comms:</i>	1,045,500	1,040,500		878,500	870,500
<i>Total Expenditure:</i>	<i>3,895,676</i>	<i>3,997,393</i>		<i>3,421,204</i>	<i>3,415,426</i>
<i>Grant Total (Surplus)/Deficit:</i>	<i>-2,744,959</i>	<i>-124,722</i>		<i>-173,845</i>	<i>-694,979</i>
					<i>1,952,753</i>

Enforcement

Enforcement is risk based and considered, undertaken using a phased approach. Where there is a significant, imminent risk or another aggravating factor, officers may take immediate formal action in line with statutory requirements and protocols. However, in other cases we will work with landlords to resolve the issues through a staged process:

Stage 1 – Ensure maximum compliance and apply licence conditions.

Stage 2 – Non-compliance with the conditions will lead to further action either by service of a financial penalty and/or reduced licence duration.

Stage 3 – Where there is repeated non-compliance or where the non-compliance is of a serious nature, a prosecution will be considered along with revocation of the licence.

Activity so far has focused primarily around bringing landlords into compliance and a significant proportion of this time has been consumed by chasing missing or unsatisfactory documentation and payments. The Council is updating its advice and guidance pages and will be taking a stricter approach with regards to timelines for submission of applications and documentation.

After an initial grace period for new areas covered by licensing, the Council will take a robust approach to enforcement of the schemes to ensure that compliant landlords are not penalised (financially or otherwise) for submitting their licence applications and complying with the licence conditions.

Overall

Licensing remains an important part of the Council's overall strategy to provide a 'safe place to call home.' Licensing is not intended to be an end in itself, rather a means to an end that bolsters existing statutory powers. It is about improving management standards in the private sector in areas where improvements are needed, for the benefit of occupiers and the wider community.

It is an important part of our commitment laid out in our Private Rented Sector Charter to stand alongside private renters and work with private landlords to maintain and improve standards across the borough.

Despite widespread promotion and knowledge, the Council is still finding premises operating without a licence and these are often lacking good property management. 10% of licenced premises visited so far have been found unsatisfactory on inspection proving the need for proactive inspection.

Central government recognises that licensing may be a long-term strategy and that it will not provide instant solutions. The Council is committed to driving ongoing improvement across the borough through these schemes.

Private Renters Bill

The recently introduced Renters' Rights Bill contains a number of measures designed to increase renters' rights, particularly through the proposed ending of no-fault evictions and the introduction of a duty on private landlords to meet the Decent Homes Standard. It also introduces additional enforcement powers and a new Private Rented Sector Landlord Ombudsman and creating a Private Rented Sector Database where landlords will be legally required to register themselves and their properties.

The government has stated that Selective Licensing remains a valuable tool when used appropriately and combined with other measures it has the ability to drive better outcomes for local residents, tenants, and responsible landlords. It enables local authorities to target the improvement of standards and safety in areas suffering from issues such as poor housing quality, high levels of deprivation and anti-social behaviour.

Some landlord groups have sought assurance the requirements will not duplicate existing licensing schemes once the Property Portal is fully operational. The Council believes that licensing provides a systematic and proactive approach to improving housing standards rather than just collection of information. Licensing provides the only effective means for the council to proactively inspect privately rented housing, removing the need for tenants to have complained, allowing locally tailored regulation of the sector.

The Bill will be subject to further debate/scrutiny by the House of Commons and House of Lords prior to receiving Royal Assent. This situation will be closely monitored, and should Executive decide to move forward with the proposed designations following consultation then this will be considered and acted upon as/when further information and guidance is made available regarding what the final implications entail.

Contribution to the Islington Together 2030 Plan and other strategies

Property licensing aligns with the priorities of the Islington Together 2030 Plan as it will help to improve the safety and health for occupiers of private rented accommodation by ensuring that the required standards are met, and any hazards are removed. Through appropriate licensing conditions, the Council will work with landlords to reduce crime, anti-social behaviour and the dumping of rubbish associated with privately rented properties across the borough. Licensing will also help to drive up energy efficiency in rented properties, supporting climate change targets and helping to reduce fuel poverty for tenants.

This proposal contributes to the mission of "A safe place to call home" which is a commitment to everyone in Islington having a safe, decent, and genuinely affordable place to call home.

Property licensing schemes can make communities safer through conditions which improve property conditions, management and address anti-social behaviour and offer landlords support on how best to tackle it. This contributes to the ambition of ensuring ASB is managed by routinely and actively tackled and managed by landlords, the Council, and police. They are also empowered and confident to contribute to resolving ASB issues.

Expanding the Selective Licensing scheme and renewing the Additional Licensing scheme contribute to the Council aim to work with private landlords and renters to maintain and improve standards. The consultation period encourages dialogue between residents, landlords and interested parties and if the scheme is approved it ensures minimum requirements are met, repairs are completed promptly and prevents criminal landlords from letting property to residents through the fit and proper test.

It also aligns with the Council's Housing Strategy priority by protecting private renters and the aims of our private renters' charter by helping ensure that the sector operates good standards of management and provides good quality affordable accommodation to meet current and future housing needs. Supporting our vision of a private housing sector that people choose to live in, rather than a sector that people are forced to live in.

Our property licensing schemes will help create a clear and level playing field for the private rented sector across Islington, promote high standards of professionalism amongst landlords and managing agents and contribute to a clearer regulatory framework across London where market conditions attract rogue landlords to operate, directly supporting the Mayor of London's Housing Strategy.

Other options considered and the reasons for this proposal

An alternative option would be to make no changes, neither expanding Selective nor renewing the Additional scheme. This would mean that when the scheme expires in 2026, only the statutory housing function would remain. This would result in the team's primary focus being reactive work addressing only reported category 1 hazards. This would result in a significantly lower level of enforcement activity, as many tenants may not know they have the right to seek Council support or may fear it would damage their relationship with the landlord.

Licensing schemes are more effective than relying on tenant complaints because they outline the standard properties are required to meet, during the application process high risk properties can be identified so they may be inspected first making it less likely they will slip under the radar. Furthermore, property licensing schemes improve communication between renters and the Council and make it more likely they would contact the Council in the future.

Voluntary landlord and agent Accreditations Schemes are other alternatives to improve conditions. As of January 2024, approximately 1,734 accredited landlords in Islington signed up to LLAS. Although this is an increase of 88% since 2018, a significant number of landlords do not participate in accreditation schemes, meaning that accreditation alone cannot be used to regulate housing conditions in the borough and should be used in conjunction with property licensing.

Many initial applications received were found to have out of date or missing legally required certification and through compliance inspections undertaken as part of the property licensing schemes, we are proactively identifying numerous issues that require attention. Of the licenses which have been subject to inspection, only 25% have been found to be completely satisfactory, 11% have been found to be unsatisfactory and have required attention, and 63% requiring some minor issues to be attended with over 1,100 hazards being identified and rectified following visits.

This is evidence that the application process and inspections are an effective way of identifying hazards and poor housing conditions. Renewing the Additional and expanding the Selective schemes allows us to continue to inspect and ensure more residents can experience the protections from property licensing.

Scheme Objectives

The intended outcome of the proposed designations is to improve property conditions, management, anti-social behaviour (ASB) and crime, to create a clear and level playing field for the private rented sector across Islington. This is part of a wider programme of work to reduce the impact of poorly managed properties.

Anti-social behaviour (ASB) is a continuing challenge for the borough. An expanded Selective Licensing scheme will enable the Council to build on the work already undertaken to tackle ASB and use licensing conditions to reduce repeat ASB offences.

Licensing is an effective lever to improve housing standards and achieve a reduction in associated ASB by driving up the quality of property management.

Consultation and community engagement

Consultation is a key feature of the development of the proposals.

This proposal is for consultation as stated in the Housing Act 2004. Consultation is a requirement that must be carried out prior to a Local Authority making a property licensing designation.

Housing Act 2004 Section 80 states that" before making a designation the local housing authority must;

- (a) take reasonable steps to consult persons who are likely to be affected by the designation; and
- (b) consider any representations made in accordance with the consultation and not withdrawn.

The Consultation will be supported by an external agency experienced in consultations of this type. The aim is to collect high quality and representative feedback using a variety of methods to ensure we hear from a wide range of stakeholders including private renters, agents, landlords, residents, and neighbouring boroughs, to ensure the results and insights are balanced and representative.

The consultation will be open for 13 weeks from Monday 13th January to Sunday the 13th April 2025. It will be published in regional and local press, via direct and indirect email, using public notice boards, the Council website, and social media. The consultation methods may include the following.

- Door to door in person surveys.
- An online survey which will be promoted by the Council.
- Stakeholders being invited to take part in interviews to gain specific feedback from a range of perspectives.
- At least one public meeting, allowing landlords, property professionals, private rented tenants, and all other residents to discuss together with Council officers able to answer question and provide further questions.
- Online focus groups, with a mixture of landlords, residents, and agents.
- Engagement with the landlord forums and renters' forums.

Following the end of the consultation period, and the gathering of results, the Council will create a summary of responses and will demonstrate how the responses will be acted on or not, giving reasons.

Should the Council decide after considering the evidence and the consultation responses that a new Additional Licensing scheme and / or that further wards would benefit from Selective Licensing would be desirable, then the new schemes may come into effect in early 2026.