



Appendix 5: Equalities Impact Assessment

Name of the activity being analysed	The introduction of a borough-wide additional licensing regime for non-mandatory HMOs (Houses in Multiple Occupation).
Service and directorate responsible	Private Sector Housing Team, Housing and Adult Social Care
Names and posts of staff undertaking the assessment	Andrew Woolmer, Private Sector Housing Manager, Lucy Hutton, Senior Policy Officer
Date assessment completed	19 May 2015
Name of person responsible for sign off of the EIA	Karen Swift, Head of Strategy, Performance and Partnerships.

Outline the activity being assessed

On 23 October 2013, Cabinet agreed a one year Private Rented Sector Strategy. The three main strands of the strategy are to improve property standards, support a stronger tenant voice and increase supply of private sector homes. As part of the strand to improve property standards Camden is proposing to introduce a borough-wide additional licensing regime that has the potential to capture an estimated 5000 - 8000 Houses in Multiple Occupation (HMOs) in addition to the 391 HMOs that are currently licensed under the mandatory licensing scheme (as defined by the Housing Act 2004). There are currently two proposals set out in section 3 the Cabinet report. This equalities analysis will focus on the impact on protected groups (as defined by the Equality Act 2010) of the 'preferred option' identified in the Cabinet report, specifically Option 1 set out at paragraph 3.1. (NB: all tables below use data from the 2011 census unless otherwise indicated).

The groups that are likely to be affected:

- Private sector tenants who are resident in HMOs that falls within the adopted licensing regime.
- Private sector landlords who will be required to purchase a licence for a total fee of £450 per property and an additional £45 per unit charge (split across an application fee of £300 and a £30 per unit charge and a licence fee of £150 and a £15 unit charge). Full details on fees and discounts are in Appendix 4 to the main report.

(NB, all references to 'Appendices' are to the supporting documentation attached to the main Single Member Report regarding additional licensing)

Gather relevant equality data and information

Private sector tenant data

Economic activity

Residents living in the private rented sector tend to be economically active and in employment. 62% of private sector renters are in employment, 14% are self-employed, and only 3% of economically active people are unemployed. Of the 17% who are economically inactive, the majority are students (9%), some are retired (4%), and others are looking after home or family (1%) or are long-term sick or disabled (2%). An overwhelming majority of the 76% of economically active residents are in the top tiers of employment as managers, directors, senior officials (16%), professionals (35%) and associate professionals and technical occupations (25%).

The sector still plays a major part in meeting housing need in the borough. In total in Camden, 15% of all housing benefit claimant households (4,059) live in the private rented sector, and of all private tenants only about 14% claim housing benefit. It is possible that this cohort of people will be in the cheaper and poorer quality accommodation. Furthermore, around half of the 318 households living in the borough affected by the total benefit cap are living in the private rented sector. Rents in Camden are extremely high (GLA median rates for a two bed as of April 2015 were £450 per week, compared to the borough LHA rate of £302.33 per week). This means that a lot of those reliant on housing benefit or on low wages can only afford HMO style shared accommodation.

While economic inactivity is not, in itself, a protected characteristic, there tends to be an association between economic inactivity and membership of some protected characteristic groups (those with disabilities or of a pensionable age are more likely to be unable to work due to health). It can be assumed that economically inactive households tend to be over-represented in cheaper accommodation such as HMOs.

Age

Camden has a relatively young population and a larger proportion of those renting from a private landlord fall within the younger age groups when compared to older age-groups. 73% of those living in the private

rented sector are aged between 25 and 49 whereas less than one in 10 is aged 65 or over. When expressed as proportion of the general population, two thirds of those aged 24 or under are living in private rented homes compared with around one third of those aged 35 to 49.

14% of households renting from a private landlord have dependent children. This is a lower proportion than residents in other forms of tenure.

Age group	All households	Private rented (excl. other private rented)
Aged 24 and under	5,975	4,010
Aged 25 – 34	22,495	12,860
Aged 35 – 49	31,309	9,042
Aged 50 – 64	20,451	2,347
Aged 65 – 74	9,052	792
Aged 75 – 84	5,837	448
Aged 85 +	2,415	207

Disability

Census data records that 564 people renting from a private landlord are long-term sick or disabled. 11% of all household reference persons who identify themselves as long-term sick or disabled rent privately in Camden. Sick and disabled persons account for 2% of private rented sector occupiers.

It is not possible to say with certainty whether this group is over-represented within HMOs compared to the sector overall.

Gender reassignment

There is no data available. However, we know that housing is a particular issue for transgender people, nationally, surveys conducted through the Equalities Review in 2007 point to 46% of transgender people having experienced family breakdown due to their gender identity and 28% having moved to a different area because of their gender reassignment.

Marriage and civil partnership

No data.

Pregnancy and maternity

No data.

Race

Over a third of all black and minority ethnic groups in Camden (36%) rent from a private landlord, compared to less than a quarter of White English, Welsh, Scottish, Northern Irish and/or White British (24%).

Around a half of Chinese (51%), Other White persons (49%) and Other Asian (49%) persons resident in the borough are renting. Other groups with over a third of their total population living in the sector are Other Mixed (41%), Indian (40%), Arab (40%), and White and Asian (39%) persons. 12% of Black / African / Caribbean / Black British households live in the private rented sector - see table below.

Ethnic group	All households	Private rented (excl. other private rented)
White Eng/Wel/Sc/NI/Br	48,272	11,718
Irish	4,311	790
Gypsy or Irish Traveller	87	24

Other White	19,791	9,732
Mixed / multiple ethnic group	3,428	1,159
Asian / Asian British	11,857	4,356
Black / African / Caribbean / Black British	6,589	789
Other ethnic group	3,199	1,138

Religion or belief

No data available cross tabulated by tenure

Sex

No data available

Sexual orientation

No data available

Private sector landlord data

There is no data available relating to protected characteristics among private sector landlords in Camden.

Camden's twenty two week consultation concluded on the 5th May 2015, having been conducted over two phases. The work utilised an on-line survey, community researchers and a programme of engagement events. In total 1400 residents responded. For a list of engagement methods and extensive breakdown of the survey and comments received, please see Appendix 2. This added to the data available from the prior evidence gathering exercise detailed in Appendix 3.

The conclusions from both the consultation and the evidence gathering exercise relevant to the equalities assessment are summarised below:

Poor property conditions within HMOs

The evidence arising from the consultation, evidence gathering and the property survey suggested there are problems with conditions in HMO properties in Camden. Of the 391 properties inspected by Environmental Health Officers (EHOs), 44% had a serious or other health and safety hazard. The overall management of homes in 40% of responses was rated as poor or very poor and 43% of the properties had only battery-operated smoke alarms, while 27% had no fire or smoke detection system at all. 66% of private tenants responding to the evidence gathering survey felt their homes were poorly managed. Officers are unable to fully address these conditions through the mandatory licensing scheme, voluntary landlord accreditation or other enforcement options available to local authorities.

120 private renters responded to the preliminary survey. Less than half were satisfied with the quality of their home. A total of 66% felt that their homes were poorly managed. Three quarters (75%) agreed or strongly agreed that the Council should do more to improve standards. A majority (75%) of the small number of landlords who responded (12) agreed that the Council should do more to improve standards in privately rented homes. Half agreed or strongly agreed that privately rented homes in Camden are already well regulated.

The potential for additional licensing to address these conditions

Additional licensing would create a proactive, largely self-funding system to address conditions in all HMO properties in Camden. Compliance visits would no longer rely on tenants' complaints. A clear set of minimum standards would apply to all properties which would be easy to understand for both tenants and landlords. Camden is committed to inspecting all properties before the licence is issued to ensure standards. In the online survey on the proposed scheme, 74% of all respondents felt the scheme would improve safety standards. In all, 70% of the responses were in favour of licensing.

Risk of retaliatory evictions

At the Private Rented Tenant's consultation event held on 25 March 2014 and the Partners and Professionals Event held on 20 May 2014, fear around the risk of retaliatory evictions was raised. Partners and professionals in particular pointed to the weak position of tenants in terms of security of tenure and that low income tenants may have problems managing tenancy-related issues e.g. rent arrears, eviction, problems securing another home in the borough, which would be more likely to affect less well-informed tenants and those with English as a second language. Students in HMOs are often new to London and inexperienced. Even the protections afforded by the Deregulation Act which will come into force in October 2015 do not go far enough as they rely on council involvement on conditions when many complaints do not involve conditions but rather poor management and do not reach the council.

Risk of cost being passed to tenants

Private rented tenants at the event thought that the cost of the licence may be passed on to tenants. This has been also raised by landlords' groups as a likely impact in respect of other proposed additional licensing regimes, including via the Residential Landlords' Association response detailed in Appendix 2. However, we have not seen any evidence from boroughs and authorities where licensing has been

introduced that rent rises have followed as a consequence. Many landlords use the market level to set their rent rather than seeking to recoup costs.

Have you identified any information gaps?

There is a lack of quantitative data relating specifically to HMO occupants. This means that conclusions are being drawn from data that applies to the private rented sector in Camden overall. There may or may not be over-representations of protected characteristics amongst HMO residents compared to the sector overall.

The qualitative data (see Appendix 3 of the main report) suggests that there are particular issues that impact on HMOs that are not characteristic of the sector overall. For example, professionals and partners consulted as part of the preliminary evidence collection identified the following demographic characteristics as applying specifically to the HMO sector

- High proportion of single males
- High proportion of low wage/unemployed
- High proportion of 40-60 year olds
- Less secure immigration status
- More students

There is no data relating to the protected characteristics of landlords of HMOs in Camden. This data will be routinely monitored if licensing goes ahead.

Analysing the evidence outlined above, could the activity have a negative or positive impact on protected groups?

The evidence outlined above suggests that residents within Camden's private rented sector are more likely to be young and economically active within the top tiers of employment and with a high income. A range of ethnicities are represented within the sector with black and minority ethnic households more likely to reside in the sector than white households. Households with children, particularly families with younger children, are less likely to live within the sector than within other types of housing. However, people who are sick and disabled are reasonably represented within the sector.

It is possible that the HMO population has different characteristics to the private rented sector overall. Evidence from professional partners (see Appendix 3) suggests that the sector is distinctive in that occupants are often in the 40 - 60 age group and that there is a high proportion of low wage/unemployed households. But it is not possible to say with any certainty that HMO occupants can be characterised differently.

Positive impacts

Improved property standards in HMO accommodation

The main aim of the proposed additional licensing scheme is to improve standards in the HMO sector. This will impact positively on all groups over-represented within the sector. For example, the evidence suggests that licensing will impact positively on young people, people from black and minority ethnic households and some people with disabilities. Depending on the demographic of HMO occupants, it is possible that licensing will additionally impact positively on older people and low-waged or unemployed single males.

This is a positive impact.

Improved intelligence about HMO occupation

There is a lack of data and information about the demographic make-up of HMO occupants. The Additional Licensing regime will enable the Council to improve their intelligence about the sector. For example, it will clarify whether there is or is not an over-representation of older people or single males within HMOs and help the Council identify their particular needs. For example, older people may be more likely to suffer the effects of excess cold. Similarly, licensing will enable the Council to uncover incidences of spatial over-crowding, including inappropriate use of shared bedrooms, that may adversely impact on children. **This is a positive impact.**

Improved intelligence about landlords

This will help us tailor our services better to Camden landlords, like accreditation and Camden Homes, and to better meet the needs of this important part of the business community.

This is a positive impact.

Less likelihood of retaliatory evictions

The consultation findings showed that private sector tenants feared making complaints about housing conditions to Camden's reactive Private Sector Housing Service in case the complaint resulted in a retaliatory eviction. The introduction of a proactive licensing regime will improve housing conditions whilst removing the burden on tenants to make complaints. This may well reduce the incidence (or perceived risk) of retaliatory evictions and benefit those protected groups who are over-represented in the sector.

This is a positive impact.

Other Protected Groups and Groups in general. There are considered to be no greater or lesser impacts (apart from the issues above) on other protected groups than on the general population.

Have the outcomes of your consultation and engagement results identified potentially negative or positive impacts?

Yes, mainly positive

Are some groups less satisfied than others with the activity as it currently stands?

79% of people resident in shared accommodation said that Camden should do more to improve private rented homes (*Camden Council On-line Survey Autumn 2014*).

Is there a greater impact on one protected group, is this consistent with the aims of the activity?

Several groups will be impacted, in particular those over-represented in Camden's private rented sector (younger people, and those drawn from BME groups)

Does the activity have the potential to advance equality and foster good relations?

The consultation evidence suggests that some private sector landlords like having a licence for their accommodation as it provides market advantage and reassurance that the accommodation is safe and well-managed. This is likely to improve relations between landlords, tenants and the Council's enforcement teams.

Could the activity deliver potential benefits for protected groups?

Several benefits for protected groups have been identified above including improved property conditions, improved intelligence about HMO occupation and a reduction in risk of retaliatory eviction.

If you have identified negative impacts include details of who these findings have been discussed with (e.g. Legal, HR, ESDG) and their views

N/A

Could any part of the proposed activity [discriminate unlawfully](#)?

On the data currently available, no unlawful discrimination has been identified.

Are there any further changes that could be made to deliver service improvements or make the activity more responsive?

Additional licensing has the potential, in the longer term, to reduce demand on the reactive Private Sector Housing Team. However, in the short term, demand for a reactive response has the potential to increase as hazards and need for grants and other services are uncovered during inspections. The effect of additional licensing on service request levels will be monitored and a decision on resourcing will be needed.

Within the Private Sector Housing team, we will review and streamline business processes, including use of IT systems and Qlikview, to create greater efficiency and make the best use of all staff in respect of both the additional licensing scheme and for reactive work.

Officers from the Private Sector Housing team will use the monitoring framework to ensure the scheme has the desired effect.

Equality impact summary

Please use this grid to summarise the impacts outlined above.

Protected group	Summarise any possible negative impacts that have been identified for each protected group and the impact of this for the development of the activity	Summarise any positive impacts or potential opportunities to advance equality or foster good relations for each protected group
All groups		<p>Improved intelligence about HMO occupation The equalities impact has shown that there is a lack of data and information about the demographic make-up of HMO occupants. The Additional Licensing regime will enable the Council to improve their intelligence about the sector. For example, it will clarify whether there is or is not an over-representation of older people within HMOs and identify their particular needs. This is a positive impact.</p> <p>Less likelihood of retaliatory evictions The consultation findings showed that tenants feared making complaints about housing conditions via Camden's reactive Private Sector Housing Service in case the complaint resulted in a retaliatory eviction. The introduction of a pro-active licensing regime will remove the burden on tenants to make complaints. This may well reduce the incidence of retaliatory evictions. This is a positive impact.</p>
Age		<p>Improved property conditions HMO residents of all ages will benefit from improved property conditions but, according to the evidence, young people are most likely to benefit. If it emerges that older people are also significantly represented within HMOs, they will benefit from improved property conditions. This is a positive impact.</p>

Disability		Improved property conditions Disabled people living in HMO would benefit from improved property conditions and any health and safety hazards would be identified by a proactive inspection regime. This would make it easier for tenants to access disabled facilities grants. This is a positive impact.
Gender reassignment	No known impact	No known impact
Marriage and civil partnership	No known impact	No known impact
Pregnancy and maternity	No known impact	No known impact
Race	No known impact	The equalities impact has shown that there is a lack of data and information about the demographic make-up of HMO occupants. However, across the whole of the PRS, BME groups are overrepresented.
Religion or belief	No known impact	No known impact
Sex	No known impact	No known impact
Sexual orientation	No known impact	No known impact

What actions have been identified:

- to mitigate against or minimise any negative impacts?
- to advance equality, and therefore improve the activity?

- **Plans already underway to address the impacts identified;**

To address the impact of landlords passing the cost of the licence to tenants, Camden has kept the costs as low as possible. The proposed fee covers costs of running the scheme only and the fee applies for a five-year period. It has been assessed that this would work out (for both parts of the fee) as £2.25 per week for one property with three tenants (so 75p per tenant). Further discounts will be offered to landlords who are accredited, reducing the fees further.

Not all landlords will increase rents to cover the cost of the fee. For those that do seek a rent increase, tenants will be protected to a degree by the terms of their tenancy agreement or contract. Camden's Housing Options & Advice Service offers a private sector tenancy advice and casework service to private sector tenants in the borough including HMOs. Tenants facing a rent increase can seek advice from this service.

It could be said that there are many variables that determine rent setting including factors as diverse as new transport links, changes in mortgage availability or a new parking restriction. It is unlikely that a licence fee increase will be the main determinant when setting rent.

- **Changes planned to address the impact identified;**

No changes are immediately planned.

- **Any planned, additional or on-going consultation or research;**

Once data is received about the demographic make-up of Camden's HMO population, the equalities impact assessment will be revisited.

- **Plans to adapt the activity to ensure it provides opportunities to advance equality of opportunity;**

On-going analysis of HMO demographics will assist with further advancement of equality of opportunity.

- **Plans to foster good relations;**

There will be a thorough communication strategy about licensing so landlords and tenants are well-informed of their rights and obligations. This should help foster good relations.

Outcome of analysis	Description	Select as applicable
Continue the activity	The EIA shows no potential for discrimination and all appropriate opportunities to advance equality and foster good relations have been taken	YES
Change the activity	The EIA identified the need to make changes to the activity to ensure it does not discriminate and/ or that all appropriate opportunities to advance equality and /or foster good relations have been taken. These changes are included in the planning for improvement section of this form.	NO
Justify and continue the activity without changes	The EIA has identified potential effects on protected groups but it is still reasonable to continue the activity provided there is further review of the effects of Additional HMO Licensing, if adopted.	NO
Stop the activity	The EIA shows unlawful discrimination.	NO

Quality assured by:	Lucy Hutton / Eloise Shepherd
Quality assured by OD for organisational change / restructures:	N/A
Signed off by:	Karen Swift
Date:	19/05/2015
Comments (If any)	

Publication

If the activity will be subject to a Cabinet decision, the EIA must be submitted to committee services along with the relevant Cabinet report. Your EIA should also be published on Camden Data. All EIAs should now be uploaded to the [SharePoint site](#).

