

CALL-IN OF DECISION

(1) Reason why decision is being called in:

1. The report (key Decision 4870) reviewing the private rented sector in Enfield and proposing to go out to public consultation on a licensing scheme is being called in because the evidence base does not justify the scope of the proposals. The proposed extent of (i) the selective system, which would cover the majority of the wards in Enfield or (ii) in the case of HMOs the whole of the Borough, is unfair to the many private landlords who comply with their legal obligations.
2. Government advice on licensing schemes is very clear that they should be used sparingly because they discriminate against the majority of landlords who comply with their legal obligations to their tenants. There is therefore a very high threshold of proof required before a licensing scheme can be implemented. A selective scheme requires the approval of the Secretary of State.
3. The report states (para 5.5) that one of the benefits of the proposals is that the high level of evictions from the PRS in Enfield will be reduced because landlords of licensed properties cannot use section 21 (so called-no-fault eviction notices) of the Housing Act 1988. No mention is made in the report that earlier this year, the Government announced that s.21 notices would be abolished, and landlords will no longer be able to evict tenants unless a breach of the tenancy agreement has been demonstrated.
4. The licensing fee proposed of £120 p.a. for the selective scheme and £180 for the additional scheme would inevitably be passed onto to the tenants. There is no guarantee that the licensing fee would not be raised further in future.
5. The Council already has powers under a wide range of legislation to take enforcement action against rogue landlords for sub-standard property conditions, overcrowding, harassment, etc. Enfield CAB estimates that it receives over 1000 complaints from tenants each year. A report last year in the Guardian Newspaper identified 53 councils, including Enfield, who had failed to prosecute any private landlords following complaints from tenants between 2015 and 2017.
6. The licensing fee is legally required solely to cover the cost of administration, i.e. the salaries, etc of the 30 or so inspectors (according to officers) who would be employed by the Council. No information is provided in the report about the current cost of enforcement and whether the Council is sufficiently resourced to actually enforce breaches of the proposed licensing conditions for private landlords. The

evidence from the Guardian and others is that enforcement in Enfield is weak or non-existent and a licensing scheme will not change that in any material way

7. The new criteria for licensing schemes required by Government is indicative only. Rogue landlords are more likely to operate in areas where levels of poverty, poor housing quality and anti-social behaviour are most acute. Depending on local circumstances, many London councils who have introduced licensing schemes have restricted them to either selective schemes or to additional schemes. Also, in the case of selective schemes (which cover all private rented properties), the designated areas are often restricted to individual streets or neighbourhoods. The evidence in the report does not support the blanket approach proposed.

(2) Outline of proposed alternative action:

The report should be referred back to the Cabinet Member and the consultation proposal halted. The licensing scheme should either be abandoned or greatly restricted in scope to areas of the greatest deprivation. The Cabinet member should focus more attention and resources on the lack of enforcement under existing legislation to curb the activities of rogue landlords in the Borough.