

**TO: EMPLOYMENT COMMITTEE – 19 September 2006**

**SUBJECT: ADDITIONAL STAFFING REQUIREMENTS FOR HMO LICENSING**

**FROM: HOUSING STRATEGY**

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**1. PURPOSE OF REPORT**

Mandatory licensing of HMOs was introduced from 6 April 2006 without any increase in the staffing arrangements within the Private Sector Housing Division of Housing Strategy. This was a conscious decision as it was not known at that time how much additional work this introduction would entail.

The fee structure for HMO Licensing was agreed by Members at the meeting of the Executive in March 2006 based on a theoretical workload which in turn was based on a supposed number of HMOs which might need to be licensed. These fees were to be hypothecated for the mandatory HMO licensing service over a five year period.

It is now becoming clearer that the amount of additional administrative work is slightly more than was anticipated, whilst the additional technical work is likely to be at the same level as was reported. However, by employing two, part time staff for up to five years, it is thought that the additional workload can be undertaken without detriment to the existing Private Sector Housing service.

This report seeks Member approval to employ these two additional members of staff on temporary contracts.

**2. BACKGROUND**

2.1 The Report to the Executive in March 2006 described the purpose and scope of mandatory HMO Licensing. In effect, all houses of three or more storeys occupied by more than 4 persons living in two or more households would need to be licensed by the local authority from 6 April 2006. There was a period of grace allowed for applications to be submitted until 6 July 2006, following which it is an offence to operate an HMO of this type without a licence.

2.2 At present (8 September 2006) some 187 applications have been received generating an income of approximately £93,000, some of which will need to be refunded when applications for registration under the Student House Accreditation Scheme (SHAC) are processed. (A 40% reduction in the cost of a licence is allowed in respect of houses which were either already registered with the SHAC, or in respect of which a valid application for such registration had been received before 6 April 2006). It is anticipated that a further 160 applications for licences will be received later in the year as houses become reoccupied when students return in the autumn. (At present, these are not HMOs as they are empty). It is therefore anticipated that the total income generated within the five year licence period will be in the region of £145,000.

- 2.3 The additional workload imposed on Warwick District Council by mandatory HMO Licensing was outlined in the March Report. This indicated that the new work was of both an administrative and a technical nature, and it was anticipated at that time that one additional member of staff – skilled in both these work areas – would be sufficient to cover the additional work. Since that time and by sharing experiences with other local authorities, it has become clear that there is more of a need for administrative input – whilst no less a need for technical input.
- 2.4 For the present, and at least for the first two years of operations, I now believe that a minimum of 15 hours per week administrative support is required. It may be that, once the initial surge in applications has been dealt with, the administrative aspect could be reduced.
- 2.5 The level of additional technical support is still determined at 22 hours per week. This will be required for the whole five year period of the licence regime.
- 2.6 It is assumed that the Technical support will be at salary band E1, and that the Administrative support will be at salary band H. Given these assumptions, the technical support will cost in the region of £15,273 p.a., and the administrative support will cost £6,755 p.a. – both including “on-costs”. Over the five-year period, this equates to a salary cost of £110,140. In addition, a “casual used” car allowance will be paid to the technical Support Officer. It is anticipated that this will add around £2,858 to the five-year total – well within the estimated income from licensing.
- 2.7 Once the initial five year period has expired it may be that the experience gained will show that these posts will need to be made permanent.
- 2.8 Appendix 1 outlines the work to be done by each of the proposed new members of staff.

### 3. **POLICY AND BUDGET FRAMEWORK**

The government has instructed that the introduction of mandatory HMO licensing will have no effect on local authority finances and that the fees charged by local authorities should cover any additional costs. It has further instructed that the introduction of HMO licensing should not be thought of as an additional source of revenue.

With these caveats, and with the income hypothecated for HMO Licensing work, the fee structure agreed by Members will be sufficient to pay for additional staff, publicity materials and disbursements.

### 4. **RECOMMENDATIONS**

Members are asked to agree the proposed employment of additional Technical and Administration Staff for a five year period as a consequence of the introduction of mandatory licensing for Houses in Multiple Occupation (HMOs).

- i. Technical – Housing Surveyor, .....22 hours per week
- ii. Administrative officer, .....15 hours per week

**Paul Leeman**  
**Divisional Environmental Health Officer**

**BACKGROUND PAPERS**

**Nil**

**Areas in District Affected:** All District  
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**Key Decision:** Yes

**Included in Forward Plan:** No

**For further information about this report please contact:**

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## **Outline of Duties – HMO Technical Officer & HMO Admin Officer**

### **Administration Officer.**

1. Provide, develop and maintain a comprehensive administration service in relation to HMO Licensing, including responsibility for providing monitoring information.
2. Develop and maintain a good understanding of Private Sector Housing and the legislative requirements relating to HMO Licensing.
3. Undertake all duties associated with the administration of HMO Licensing and, as necessary, the general administrative support for the Private Sector Housing Division.

In particular, but not exclusively, to:

- i) Provide a high quality customer-focussed advisory service for landlords, letting agents and tenants about HMO Licensing and the enforcement of housing conditions in the private rented sector. Deal with enquiries at reception, by telephone, by letter and e-mail;
- ii) Receive, evaluate and take appropriate action in respect of all incoming post concerning HMO Licence applications, ensuring that replies are sent out within the required timescale;
- iii) Ensure HMO licence applications are complete and are accompanied by the appropriate fee, and that fees are handled in accordance with the council's standing orders and financial regulations;
- iv) Enter application details onto the council's computer system and complete the action details as necessary;
- v) Liaise with other Business Units within the council, and with outside agencies and other local authorities in order to assist in carrying out a "*fit & proper person*" check in respect of licence applicants;
- vi) Assist in the preparation and analysis of data and the preparation of effective management reports using APP (Flare), Word and Excel;
- vii) Assist in the preparation and dissemination of publicity material in respect of HMO Licensing, and in the promotion of HMO Licensing within the district. This may include the participation in training events for landlords.
- viii) Order stationary and equipment and monitor stock levels in accordance with the council's standing orders and financial regulations;

### **Technical Officer**

1. Develop and maintain a good understanding of Private Sector Housing and the legislative requirements relating to HMO Licensing.
2. Take advantage of any training offered in respect of achieving competence in inspecting property using the Housing Health and Safety Rating System (HHSRS).

In particular, but not exclusively, to:

- i) Assist in the verification of statements made in HMO Licence applications and in the authentication of documents submitted with applications;

- ii) Assist the Senior Environmental Health Officer in visiting HMOs to determine whether they are subject to licensing, and in connection with processing of applications and in assessing compliance with licence conditions;
- iii) Prepare and submit reports concerning occupation and conditions following the inspection of HMOs and other occupied dwellings, and make recommendations as to possible courses of action;
- iv) Participate in the development and updating of management information systems using the council's computer systems. Collate data and prepare reports for management using APP (Flare), Word and Excel
- v) Assist in promoting HMO Licensing within the district. Including, participation in training events (e.g. briefings and workshops for landlords), site visits to letting agents and the development and distribution of publicity material.