

Hackney Council

Proposals to introduce property licensing

9th July 2025



Key colleagues

- Mark Yeadon, Public Perspectives
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Purpose of today's session

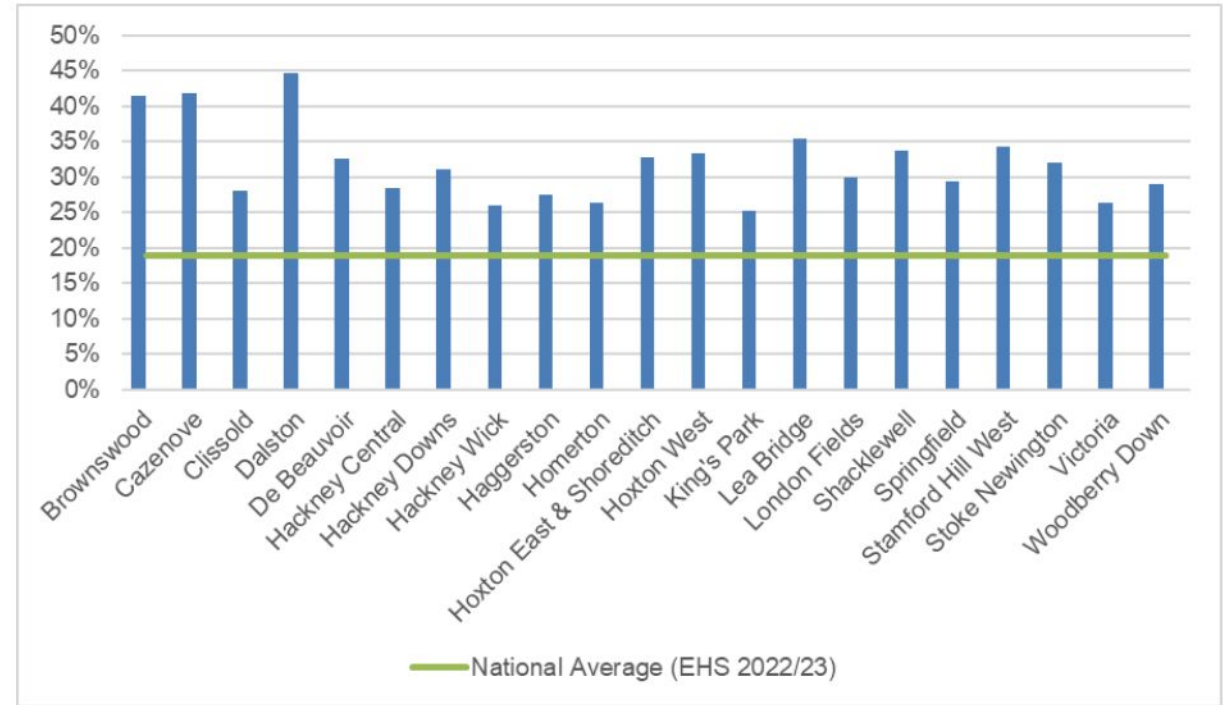
- Brief on purpose, process and key aspects of the property licensing proposals and associated consultation.
- Discuss key aspects of the proposals to allow 'informed' consultation responses.
- Capture headline/high level views around the proposals as part of the consultation process.
- Signpost to the consultation materials and on-line consultation questionnaire: **bit.ly/Hackney-Licensing**

Key areas for discussion

- Private rented homes in Hackney
- Property licensing – Mandatory HMO licensing, Additional HMO licensing and Selective Licensing
- The proposed new property licensing schemes in Hackney
- The evidence base for introducing property licensing
- Alternative approaches considered
- Proposed scheme objectives and wider council strategies
- The proposed fees, charges and discounts
- The proposed property licence conditions
- Next steps and responding to the consultation

Private rented homes in Hackney

- More Hackney residents than ever rely on the private rented sector for their homes. These homes are an essential part of Hackney's housing mix, and many landlords provide good quality, well-managed places to live.
- Around 32% of all homes in Hackney are now privately rented. This is one of the highest proportions in London. This represents 39,493 homes, including more than 6,000 Houses in Multiple Occupation (HMOs), where 3 or more people who aren't from the same household share facilities like kitchens or bathrooms.
- Private rented homes are found in every ward in the borough. The highest concentration is in Dalston, where nearly 45% of homes are privately rented while more than one in four in King's Park are privately rented, which is higher than the national average of 19%.



Percentage of PRS dwellings by ward (HSCR)

You can read more about the findings that have informed these proposals in the 'Consultation Evidence Pack' document (see pages 5 to 14 and Appendix 1): bit.ly/Hackney-Licensing

Property licensing

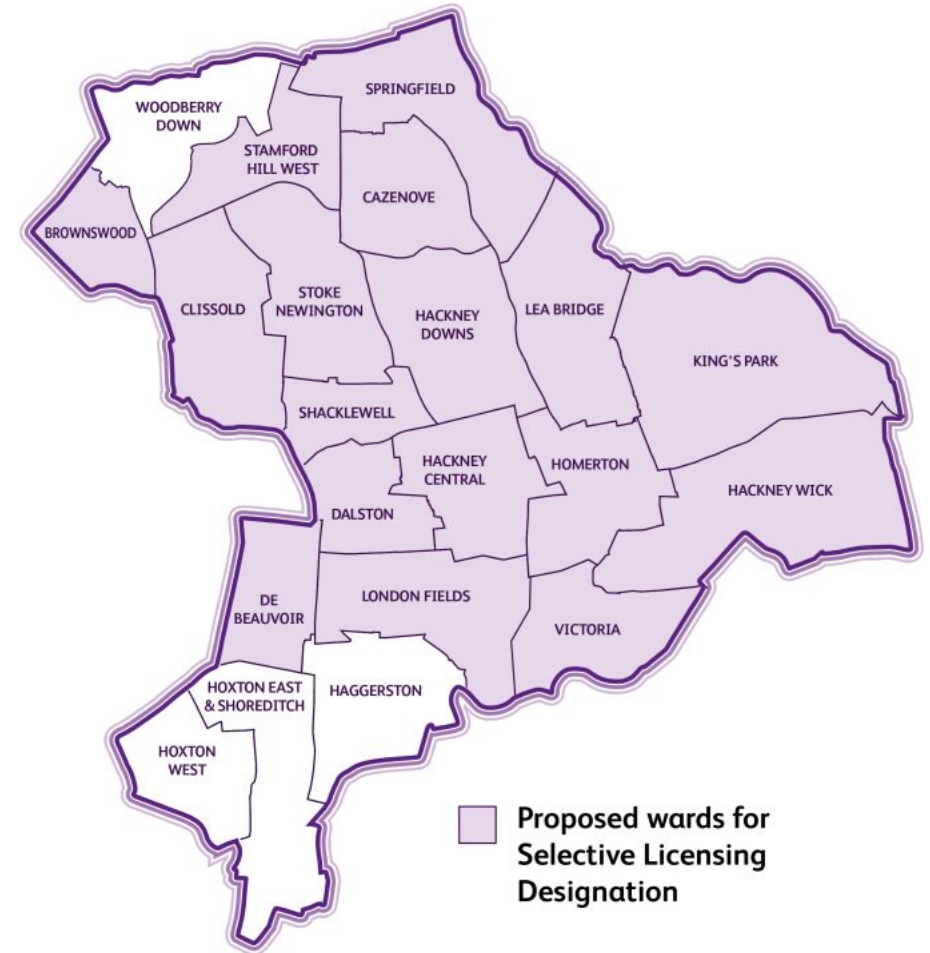
- **What is property licensing?** Property licensing allows the Council to regulate private rented homes where legal criteria are met. This is done by issuing a licence to the person responsible for the property, usually the landlord. The aim of licensing is to improve standards in the private rented sector by ensuring the person holding the licence is a fit and proper person and the property meets basic standards and is managed appropriately. In this way, property licensing can give local authorities the intelligence and resources to inspect and enforce standards.
- **Mandatory licensing for larger HMOs:** By law, all councils in England must run a mandatory licensing scheme for HMOs (Houses in Multiple Occupation). This applies where five or more people, from two or more households, share facilities such as kitchens, bathrooms or toilets. Hackney Council has been running a mandatory HMO licensing scheme since 2004. So far, 540 properties have been licensed under this scheme. This existing scheme is not part of this consultation.
- **Selective and Additional HMO Licensing schemes:** Councils can also introduce other types of licensing and Hackney Council is proposing to introduce two new five-year licensing schemes from early 2026:
 - Selective Licensing covers other privately rented homes that are not HMOs.
 - Additional HMO Licensing covers other shared homes not covered by the mandatory scheme.

You can read more about the property licensing framework in the 'Consultation Evidence Pack' document (see pages 15 to 18): bit.ly/Hackney-Licensing

The proposed new property licensing schemes in Hackney: Selective Licensing

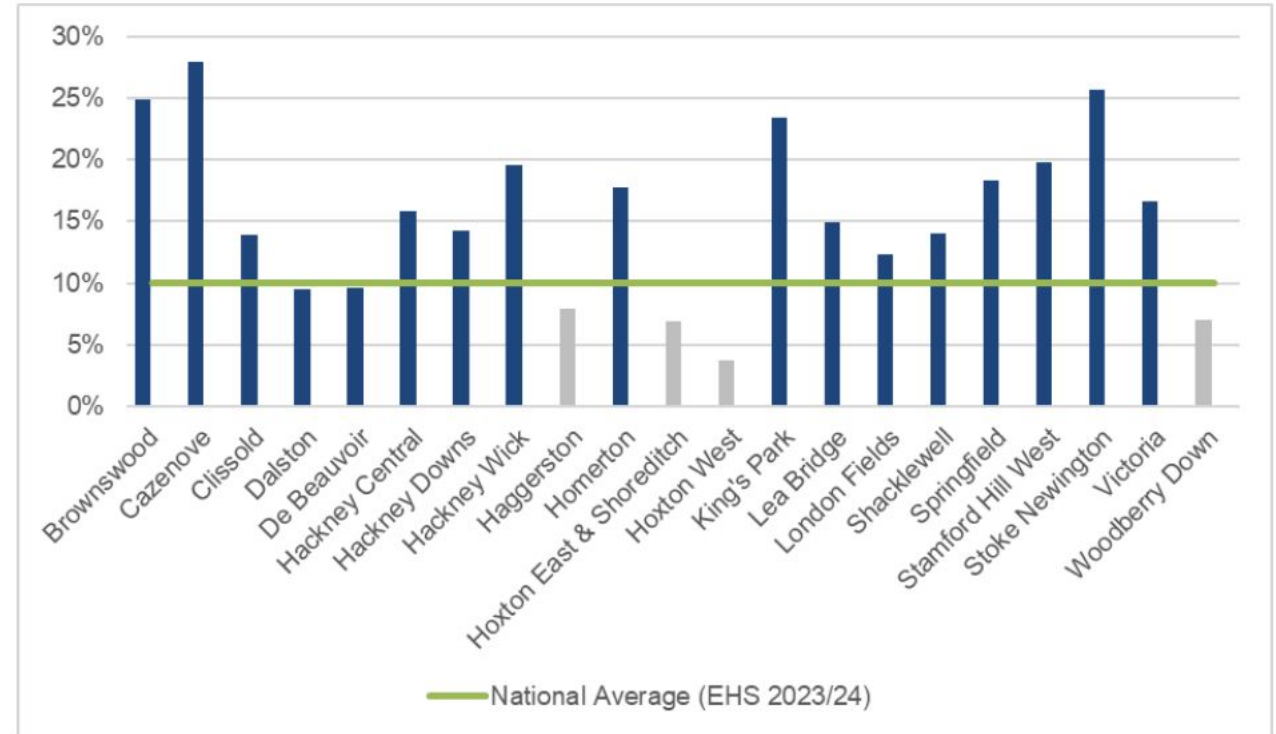
- This scheme would apply to most privately rented homes in 17 of the borough's 21 wards. These are areas with high numbers of rented homes and poorer housing conditions.
- Homes rented to single households or to no more than two unrelated people would need a licence under this scheme. In total, it would cover around 76% of non-HMO private rented homes in Hackney.
- The four wards of Haggerston, Hoxton East and Shoreditch, Hoxton West, and Woodberry Down are not included in the proposed Selective Licensing scheme. These areas do not currently show the same high levels of housing hazards as elsewhere in the borough. The Council believes it is more effective to focus resources where problems are greatest. However, these wards will be kept under review. If evidence changes, they could be included in a future scheme.

6.1.1 Map of proposed selective licensing designation



Evidence base for Selective Licensing

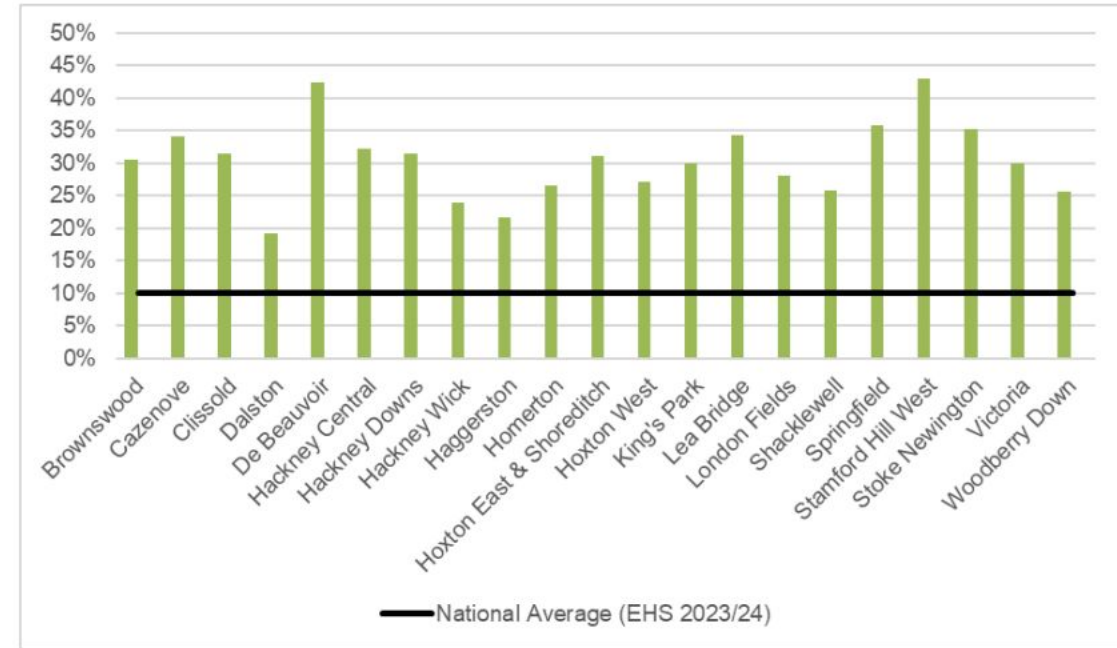
- A recent independent review found that around 17% of privately rented homes in Hackney may contain serious health or safety hazards. This is above the national average of 10%.
- Poorly managed properties can also be linked to issues like damp and mould, energy efficiency of homes, overcrowding and deprivation, as well as noise, waste and other anti-social behaviour.



You can read more about the findings that have informed these proposals in the 'Consultation Evidence Pack' document (see pages 23 to 30 and Appendix 1): bit.ly/Hackney-Licensing

Proposals (and evidence base) for an Additional HMO licensing scheme

- This scheme would apply across all of Hackney where three or more people from different households live together and share facilities. It would cover HMOs that are not included in the mandatory scheme. This includes shared flats in purpose-built blocks (with more than two flats). This would ensure that all eligible HMOs in the borough are licensed.
- Poor housing conditions are prevalent in Hackney's HMOs. The evidence shows that 1,818 HMOs in Hackney are predicted to have serious hazards. This represents 30.1% of all HMOs in Hackney and is three times the national average of 10%. Relatedly, Hackney received 592 complaints linked to HMOs over five years (2019-2024).
- Poorly managed properties can also be linked to Anti-Social Behaviour (ASB), especially HMOs. In the past five years, there have been nearly 3,400 reports of anti-social behaviour linked to HMOs. More than 600 HMOs have been the subject of repeated investigations.



Predicted percentage of HMOs with serious hazards by ward (HSCR)

You can read more about the findings that have informed these proposals in the 'Consultation Evidence Pack' document (see pages 31 to 37 and Appendix 1): bit.ly/Hackney-Licensing

Alternative approaches considered

- The Council has considered other options, including:
 - Using existing enforcement powers on housing and anti-social behaviour.
 - Promoting voluntary landlord accreditation schemes.
 - Providing grants to improve sub-standard properties.
 - Provisions within the proposed Renters' Rights Bill.
- While these approaches can help, the council believes they are not as effective as licensing at tackling poor conditions and management across the borough. Licensing makes better use of enforcement powers by requiring landlords to register, meet management standards and provide key information.
- This allows the Council to:
 - Identify landlords who have not licensed their property.
 - Check that landlords are meeting their obligations.
 - Take enforcement action where needed.

You can read more about the alternatives considered in the 'Consultation Evidence Pack' document (see pages 45 to 46): bit.ly/Hackney-Licensing

Proposed scheme objectives and wider council strategies

- Licensing is part of a broader, co-ordinated approach to help improve privately rented properties in Hackney. The objectives of the proposed schemes are:
 - Create a fairer private rented sector
 - Improve housing conditions in the PRS by improving poor property management standards
 - Increase tenant awareness of their rights and minimum standards to be expected in rented accommodation
 - Improve engagement between the council and private sector landlords
- Property licensing can be an effective tool in improving conditions for private renters and is aligned with the council's housing and other related strategies. These include:
 - Hackney Strategic Plan
 - Private Sector Housing Strategy
 - Homelessness and Rough Sleeping Strategy
 - Empty properties
 - Regeneration
 - Anti-social behaviour

You can read more about the proposed scheme objectives and wider council strategies in the 'Consultation Evidence Pack' document (see pages 47 to 52): bit.ly/Hackney-Licensing

The proposed fees, charges and discounts

- Anyone applying for a licence will need to pay a fee for each property that requires one. These fees have been calculated to ensure the schemes are **cost-neutral to the Council**.
- The proposed fees are:
 - Selective Licence: £925 per property.
 - Additional HMO Licence: £1,400 per property.
- Licences will usually last for the full five years of the scheme. In cases where there are concerns about how a property is managed or maintained, the Council may issue a licence for a shorter period.
- These fees are made up of two parts, as required by law (If the Council refuses a licence, only the Part A fee will need to be paid):
 - Part A covers the cost of processing and validating the application.
 - Part B contributes towards the costs of enforcement, compliance checks and other licensing functions.
- The Council is also proposing a number of discounts, as follows:
 - £100 discount for properties that have an energy rating of B and above.
 - £50 discount for properties that have an energy rating of C and above.
 - £100 discount for landlords that are part of a recognised accreditation scheme.
 - £100 discount for landlords that let multiple flats within the same block.

You can find out more about how fees were calculated, comparisons with other boroughs, and proposed discounts in the 'Consultation Evidence Pack' document (see pages 42 to 44 and also Appendix 4): bit.ly/Hackney-Licensing

The proposed property licence conditions

- If the licensing proposals go ahead, landlords would need to meet certain licence conditions to help make sure homes are safe, decent and well-managed, and improve landlord accountability and standards. These would cover areas such as:
 - Tenancy management.
 - Property standards.
 - Property maintenance.
 - Occupancy levels.
 - Suitability of the licence holder.
- Landlords who do not comply with their licence conditions could face enforcement action. This could include prosecution, with courts able to impose unlimited fines. Alternatively, the Council may issue civil penalties of up to £30,000 for each offence.
- Some conditions are **set nationally and are mandatory**, including providing tenants with a written statement of their tenancy terms, having a valid gas safety certificate, fitting smoke alarms, and minimum space standards for HMOs etc.
- In addition to the mandatory conditions, the Council proposes to introduce **local conditions** to help improve property standards, support enforcement, and make sure landlords meet their responsibilities such as: giving tenants clear written guidance on how to report repairs, maintenance issues, or emergencies, proving that the landlord or agent is a 'fit and proper' person, carrying out repairs quickly and using competent tradespeople, regularly inspecting the property, providing tenants with appropriate waste and recycling facilities, and taking reasonable steps to deal with anti-social behaviour linked to tenants or visitors (particularly in the case of HMOs).

You can read the full list of proposed licence conditions, including both the mandatory and local conditions (for each of Selective Licensing and Additional HMO licensing), in the 'Consultation Evidence Pack' document (see page 41 and Appendix 2 and 3): bit.ly/Hackney-Licensing

Next steps and responding to the consultation

Respond to the consultation by Sunday 21st September 2025

bit.ly/Hackney-Licensing