

**DEPUTATION FROM MR M BARRADELL AND MS G AHMADI**

“As students of Brighton University and residents of private sector Houses of Multiple Occupancy, we are subject to any rent changes of HMOs in the city. We are bringing this deputation to clarify with the council the possible effects of Additional HMO Licensing on the following five wards; Hanover and Elm Grove, Moulsecoomb and Bevendean, St Peters and North Laine, Hollingdean & Stanmer and Queen’s Park.

In the Student Housing Strategy maps of student distribution in the city, it is shown that these 5 wards are home to the majority of students studying at Brighton or Sussex Universities and living in the city. Moulsecoomb and Bevendean are regarded as the most noticeable student areas in the city, along with Hanover and Elm Grove, which houses 4% of University students. St Peters and North Laine, Hollingdean and Stanmer and Queens Park wards also have high levels of student residence. Because of these high concentrations of students in the 5 wards affected by Additional HMO Licensing, it will greatly affect the student population of Brighton and Hove.

We appreciate that the decision to implement additional licensing onto smaller HMOs in the city was not a decision made lightly by the council, with an extensive consultation process preceding its implementation which included all relevant parties. Furthermore the student community recognises that such additional licensing can be justified. In the 5 wards affected there are between 1500 and 3000 small HMOs and 70% of the large HMOs in the city. Your own figures have shown that HMOs in these wards are subject to disproportionate complaints, interventions and substandard accommodation including lack of smoke detectors and gas/electricity certificates. The aim of the additional HMO licensing and standards is admirable and well-intentioned in its attempts to tackle these problems and is in the interest of many groupings in Brighton, as well as families and businesses and HMO residents like us.

However, as students, our main concern regarding the additional licensing scheme is the lack of consideration for the effect of the scheme on rents in the HMO sector. Although the average license fee amount for a property is £641 over 5 years, averaging at £2.46 per week, it is still not beyond the realms of possibility that landlords will use this fee as justification for raising rents on properties. In addition the majority of properties licensed under the new scheme, 1451 as of June this year, have been required to carry out maintenance and often improvement works as a condition to receiving their license. There is a real danger that these landlord costs, which for many houses will run into thousands of pounds, will be passed onto tenants. Furthermore, there is no restriction against landlords raising rents by an amount above the cost of work done, effectively profiting from the licensing programme at the expense of tenants.

Brighton already has amongst the highest house prices and rents in the country. Our concern is that if HMO rents in the city artificially increase as a result of the additional licensing of small HMOs it will hit the pockets of students like us. This will affect our quality of life, reduce our disposable income and possibly impact on student spending

in the city. In turn this would have a massive effect on Brighton and the Brighton economy as, according to a study by Sussex University, spending by Brighton and Sussex University students generates £151 million of output in the city and surrounding area. In particular students spend more money on entertainment and nightlife than other sections of the population, industries that contribute to the identity of Brighton and its appeal to tourists. These sections of the Brighton economy would be hard hit by a reduction in Student spending.

Such possible and unintended consequences of the Additional Licensing Program for small HMOs would be regrettable and not in the interests of anyone in Brighton, especially for something which is intended to improve quality of life for HMO tenants and the communities of these 5 wards. To this end, can we request that the council monitor rents for HMOs in the 5 wards as part of its assessment of the scheme? And that if this monitoring finds evidence that average rents in these wards have increased as a result of additional licensing that this is considered in the 2 year review of the scheme with the potential for council action to combat it.”

### **RESPONSE FROM COUNCILLOR BILL RANDALL**

“Brighton and Hove has about 30% of it’s housing in the private rented sector, it has the 6<sup>th</sup> highest number of HMOs of any local authority in Britain and of course we should at this point say that not all are lived in by students. This is a problem for all tenants in HMOs not all students.

We felt it was necessary to have additional licensing to deal with the smaller houses that were moving into HMOs at some rapid pace. I think all of the Councillors in this room who represent those 5 wards and perhaps some of those in other wards have had complaints about the quality of standards and living in HMOs and as you rightly said, we’ve had 1525 applications for smaller HMO registration of which 1203 have been dealt with.

There is so far no evidence that this has put the rents up. I have to say rents are going up in this City in the private rented sector at an astonishing rate. I’m told by our Housing Department that already this year, they have gone up by 27% and the problem is every time a flat or a house changes hands, letting agents and landlords take the opportunity to put the rents up.

I’m glad to see that the government is apparently looking at a report produced by shelter recently which call for rent controls in the private rented sector and 5 year tenancies which I certainly support. We’ve had it in the social housing sector we should have it in the private rented sector as well.

I did meet the president of Brighton Students’ Union last week and the previous resident plus 2 other representatives and we did talk about this whole issue. Their main concern was not so much about the issue of the registration of smaller HMOs but about the article for declaration that we have which restricts the number of HMOs in some areas and although you’ve not mentioned it I will touch on that briefly because that too is an important subject.

There are streets in my ward which have been changed radically because of the increase in the number of HMOs. Small domestic house where conservatories built in the garden; the roof has turned into bedrooms and you end up with conservatories being a sitting room inside the house, only a kitchen and a bathroom plus all the rest

are bedrooms in fact I had some advice from a resident recently who pointed out that on Gumtree a small house of this nature is being advertised as space for 7 people.

We will take away what you say about the rents. We will monitor them but we do feel that we have a responsibility to maintain standards in the private rented sector after all landlords are making a great deal out of their tenants they should in turn provide a good standard of service.”

