Guide to applying for a Property Licence in the London Borough of Bexley

1. Types of property licences

1.1. Mandatory HMO Licensing

Presently mandatory licensing under Part 2 of the Housing Act 2004 requires all houses in multiple occupation comprising three or more storeys, occupied by five or more persons, living in two or more single households to be licensed. From the 1 October 2018, mandatory HMO licensing will apply to all HMOs occupied by five or more persons in two or more households, regardless of the number of storeys.

NB On the 24th September 2017 the Council made an Article 4 Direction that removed the permitted development rights for the change of use from a dwelling house (use class C3) to a small HMO (not more than 6 people) (use class C4).

We would therefore advise that if you are converting your property into an HMO that you speak to planning by emailing DevelopmentControl@bexley.gov.uk before starting works as you are likely to require planning permission. Further details of the Article 4 Direction can be found here - http://democracy.bexley.gov.uk/ieDecisionDetails.aspx?ID=2646.

1.2. Selective Licensing

The London Borough of Bexley designated a selective licensing scheme on the 16 April 2018, which was subsequently revised on the 30 May 2018 applying to all private rented properties, which will include HMOs not covered by the new mandatory scheme, in four defined areas: Thamesmead North, Abbey Wood, Lower Belvedere and parts of Erith. The scheme comes into force on the 1 October and the council will start accepting applications from the 1 July.

If you are unsure if your property is within a selective licensing area then you can use the online lookup to see if your property requires a licence, which can found on www.bexley.gov.uk/rentitiright

1.3. Exemptions to property licensing

Various dwelling and lettings will be excluded from the licensing requirements, for example:

- Where the tenancies or licences are granted by registered social landlords and housing providers, including most housing associations and the Council. Also Tenancies or Licences granted by police, fire brigade or health service body
- Where the tenancies and licences are subject to a prohibition order whose operation has not been suspended. (s.20/s.21 Housing Act 2004)
- Commercial lettings
- Premises that are licensed for alcohol consumption (not off licences)
- Certain agricultural tenancies
- University/ college accommodation occupied by students and controlled by the university / college
- Where the owner or their relatives occupy a property on a long leasehold
- Holiday homes and lets
- Where a family member rents the property from you (evidence will need to be provided, for example birth certificates or an affidavit)
- Long lease tenancies, where a landlord grants a lease for a term of over 21 years to a tenant
- Properties leased to a local authority on a private sector lease and used as temporary accommodation.
1.4. What type of licence to apply for

Is your property an HMO?

Yes:

Do you rent the property to five or more people?

Yes:

You need to apply for a Mandatory HMO Licence

No:

Is the property located in a selective licensing area, if you are unsure please go to www.bexley.gov.uk/rentitright and use the online lookup tool

Yes:

You need to apply for a Selective Licence

No:

You do not need to apply for any property licence
Clarifications

- If you have an HMO anywhere in the borough, including the selective licensing areas, with five or more people you need to apply for a mandatory HMO licence.

- If you have a privately rented property, including HMOs with fewer than five people, in one of the selective licensing areas you will need to apply for a selective licence.

- If you have a privately rented property, including HMOs with fewer than five people, that’s not in one of the selective licensing areas you don’t need to apply for a licence.

2. Pre-application

2.1. Application form

The council has produced an online application form to enable landlords to complete their application, upload documents relevant to the application and pay the application fee. As part of the licence application process you will need to produce copies of the following documents (if appropriate):

- A simple plan of the property
- Electrical Installation Condition Report (EICR)
- Gas Safety Certificate (if gas is supplied to the property)
- Current Fire Detection and Alarm System Inspection and Servicing Report
- Emergency Lighting Certificate
- Energy Performance Certificate
- Tenancy agreement

If you are unable to use the online application form then there is a paper application form that you can fill in. Please contact the rent it right team and they can arrange for one to be sent to you.

2.2. Licence fees

There will also be a licence fee, and the fee structure is set out on our website, www.bexley.gov.uk/rentitright and below:

<table>
<thead>
<tr>
<th>Type of licence</th>
<th>Selective</th>
<th>Mandatory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licence fee</td>
<td>£690 (£265 + £425)</td>
<td>£265 plus £145 per letting</td>
</tr>
<tr>
<td>Early bird licence fee</td>
<td>£371 (£265 + £106)</td>
<td>N/A</td>
</tr>
<tr>
<td>Renewals fee</td>
<td>N/A</td>
<td>£265 plus £87 per letting</td>
</tr>
</tbody>
</table>

To encourage landlords to apply for a selective licence the council will operate an early bird period that will run between the 1 July and the 31 December 2018.
The cost of a licence will comprise of an initial fee of £265 for processing the licence application which is non-refundable.

Successful applications will attract a further fee payable before the licence is granted, which covers a contribution towards the costs of operating the respective licensing schemes. When the draft licence is issued the council will send out an invoice for the additional fee.

iApply only supports card payments, if applicants are unable to make payments by card then the council will issue them with an invoice for the application cost, which must be paid within 14 days otherwise the application will be rejected. If you wish to receive an invoice then at the payment options screen, please select “Pay by telephone” and then submit your application.

2.3 Accreditation and training days

All Licence Holders and Managers (landlords) must be accredited with Bexley Council’s Rent it Right Scheme.

The landlord must have become accredited with one of the following organisations within 12 months of the issuing of the licence:

- London Landlord Accreditation Scheme (LLAS)
- Accreditation and Training for Landlord and Agents Service (ATLAS)
- National Landlords Association (NLA)
- Residential Landlords Association (RLA)
- Association of Residential Letting Agents (ARLA)
- National Approved Lettings Scheme (NALS)
- UK Association of Letting Agents (UKALA)

The landlord must continue to be accredited by doing 10 hours of training a year for the duration of the licence.

Landlords who are accredited at the time of applying for a property licence will be eligible for a £50 discount.

The council will be hosting training courses and details of these courses can be found on www.bexley.gov.uk/rentitright.
3. Registration to iApply

3.1. If you have already have an account with iApply then proceed to section 4, if not then click on the button ‘create an account’.

3.2. You will be prompted to enter your email address and to create a password for your account.

3.3. The next page will ask you to accept new GDPR terms and Conditions

3.4. The registration process is now complete, proceed to section 4.
4. **Applying for a licence**

4.1. The first page will be named “My properties/projects” – Click on New property/project

4.2. Enter the postcode for the application address (The property you are licensing)

4.3. Name Project – In the ‘name’ box, the property you are licensing will be shown. Please enter a description in the box provided, we would suggest that you use the first line of the property address that you are licensing.

4.4. Choose forms – Click on ‘select forms from list’

4.5. You will then be given 3 options – Please click on ‘Residential property licensing application form’ and then select either “New Application Form” or “Renewal Application Form”.

4.6. You will then be asked to confirm the Authority (You will see London Borough of Bexley followed by our address). Once confirmed please click ‘Create project’.

4.7. Your project has now been created and you are ready to proceed. Now select “New Application Form”.

![Image of the application process](image-url)
4.8. Select the type of application you are making, which will be either a Mandatory HMO or Selective Property Licence. Please refer to the guidance in table one to see if you require a property licence.

4.9. You should now complete the application form, if you have any questions then you can contact the property licensing team on 0203 045 3456 or by emailing them at rentitright@bexley.gov.uk.

5. **Fit and proper test**

Once the council has received a completed licence application form, it will carry out a test to decide whether the licence holder or the person managing the property is a fit and proper person. Section 66 of the Housing act 2004, sets out the evidence that the council must have regard to:

- Committed an offence involving fraud or other dishonesty, or violence or drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003.
- Practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins, or in connection with the carrying on of a business.
- Contravened any provision of the law relating to housing or landlord and tenant law.

The council must also consider whether any person associated or previously associated with the licence holder has done any of the things listed above.

Landlords and managing agents who have a previous poor management record or have failed in the past to comply with the Council’s requirements to manage their properties may not be able to hold a licence or may be given a shorter term licence and subjected to more frequent checks. In the event that the council grants a licence on shorter terms or refuses to grant a licence the decision may be appealed and details of how to appeal to the residential property tribunal will be provided.

If someone is found not to be a fit and proper person, this will usually remain the case for a period of 5 years. In cases where the person is not considered fit and proper and the property is to continue to be rented, an alternative person will have to apply to be the licence holder, such as a suitable management agent. If a suitable licence holder cannot be found then under part 4 of the Housing Act 2004 the council has powers to take over the management of the property by making an interim management order.

*Have you ever contravened any provision of any laws relating to Housing, Public Health, Environmental Health or Landlord and Tenant law (including harassment illegal eviction) which led to any civil or criminal proceedings resulting in a judgement against them?*
Where this is the case, careful consideration should be given to an application for a licence. Account will be taken of among others things, evidence of poor management leading to contraventions, prosecutions, simple cautions, judgements and other matters where relevant, in particular under:

- The Public Health Acts 1936 and 1961
- The Building Act 1984
- The Environmental Protection Act 1990
- The Town and Country Planning Act 1990
- The Prevention of Damage by Pests Act 1949
- The Protection from Eviction Act 1977
- The Housing Grants, Construction and Regeneration Act 1996
- The Local Government and Housing Act 1989
- The Housing Act 2004
- The Landlord and Tenant Act 1985

6. **Licence process**

Provided the test in section 5 is satisfied and the correct application fee has been paid the following process will be followed:

6.1. **Selective Licence**

A draft licence will be issued and an invoice for the enforcement fee. If there are any missing documents such as Gas Safety Certificates or Electrical Installation Condition Reports, a condition will be added giving the licence holder a short period of time to submit them to the council or it may be proposed that the licence may be granted for a limited period only until the relevant documents are submitted.

The draft licence and copies will be sent to all relevant persons. Under the Housing Act 2004, a relevant person is one of the following:

- A person having an estate or interest in the property
- A person managing or having control of the property

The relevant persons will be given a minimum of 14 days to make representations to the Council about the draft licence. If no representations are made then the Council will issue the full licence and copies will be sent to the relevant persons. If the council receives representation then they will be considered and the Council will either:

- Issue an amended licence and the relevant persons who will have a minimum of 14 days to make further representations. or
- Proceed to issue the full licence.

The licence will expire on the 31st August 2023, which is the date the selective licensing scheme ends, regardless of when it was granted.

Following the granting of a licence, the applicant or any relevant person may appeal the decision if they object to any of the terms of the licence. Details of how to appeal to the residential property tribunal will be provided.

6.2 **Mandatory HMO Licence**

The property will usually be inspected after the application form has been received and before a draft licence is issued.
If there are any missing documents such as Gas Safety Certificates or Electrical Installation Condition Reports, a condition will be added giving the licence holder a short period of time to submit them to the council or it may propose that the licence is granted for a limited period only until the relevant documents are submitted.

If the property does not comply with the council’s HMO standards additional conditions will be added to the licence requiring the landlord to carry out any works necessary to secure compliance.

The draft licence and copies will be sent to all relevant persons and an invoice will be sent to the licence holder covering the enforcement fee. Under the Housing Act 2004, a relevant person is one of the following:

- A person having an estate or interest in the property
- A person managing or having control of the property

The relevant persons will be given a minimum of 14 days to make representations to the Council about the draft licence. If no representations are made then the Council will issue the full licence and copies will be sent to the relevant persons. If the council receives representation then they will be considered and the Council will either:

- Issue an amended licence and the relevant persons who will have a minimum of 14 days to make further representations.
- Proceed to issue the full licence.

The licence will last for five years. Following the granting of a licence, the applicant or any relevant person may appeal the decision if they object to any of the terms of the licence. Details of how to appeal to the residential property tribunal will be provided.

6.3 Licence Variations

Following the granting of the licence, the Council can vary the licence either by agreement with the licence holder or if it considers that there has been a change in circumstances since the time the licence was granted. The Council must notify all relevant persons and then consider any representations it receives. Following the variation of the licence, the decision can be appealed by a relevant person. Details of how to appeal the variation to the residential property tribunal will be provided.

7 Failure to apply for a property licence

Failure to license a property is a criminal offence and the Council may take prosecution proceedings or impose a financial penalty of up to £30,000. On conviction, the Court may impose an unlimited fine.

If convicted of operating a property without a licence (or the council is satisfied that the offence has been committed even though the landlord has not been prosecuted), the council can reclaim any benefits paid when you were operating without a licence by applying for a Rent Repayment Order. Similarly, tenants (including former tenants) are also allowed to make an application for a Rent Repayment Order where landlords have been convicted of the offence or where a Rent Repayment Order has already been granted to the council on the same property.
In addition to failing to licence properties, under the Housing Act 2004, the following are offences and carry a fine of up to £5,000:

- Failure to comply with an Improvement Notice served sections 11 and 12 of the act.
- Failure to comply with a Prohibition Order made under section 20 and 21 of the act.
- Failure to comply with the Management of Houses in Multiple Occupation (England) Regulations 2006
- Failure to comply with licence conditions etc.

Failure to licence a property will also have implications on evicting tenants from the property because under section 75 of the Housing Act 2004, no section 21 notice served under the Housing Act 1988 may be given in relation to a shorthold tenancy for an unlicensed HMO.