FAIRER HOUSING

City of Westminster

LICENSING OF HOUSES IN MULTIPLE OCCUPATION



Consultation Evidence Pack

August 2025

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1. Executive summary

Westminster City Council is committed to creating a fairer private rented housing sector by improving property conditions and management standards. To achieve this, we are consulting on proposals to renew the council's additional licensing scheme for Houses in Multiple Occupation (HMOs).

Property licensing is a way of ensuring safer and better standards in multiple occupancy homes. Westminster is consistent with the rest of London in that it has a shortage of affordable housing, with house prices remaining out of reach for many. The demand for social housing far outstrips the supply. As a result, private rented property is increasingly becoming the only viable option for many Westminster residents, including those who are vulnerable and on low incomes. Currently, 43 per cent of Westminster's housing stock is in the PRS, and this is expected to continue to rise in future.

HMOs are a valuable source of accommodation in the city, often providing lower-cost accommodation which allows our residents to live and work in the heart of the capital, with 12,595 residents living in licenced HMOs across the city. They are, however, inherently riskier due to the nature of the occupation, particularly from a fire safety and overcrowding perspective. Of the HMOs inspected since additional licensing was introduced in 2021, 29 per cent were found to contain severe hazards and 88 per cent were found to contain moderately severe hazards.

Significant progress has been made in improving the standard and management of HMOs in Westminster, with 899 properties improved to an acceptable standard and licence conditions applied to 1,981 licences to ensure residents are safe.

We recognise that there is more to do, and not continuing the scheme would reduce the level of protection for renters in some of the highest-risk properties in the borough. Our most recent estimates indicate that there may be up to 1,748 unlicenced HMOs, which are more likely to be managed by rogue landlords and agents, and the council is committed to increasing enforcement to target these properties. There is also evidence that these properties are more likely to be associated with persistent problems caused by anti-social behaviour (ASB).

Whether you are a private tenant, landlord, managing or letting agent, resident, or business in the City of Westminster or a surrounding area, we want to hear your views on the council's proposals to renew additional HMO licensing in Westminster.

2. Glossary

Term	Meaning
Additional Licensing	A licensing scheme under Part 2 of the Housing Act 2004 that allows local authorities to require licences for certain types of HMOs not covered by mandatory licensing, such as smaller HMOs and those in purpose-built flats.
Anti-social behaviour (ASB)	Behaviour by occupiers or visitors to a rented property that causes nuisance, annoyance, or irritation to neighbours and the wider community. Common examples include noise, litter, and waste issues.
Category 1 Hazard	A serious hazard identified under the Housing Health and Safety Rating System (HHSRS) that poses an immediate and significant risk to the health or safety of occupants. Local authorities are required to take action when these are found.
Category 2 Hazard	A less serious hazard under the HHSRS that does not pose an immediate threat but may still affect health or safety. Local authorities may take action, particularly for higher-level Category 2 hazards.
Consultation	A formal process through which the council seeks feedback from residents, landlords, tenants, and other stakeholders before making decisions about renewing or implementing licensing schemes.
Disrepair	The physical deterioration of a property due to lack of maintenance, which may result in health and safety hazards or breaches of housing legislation.
Equality Impact Assessment (EqIA)	An assessment used to evaluate the potential impact of policies or decisions on people with protected characteristics, ensuring compliance with the Public Sector Equality Duty under the Equality Act 2010.
HHSRS (Housing Health and Safety Rating System)	A risk-based assessment tool used by local authorities to evaluate potential health and safety hazards in residential properties.
Hidden HMO	A privately rented property that is likely to be a HMO but is not known to the council or licensed, often operating without proper oversight or compliance with safety standards.

HMO (House in Multiple Occupation)	A property occupied by three or more unrelated people forming two or more households who share facilities such as a kitchen or bathroom.
Licensing Conditions	Requirements attached to an HMO licence, including safety standards, waste management arrangements, maximum occupancy limits, and property management practices.
Mandatory Licensing	A national licensing scheme requiring all large HMOs (occupied by five or more people forming two or more households) to be licensed by the local authority. It excludes flats in purpose-built blocks.
Overcrowding	When a property accommodates more people than it was designed or legally permitted to house, potentially leading to safety risks and poor living conditions.
Purpose-Built Block	A building originally constructed as flats or apartments, rather than converted from a house. Under Westminster's scheme, all HMOs in such blocks are included in additional licensing.
Private Rented Sector (PRS)	Properties rented by private landlords to tenants, excluding those owned or managed by local authorities.
Predictive Modelling	A method of analysing housing and demographic data to identify properties likely to be HMOs and/or likely to contain health and safety risks.
Tenure Intelligence Report	A technical evidence base used by the Council to map housing stock, identify likely HMOs, and assess risk factors to support licensing proposals.

3. Summary Key findings and proposals

- Westminster City Council proposes to renew its Additional Licensing Scheme for Houses in Multiple Occupation (HMOs) for a further five years, under the provisions of the Housing Act 2004. The scheme would continue to apply borough-wide and cover certain HMOs not included in the national mandatory licensing scheme, specifically:

    - Smaller HMOs occupied by three or four unrelated individuals forming two or more households; and
    - All HMOs located in purpose-built blocks of flats, regardless of occupancy level.

- A significant number of HMOs continue to present serious hazards, including issues related to fire safety, disrepair, damp and mould, and overcrowding.

- Of the properties inspected under the current scheme:
    - 50% contained at least one HHSRS hazard
    - 29% were affected by severe Category 1 hazards
    - 88% had moderate Category 2 hazards
    -
- Predictive modelling estimates that 1,356 HMO properties in Westminster are likely to contain at least one serious housing hazard.

- There remains a persistent presence of unlicensed HMOs, with over 1,700 properties believed to be operating without a licence.

- A clear correlation has been identified between poorly managed HMOs and anti-social behaviour (ASB) complaints, particularly in relation to noise nuisance and waste build-up.

- Significant progress has been made under the current scheme:
    - 899 HMOs have been physically improved
    - Over 1,900 licences have had bespoke conditions applied

- Landlords have been held accountable for property standards, fire safety, overcrowding, and management practices, with 73 financial penalties issued for breaches of licensing obligations.

4. Introduction

Westminster City Council introduced an additional licensing scheme for Housing in Multiple Occupation (HMOs) on 30 August 2021. The current designation is valid for five years and is due to end on 30 August 2026.

This report reviews the effectiveness of the Additional HMO Licensing Scheme, assessing its overall success, key findings, and the impact on residents and wider stakeholders. It also sets out the case for renewing the scheme for a further five years.

To justify renewal, the Council must provide evidence that additional licensing remains necessary to address ongoing issues related to HMOs, such as poor property management and safety concerns. This review will evaluate the scheme's performance to date, including:

- Uptake of the scheme
- Improvements in property conditions
- Levels of landlord compliance

5. Section 257 HMOs

Westminster City Council originally proposed in 2021 to license the common parts of Section 257 HMOs, which are houses converted into flats. To meet this definition, over a third of the flats within the building must be privately rented, and the property must not comply with certain building regulation standards.

Following a review of Westminster's Additional HMO Licensing Scheme in September 2021, a strategic decision was made to focus resources on protecting the city's most vulnerable renters, those living in shared amenity HMOs, where risks and poor management standards are often highest. This shift in focus was influenced, in part, by the impact of the COVID-19 pandemic on housing conditions and service priorities.

Rather than licensing Section 257 HMOs, the council adopted a targeted and proactive approach. A dedicated team was established to inspect these buildings and work directly with landlords to ensure communal areas are safe and well-managed, with particular emphasis on fire safety and building security.

While the council will continue to review its licensing strategy over time, there are no current plans to include Section 257 HMOs in the Additional Licensing renewal consultation. One key reason is the implementation of a Selective Licensing Scheme across 15 of Westminster's 18 wards. Since all Section 257 HMOs contain privately rented flats, this new designation will, by

default, provide the council with access to assess standards in a significant portion of this property type.

Any deficiencies identified can be addressed by the dedicated Section 257 project team, working alongside Selective Licensing. Furthermore, the council has powers to recover administrative costs related to inspections and enforcement action against substandard properties, enabling this work to continue effectively outside the licensing framework and without placing unnecessary burdens on compliant freehold owners.

6. The private rented sector in Westminster

Consistent with the long term nationwide and regional trend, the PRS in Westminster has grown steadily from 45,252 in 2011 to 55,274 in 2024. This represents a 22% increase over the last 13 years. There are currently 129,130 residential dwellings in Westminster, of which 43% are privately rented.

	2011 (ONS Census) (Households)	2021 (ONS Census) (Households)	2024 (HSCR) (Dwellings)
PRS	45,252	41,349	55,274
Social housing	27,348	26,810	27,271
Owner occupier	33,172	26,652	46,585
Total	**105,772**	**94,811**	**129,130**

Number of households/dwellings by tenure 2011, 2021 and 2024

Table 1.0

The Private Rented Sector (PRS) is a significant and well-established part of Westminster's housing market, with a presence in all 18 wards of the borough.

The number of PRS properties per ward varies considerably, reflecting differences in ward size, housing types, and local demand. For example, Queen's Park has the fewest PRS properties (1,509), while the West End has the most (5,153).

The proportion of PRS housing within wards also varies widely, ranging from 28.3% in Queen's Park to 54.1% in Hyde Park. In some areas, more than half of all residential properties are privately rented, underlining the sector's critical role in local housing provision.

Importantly, every ward in Westminster has a higher proportion of PRS housing than the national average of 19% (2022). This consistently high level of PRS across the borough highlights the sector's central role in meeting housing needs in one of the UK's most expensive and pressured housing markets.

Overall, the average proportion of PRS properties across Westminster's wards is 42.8%, more than double the national average. This figure reflects the borough's strong reliance on the private rented sector to house a diverse population, including professionals, students, lower-income households, and people working in central London's economy.

The prominence of the PRS in Westminster is driven by high demand for flexible, centrally located accommodation and the limited availability and affordability of other tenures, such as owner-occupation and social housing. Ensuring the quality and effective management of this large sector is therefore essential to support residents' needs and maintain safe, sustainable neighbourhoods.

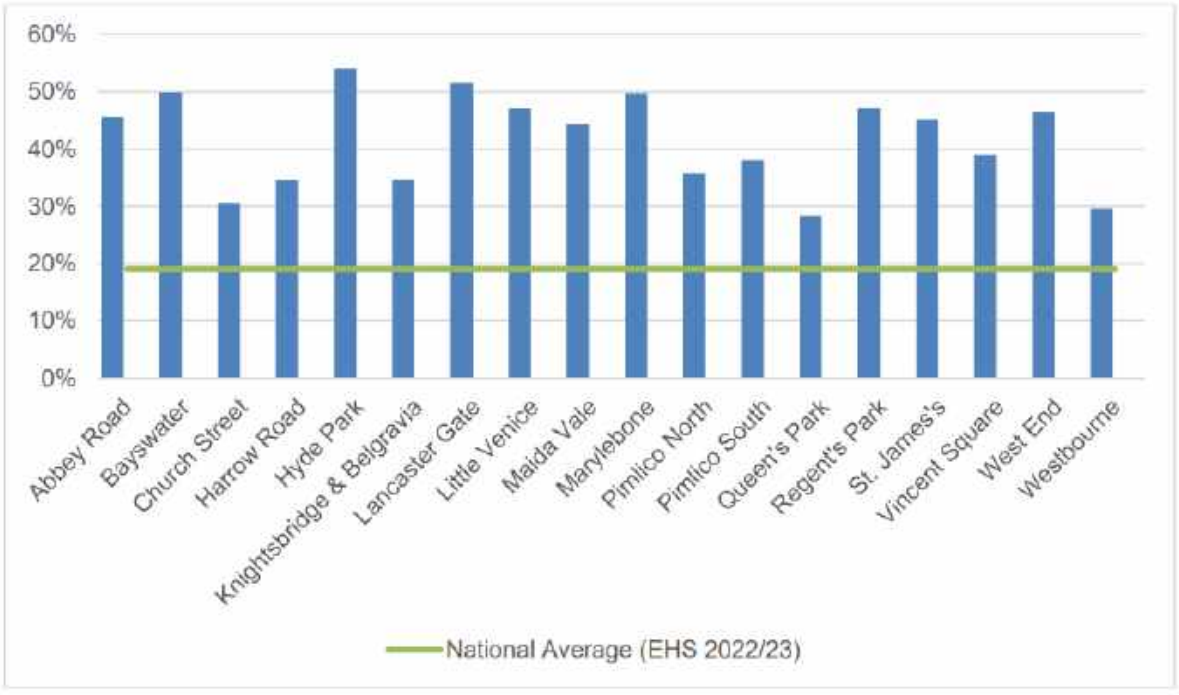


Fig 1.0 Percentage of PRS dwellings by ward in Westminster (Tenure intelligence and stock modelling report 2024)

7. Role of HMOs in the local market

One of the most significant changes to the Private Rented Sector (PRS) across London over the past 20 years has been the sharp rise in rents, which has made it increasingly difficult for residents to access decent and affordable housing. Westminster has above-average rents compared to the rest of London, with 75.4% of median earnings required to cover rent—substantially higher than the London average of 46%.[1]

[11] *Office for National Statistics (ONS) and Trust for London (2024). London's Private Rented Sector Affordability Analysis, 2022–2023*

HMOs typically generate higher rental yields for landlords, especially when let on a room-by-room basis. At the same time, they play a critical role in meeting local housing needs by providing more affordable options for individuals who cannot access or afford self-contained accommodation.

8. The legislative framework

Under the Housing Act 2004, local authorities have a range of licensing tools to regulate the Private Rented Sector (PRS) and improve housing standards. Each scheme targets specific property types and risk profiles, helping to ensure that housing is safe, well-managed, and compliant with legal requirements.

Mandatory HMO licensing

The Housing Act 2004 introduced mandatory licensing for certain types of privately rented Houses in Multiple Occupation (HMOs). In general, this applies to larger HMOs that:

- Are occupied by five or more people forming two or more separate households, and
- Share basic amenities such as kitchens, bathrooms, or WCs.

All local authorities in England are legally required to operate a mandatory HMO licensing scheme.

Mandatory licensing applies automatically and is not subject to local consultation or designation.

There are certain exemptions, such as flats located within purpose-built blocks, which can only be licensed through additional licensing schemes implemented locally.

Additional HMO licensing

The Housing Act 2004 also gives local authorities the power to introduce additional licensing schemes for types of HMOs not covered by the mandatory scheme. An additional licensing designation can apply to some or all HMOs within a defined area, for a period of up to five years.

Typically, additional licensing targets smaller HMOs that:

- Are occupied by three or four unrelated people forming two or more separate households, and

- Share facilities such as kitchens, bathrooms, or toilets.

Additional licensing can also cover certain converted buildings, known as Section 257 HMOs. These are buildings converted entirely into self-contained flats where:

- Less than two-thirds of the flats are owner-occupied, and
- The original conversion did not comply with the building regulations in force at the time.

Selective licensing

Selective licensing is another tool provided under the Housing Act 2004. Unlike HMO licensing, which targets shared accommodation, selective licensing applies to all privately rented properties within a designated area—regardless of whether they are HMOs.

Local authorities can introduce selective licensing in areas experiencing issues such as:

- Low housing demand
- Significant and persistent anti-social behaviour
- Poor property conditions
- High levels of deprivation or crime

A selective licensing scheme requires robust supporting evidence, as well as separate consultation and formal approval. It is designed to improve property standards and management practices across the wider Private Rented Sector (PRS), beyond HMOs.

Note: The council consulted residents and stakeholders on proposals to introduce a selective licensing scheme in late 2024. A Selective Property Licensing Scheme will be implemented in 15 out of Westminster's 18 wards, starting 24 November 2025.
More information on this scheme can be found at: www.westminster.gov.uk/selective-licensing.

9. Review of existing additional HMO licensing scheme

The council first introduced Additional HMO Licensing on 30 August 2021, using powers under the Housing Act 2004. The scheme was introduced to improve the management and safety standards of smaller HMOs across the city, including properties that fall outside the scope of mandatory HMO licensing (such as flats in purpose-built blocks).

An additional licensing designation can last for a maximum of five years. However, before renewing or redesignating such a scheme, the council is legally required to:

- Review evidence about housing conditions and management issues in HMOs not already subject to mandatory licensing
- Undertake formal public consultation with residents, landlords, tenants, businesses, and other stakeholders who may be affected

The purpose of this review is to assess whether there is still a clear need for additional licensing, and whether renewing the scheme would be an effective and proportionate way to address identified problems such as poor property conditions, safety risks, and anti-social behaviour linked to smaller HMOs.

In applying a new additional licensing scheme, the local authority must:

- Consider whether a significant proportion of HMOs (subject to the proposed designation) are being managed ineffectively, in a way that gives rise, or is likely to give rise to one or more problems for either the occupants or members of the public
- Consider whether there are alternative courses of action available that might effectively address the identified problems
- Be satisfied that making the designation will significantly assist in dealing with those problems

Any additional licensing scheme must form part of the authority's housing strategy and adopt a coordinated approach to tackling issues such as homelessness, empty properties, and anti-social behaviour affecting private rented housing. This must be combined with other actions available to the local authority and relevant partners.

This evidence pack has been prepared to support the statutory consultation. It sets out:

- The legal framework for additional licensing
- The reasons Westminster adopted its scheme in 2021
- The impact and challenges observed so far
- Up-to-date evidence about the private rented sector in the borough

- Analysis of the scheme's findings to date

By making this information available, the council aims to:

- Provide transparency about why the scheme is under review
- Enable residents and stakeholders to give informed feedback
- Meet legal requirements to consult meaningfully before any decision is made on renewing the scheme

To support the review, the Council commissioned Metastreet Limited to undertake an evaluation of the existing scheme and assess the HMO housing stock, focusing on the following key areas:

- Distribution of HMOs
- Housing conditions of HMOs
- HMO-related stressors, including anti-social behaviour (ASB) and service demand
- Quality of management, including regulation and enforcement

The report provides the Council with a robust evidence base for developing housing and service interventions. It also supports the Council's statutory duty to review its housing stock under Part 1, Section 3 of the Housing Act 2004, and its additional licensing scheme under Section 60.

10. Types of HMOs the council proposes to licence

The proposed renewal of the Additional HMO Licensing Scheme in Westminster covers a wider range of HMOs than those subject to mandatory licensing. It applies to property types that fall outside the national scheme but still present significant management and safety challenges within the borough, specifically:

- HMOs meeting the standard test, self-contained flat test, or converted building test under Section 254 of the Housing Act 2004, and occupied by three or four persons forming two or more households.
- HMOs comprising a purpose-built flat occupied by three or more persons forming two or more households, where the flat is within a block containing three or more self-contained flats. This includes many HMOs in mansion blocks, other purpose-built developments, and council-owned buildings.

11. Exemptions from HMO licensing

While the proposed scheme would extend regulation to a wider range of Houses in Multiple Occupation (HMOs), certain exemptions mean that some properties would not require an additional HMO licence, even if they meet the general occupancy and shared-amenity criteria.

Key exemptions include:

- Buildings managed by public sector bodies, such as local authorities, police forces, or health services.
- Properties managed by housing associations registered with the Regulator of Social Housing.
- Buildings occupied entirely by students, where the accommodation is owned or managed by an educational institution and subject to an approved code of practice.
- Properties occupied by an owner and up to two lodgers (which are not classified as HMOs under the Housing Act 2004).
- Buildings already subject to mandatory HMO licensing (i.e. those with five or more occupiers forming two or more households).
- Certain converted buildings (Section 257 HMOs), which are not currently within the scope of the Additional Licensing Scheme.

Schedule 14 of the Housing Act 2004 sets out the full list of building categories that are exempt from HMO licensing requirements.

12. Prevalence of HMOs in Westminster

The HMO population in Westminster can be divided into two main categories:

- Licensed HMOs – including both Additional and Mandatory licences – where occupants share basic amenities such as kitchens and bathrooms. There are currently 2,421 licensed properties in this category.
- Predicted or unlicensed (“hidden”) HMOs – also involving shared basic amenities but not currently licensed – estimated at 1,748 properties, based on predictive modelling.

Taken together, these figures indicate a total estimated HMO population of 4,169 properties in Westminster.

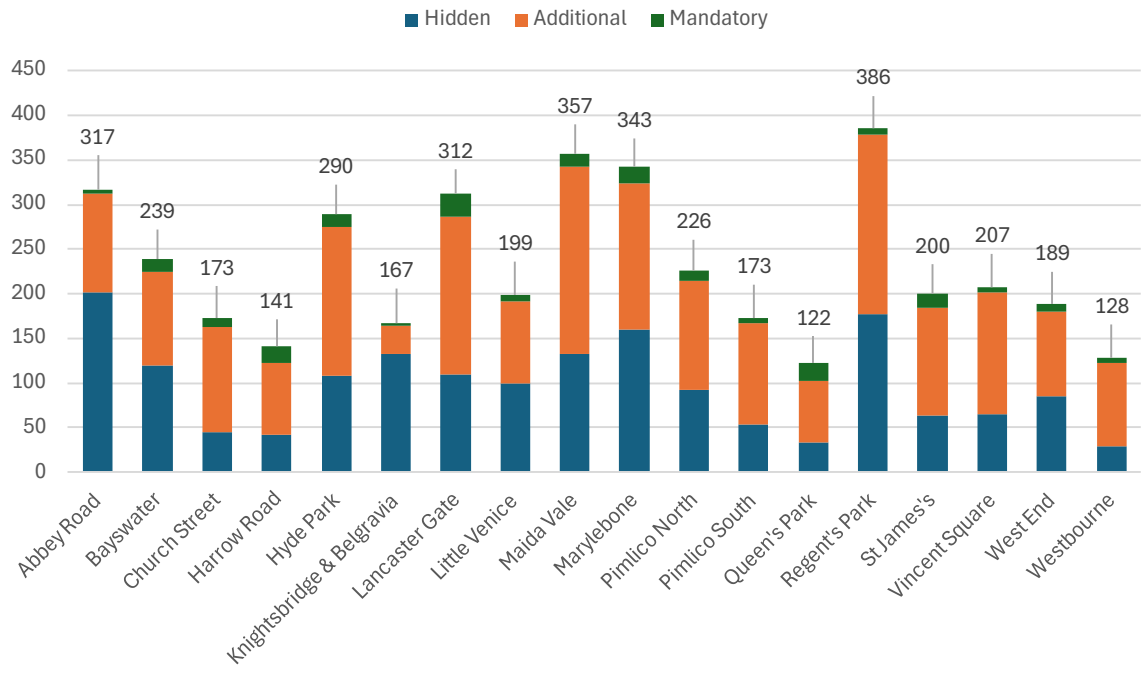


Fig 1.1 Total HMO population (all types) by ward in Westminster (Source Housing Stock Condition and Stressors Report 2025).

At the time of modelling there were 2,208 HMOs with additional licences across Westminster. Maida Vale (210) and Regent's Park (201) had the highest numbers of HMO with additional licences.

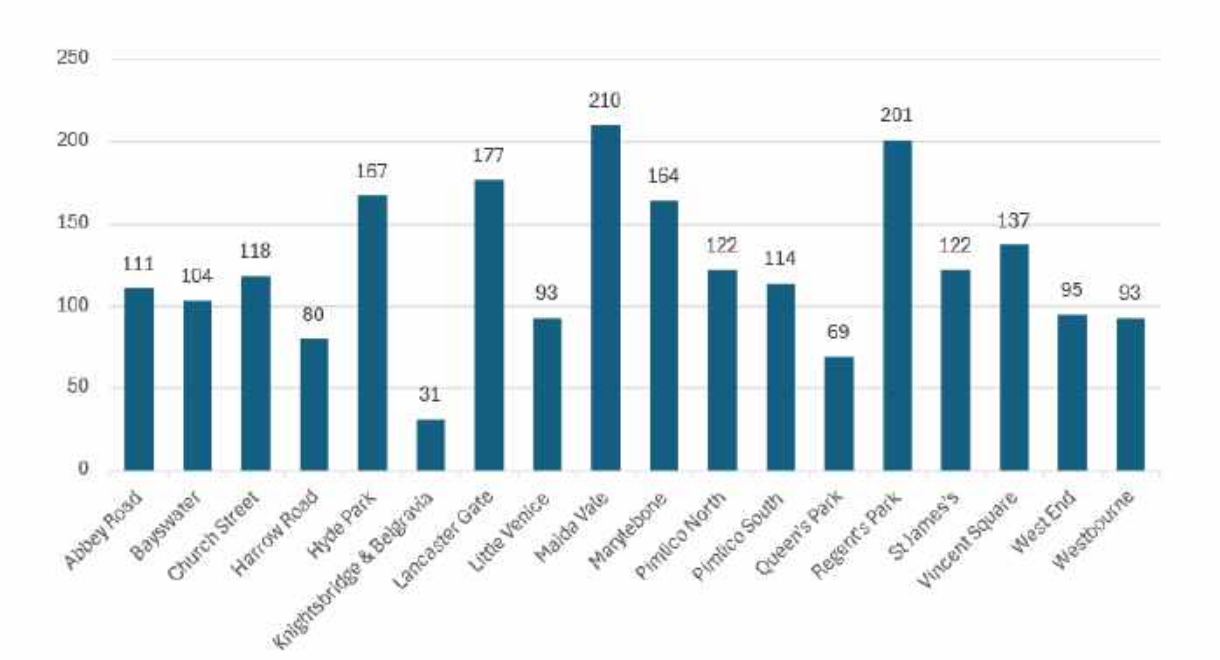
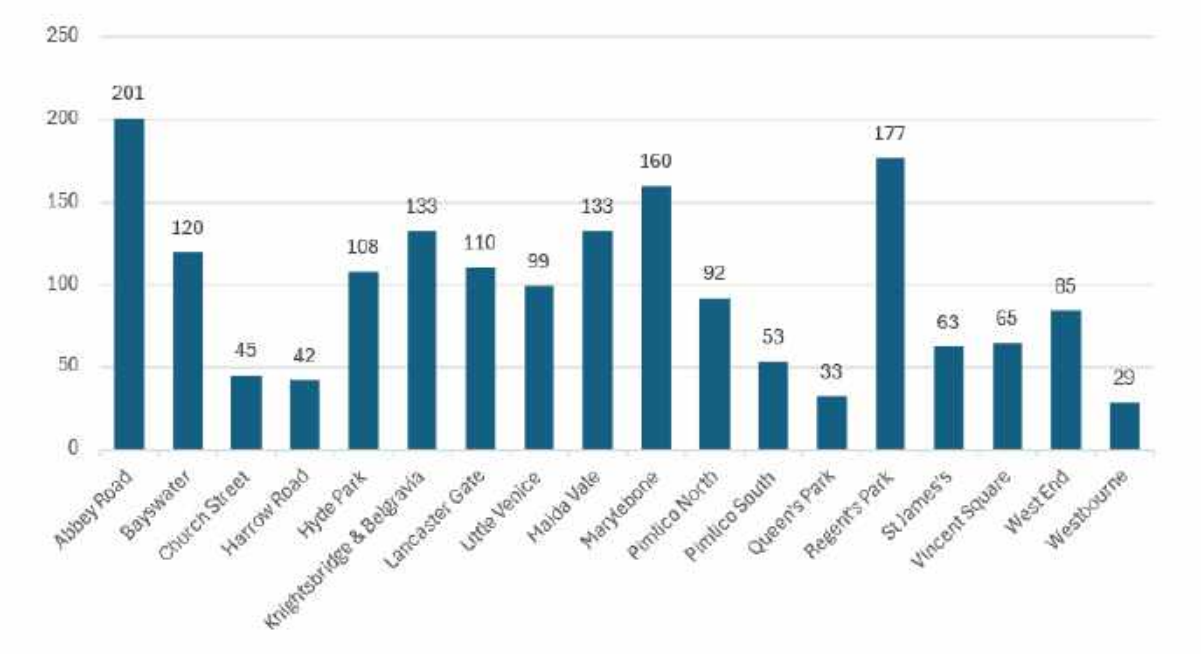


Fig 1.2 Number of Additional HMOs by ward (Source Housing Stock Condition and Stressors Report 2025).

The predictive modelling clearly indicates that there is likely to be a high proportion of unlicensed HMOs across the borough, with variation between wards.



Fid 1.3 Number of predicted/hidden HMOs by ward (Source Housing Stock Condition and Stressors Report 2025).

When considering compliance rates, Knightsbridge and Belgravia, Abbey Road, and Regent's Park have the highest numbers of HMOs that are likely to be unlicensed, while the best compliance rates are observed in Vincent Square, Queen's Park, and Westbourne.

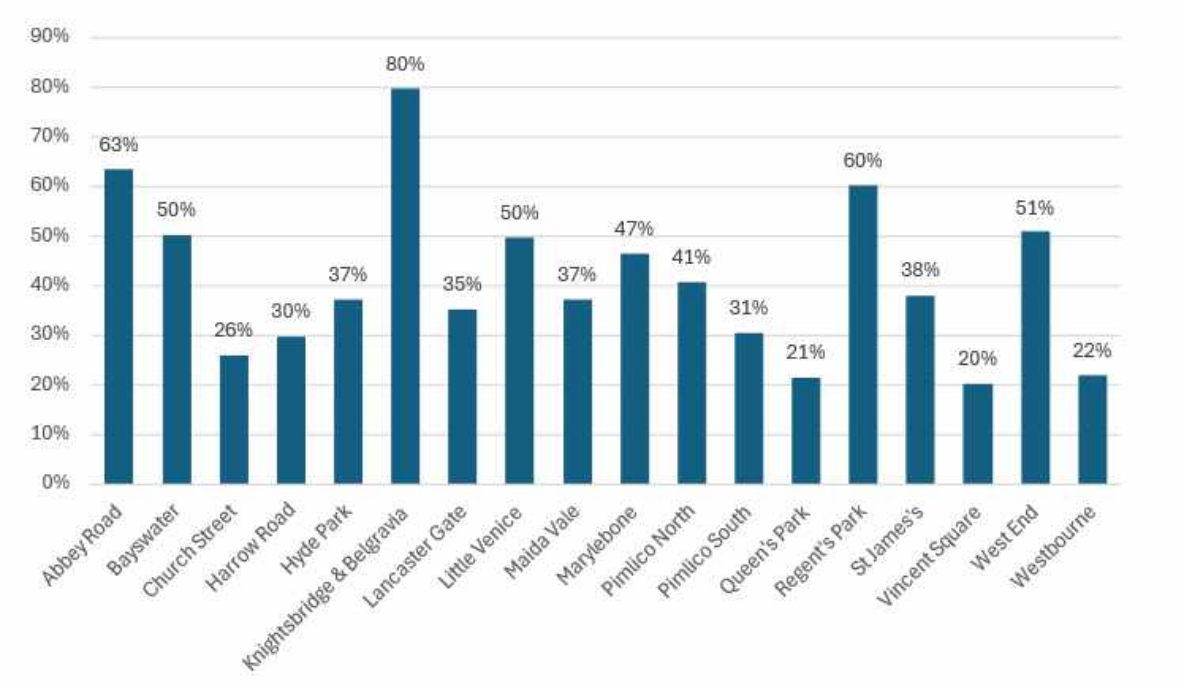


Fig 1.4 Percentage of predicted/hidden HMOs by ward (Source Housing Stock Condition and Stressors Report 2025).

13. Uptake of additional licencing

As of June 2025, 2,640 applications have been received for additional HMO licences, with an initial surge in applications observed at the start of the scheme.

Application received	Actual
Year 1	1598
Year 2	487
Year 3	342
Year 4 (to date)	213

Table 2 Application rates for additional HMO licences

Application rates over the course of the scheme have generally met expectations. However, a notable and unanticipated trend has been the continued creation of new additional HMOs as the programme has progressed

Other licensing activity			
Licenses refused	11	Revocation & variation requests refused	19
Reduced term licences issued	16	Applications withdrawn	76
Licences revoked	346	Temporary exemption applications	110
Licences varied	114	Temporary exemptions granted	56

Table 3 Other licensing activity

Since the designation was introduced, 346 licences have been revoked, primarily due to changes in ownership or because properties reverted to single-family occupation and no longer required a licence. As licences are non-transferable, a new application is required whenever a property remains licensable but changes hands.

New HMOs continue to emerge, particularly as tenancies change. Since the start of 2023, the council has received nearly 832 new applications, reflecting the formation of additional HMOs. This often results from a straightforward change in occupancy patterns – for example, a property previously let to a single family becoming an HMO when three unrelated sharers

move in. A proportion of applications also follow enforcement activity, where unlicensed HMOs identified by officers have subsequently been brought into compliance.

14. Processing of applications

As of June 2025, there are currently 2,168 live additional HMO licences with 52 applications currently being processed.

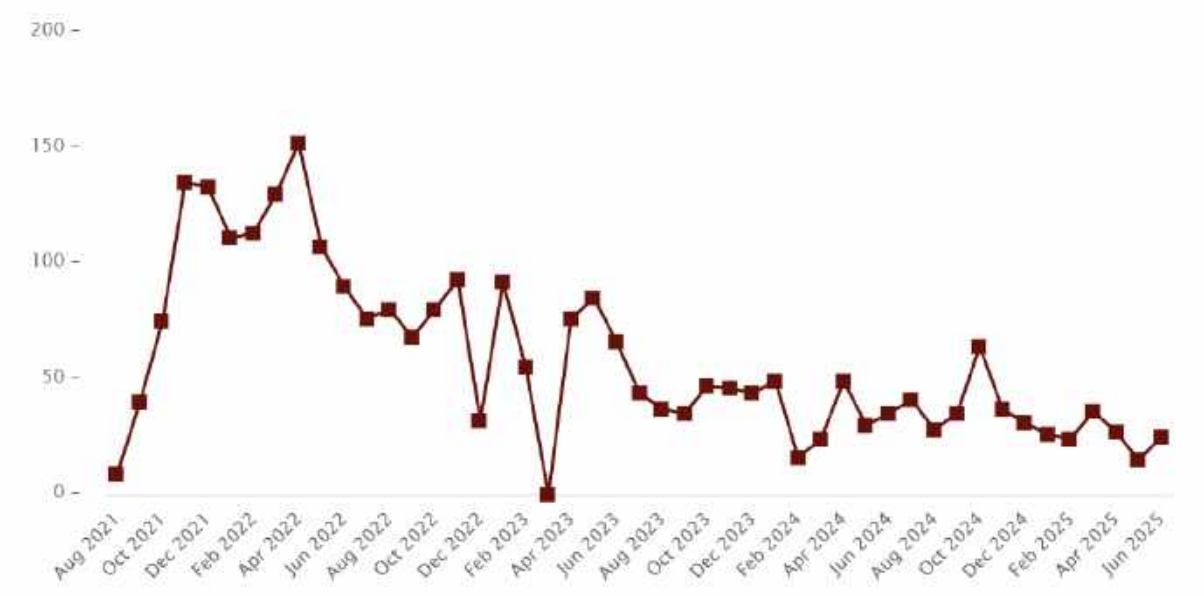


Fig 1.5 Final licences issued

The Private Sector Housing Team aims to issue a draft property licence within 90 days of receiving a valid application. This is followed by a statutory 28-day representation period, during which proposed licence holders can comment on the draft licence and any attached conditions.

Most final licences, where no changes were required after the representation period, were completed within three to six months of the initial application.

Common causes of delay included applications submitted by agents or other third parties without all required declarations, most notably, the signed fit-and-proper-person declaration from the proposed licence holder. Missing documents, such as gas safety certificates, electrical safety reports, and overseas landlord declarations, also contributed to delays.

Given the high-risk nature of many HMOs in the scheme area, a physical inspection is often required before issuing a licence. These inspections ensure that appropriate licence conditions can be applied for occupancy levels, property standards, and management arrangements, safeguarding the health, safety, and welfare of tenants.

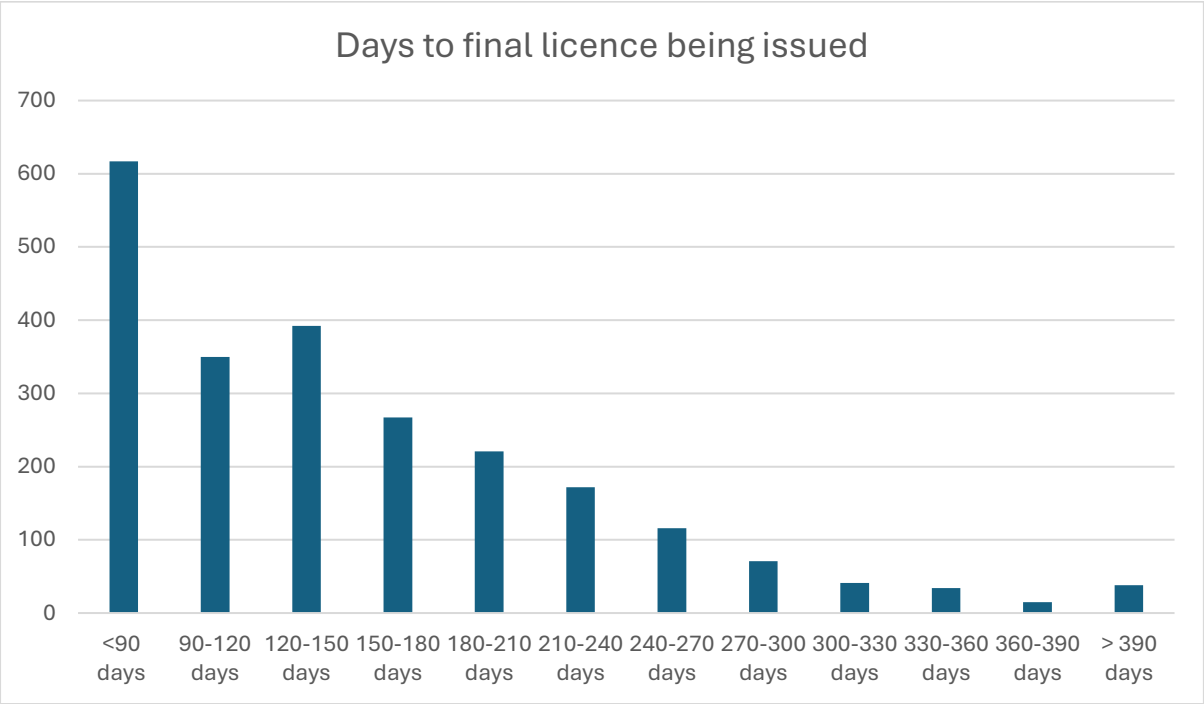


Fig 1.6 Timeframe in days between licence application being received and final licence being issued.

15. Inspection of HMOs

Property inspections play a critical role in enabling the council to assess HMO conditions and identify risks to occupant health and safety. They provide clear, verifiable evidence of how HMOs are managed and maintained, supporting the council's ability to ensure landlords meet their legal obligations, apply appropriate licence conditions, and, where necessary, take enforcement action to protect tenants.

At the time of the Metastreet review, 1,026 pre-licence inspections had been completed. The decision to conduct such inspections is based on a risk assessment, considering factors such as property layout and construction, existing fire safety measures, and the landlord's compliance history. These inspections offer valuable insight into the overall condition of the HMO housing stock across the borough.

For properties assessed as lower risk, licences have been issued following desktop assessments, accompanied by tailored licence conditions to ensure safety measures, particularly in relation to fire safety are in place. Follow-up compliance inspections are scheduled for these properties to verify ongoing standards and effective management.

In addition to pre-licence inspections, the council has carried out 600 physical compliance visits and 399 desktop compliance assessments. The latter are supported by photographic and video evidence of completed works, along with documentation such as invoices, submitted by licence holders to demonstrate compliance with licence conditions.

16. Standard of accommodation

A notable feature of the additional licensing scheme has been the analysis of self-declared information from initial application forms. As part of the HMO licence application process, applicants are asked to report on the level of fire precautions in the property to be licensed. 770 applicants (31%) reported having no fire detection system in place. Of further significance, 1,151 applicants (49%) reported having no fire doors.

These figures demonstrate a clear lack of awareness, particularly among smaller HMO operators, of the standards required to ensure tenant safety. Nonetheless, the data has proved valuable in prioritising properties for inspection and in applying appropriate licence conditions.

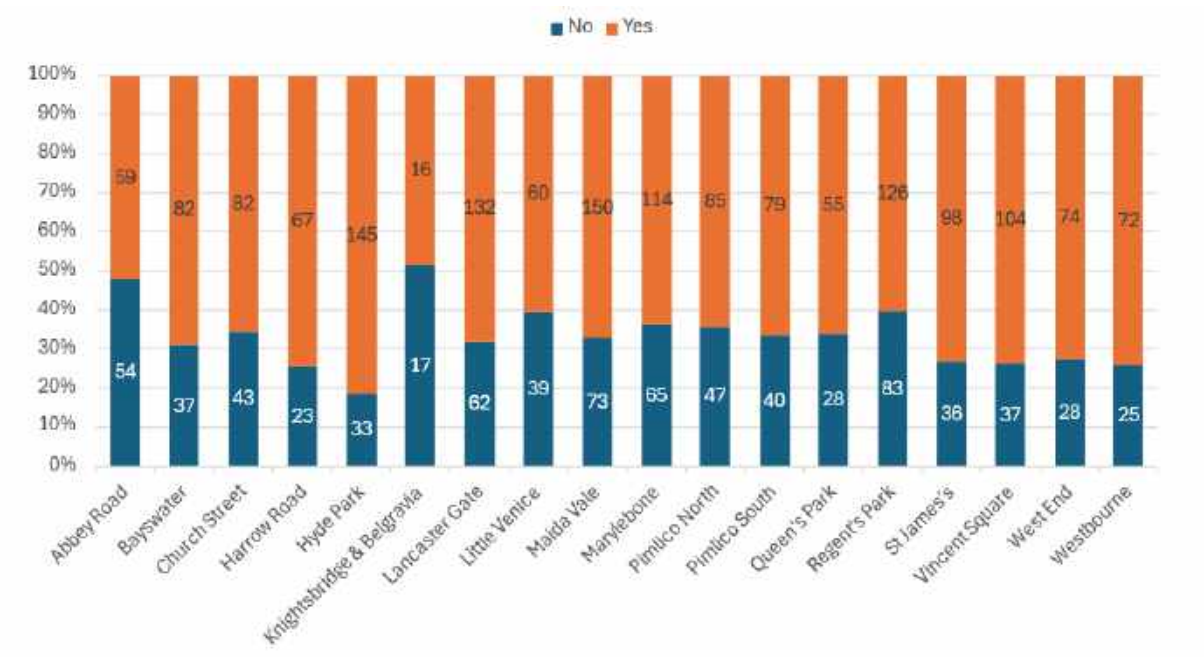


Fig 1.7 Self-reported presence of fire detection systems at known (licensed) HMO properties by Ward across Westminster (Source Housing Stock Condition and Stressors Report 2025).

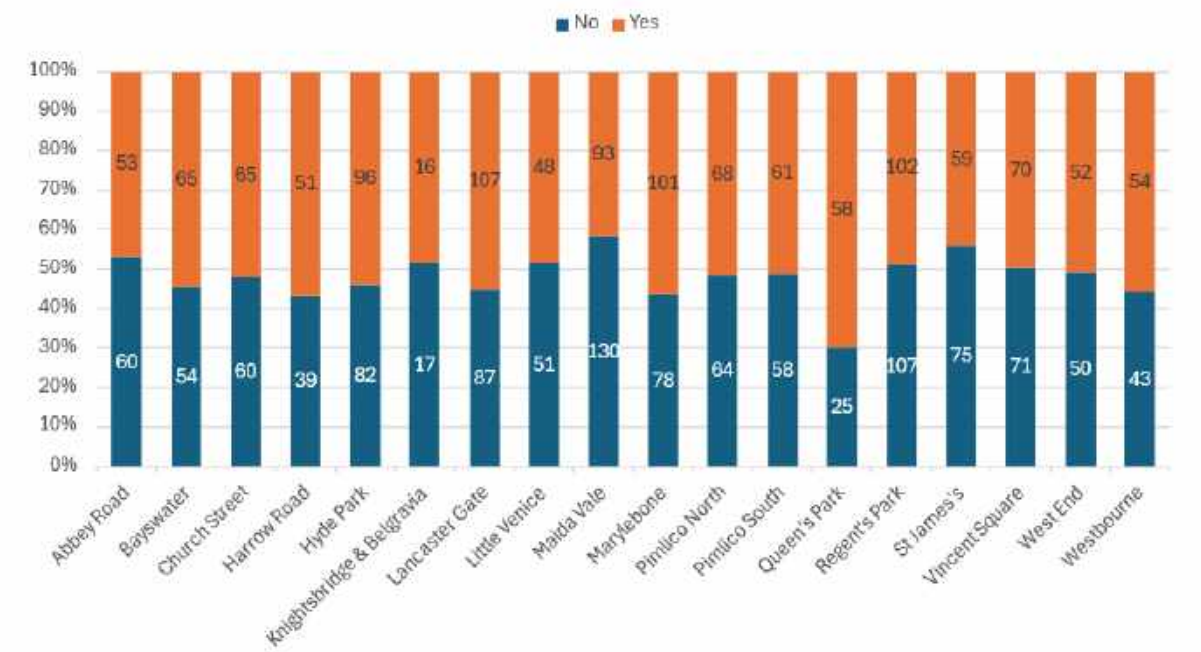


Fig 1.8 Self-reported presence of fire doors at known (licensed) HMO properties by ward across Westminster (Source Housing Stock Condition and Stressors Report 2025).

17. Hazard overview

As detailed in the Metastreet Tenure Intelligence Report (Appendix 1), physical inspections revealed a high prevalence of property-related hazards. Of the 1,026 properties inspected, 2,380 hazards were identified:

- 512 HMOs (50%) contained one or more hazards, as defined under the Housing Health and Safety Rating System (HHSRS)
- Severe Category 1 hazards, those posing a serious and immediate risk to health or safety were found in 150 properties (29% of all inspected HMOs).
- Moderate Category 2 hazards were found in 452 properties, representing 88% of those inspected.

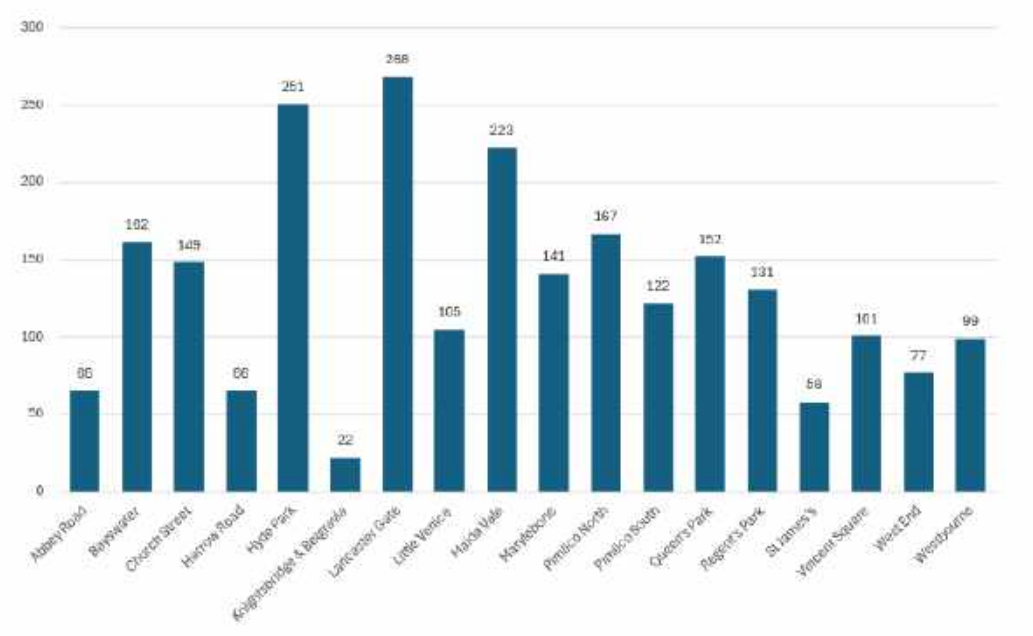


Fig 2.0 Number of inspection hazards by ward at known HMOs across Westminster (Source Housing Stock Condition and Stressors Report 2025).

Lancaster Gate recorded the highest number of inspection hazards (268), followed by Hyde Park (251) and Maida Vale (223). While Knightsbridge and Belgravia had a lower total number of hazards, the prevalence rate there is 64%. Given the high number of predicted unlicensed HMOs in the area, this rate is likely to be similar among those unlicensed properties.

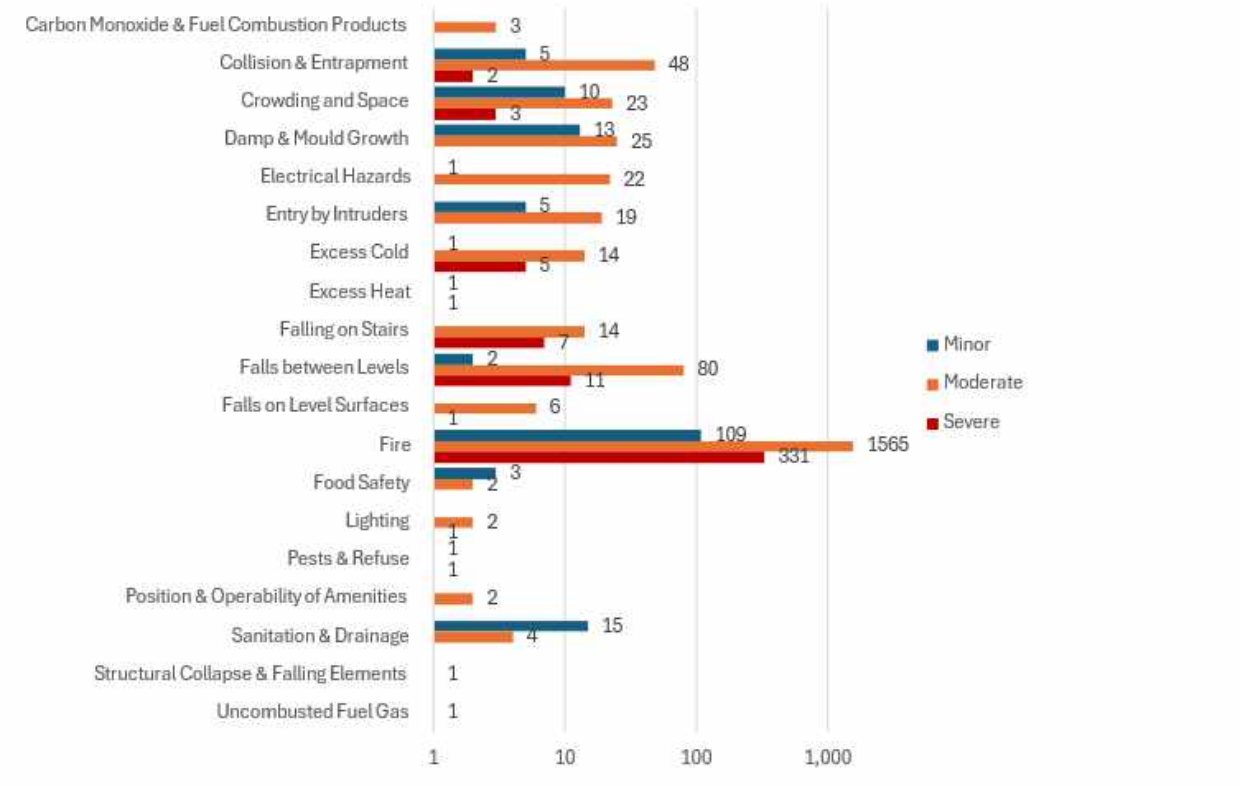


Fig 2.1 Number of hazards identified by type in HMOs (Source Housing Stock Condition and Stressors Report 2025).

Remote bedrooms (inner rooms)

A particularly significant issue addressed through licensing conditions relates to inner bedrooms. An inner room is one that can only be accessed by passing through another room (such as a kitchen or living room), posing a serious fire safety risk due to the lack of a direct escape route. In the event of a fire, occupants may become trapped if the access room is affected. This configuration is especially hazardous in HMOs, where multiple unrelated individuals may occupy different rooms with limited awareness of each other's presence or habits.

To date, 131 properties have been identified where bespoke licence conditions require the installation of fire suppression systems and the creation of protected escape routes.

This problem is especially acute in Westminster due to several local factors:

Much of Westminster's housing stock comprises Victorian and Edwardian properties, originally built as single-family homes. Many have been converted into flats or HMOs without a full redesign of internal layouts, leading to compromised configurations.

High housing demand and limited space have encouraged intensive subdivision of properties, often prioritising the number of lettable rooms over safety.

In many cases, dining rooms, living rooms, or spaces off kitchens, never intended as sleeping accommodation, have been repurposed as bedrooms, often without direct access to hallways or exits, making them inner rooms by definition.

Some HMOs have undergone alterations by landlords or tenants without formal oversight, further exacerbating fire safety risks.

18. Licence conditions

As part of the HMO licensing framework, every licence granted includes a set of conditions that the licence holder must comply with. These conditions are a key mechanism for raising property standards and ensuring the safety, quality, and effective management of HMOs.

There are two categories of licensing conditions:

1. Standard Conditions (Appendix 2) – These apply uniformly across all HMO licences and include measures such as:

- Ensuring appropriate room sizes and amenities.
- Setting overall occupancy limits to prevent overcrowding.
- Providing proof of regular property inspections.
- Supplying gas and electrical safety certificates.
- Ensuring tenants are given written tenancy agreements and that suitable management arrangements are in place.

2. Additional (Bespoke) Conditions – These are tailored to the specific circumstances of individual properties, imposed where additional measures are necessary to address identified risks, management concerns, or to further improve property conditions. They are applied following a physical inspection or a desktop assessment that identifies the need for improvement works (such as fire detection systems or fire doors). Examples include:

- Restricting occupancy levels in particular rooms where they fall short of statutory room sizes.
- Improving fire safety measures or ventilation.
- Completing repair or upgrade works within specified timeframes.
- Preventing accidents by providing guarding or restricting window openings.
- Improving ventilation to kitchens and bathrooms.
- Installing additional facilities, such as heating provision.

At the time of this report, additional conditions have been imposed on 1,981 licences, demonstrating proactive use of these powers to improve housing conditions on a case-by-case basis. This reflects a robust approach to regulation and a clear commitment to ensuring licensed HMOs meet expected standards and are free from hazards that put tenants at risk.

When a bespoke licence condition is imposed, the licence holder is given a reasonable period to carry out the required works or actions. Failure to comply with any licence condition constitutes a criminal offence. Breaches may lead to prosecution, potentially resulting in an unlimited fine or the issue of a civil financial penalty of up to £30,000 per offence. These enforcement powers are vital for ensuring licensing conditions are taken seriously and that standards are upheld across the sector.

As part of this consultation, stakeholders are encouraged to provide feedback on the proposed licence conditions set out in Appendix 2. Stakeholder input will help ensure they are both effective and proportionate.

19. HMOs improved

There is a legal requirement for licence holders to improve Houses in Multiple Occupation (HMOs) and address any identified hazards. In most cases, this has been achieved through tailored licensing conditions or by serving notices under Part 1 of the Housing Act 2004. As a result, licence holders have been required to carry out improvement works in 1,981 instances, with most issues relating to fire safety and associated conditions. The timeframe for completing these works typically ranges from three to twelve months, depending on their complexity and scale.

To date, significant progress has been made: compliance checks confirm that 899 HMOs have been improved since the scheme began. A property is recorded as “improved” only once all required works have been completed, verified, and no outstanding issues remain.

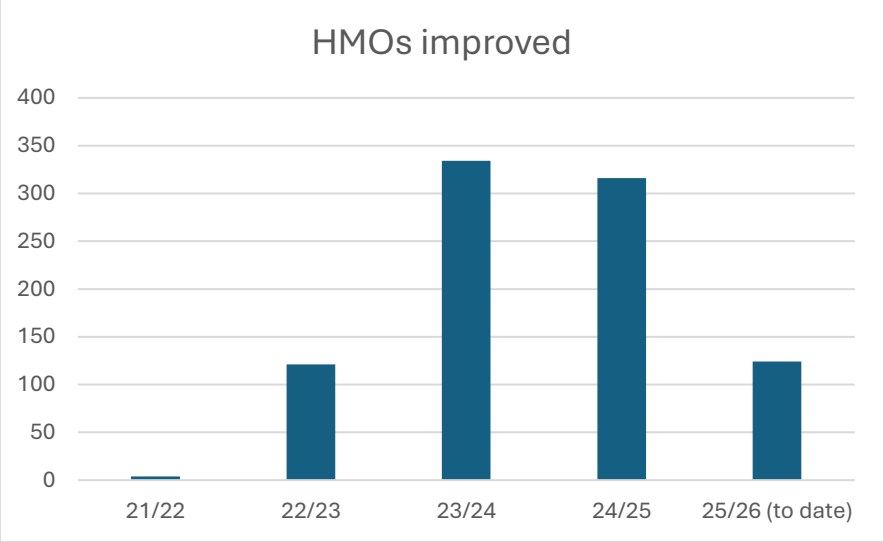


Fig 2.2 HMOs improved through the additional licensing scheme

20. Energy efficiency

An Energy Performance Certificate (EPC) rates the energy efficiency of a property. According to the report prepared by Metastreet (Appendix 1), most known licensable HMOs have an EPC rating of either C or D. Notably, 9.2% of properties were rated E, which is considered a poor level of energy efficiency. In contrast, 6.4% achieved a B rating, and no properties were found to have the highest rating of A.

The council recognises that improving the energy efficiency of its housing stock is essential to achieving the target of becoming a net-zero city by 2040. Tenants should also expect to live in

homes that are economical to run. Properties with lower EPC ratings are inherently harder to heat and often suffer from Excess Cold in the winter months and, in some cases, Excess Heat in the summer.

Improving energy efficiency is often challenging due to the age and nature of Westminster's housing stock; approximately half was constructed before 1900. There is a clear gradient of risk by property age, with the highest risk in dwellings built before 1850 and the lowest in those built after 1980, which tend to be more energy efficient.

21. Enforcement visits & penalties

There are two main aspects to licensing enforcement: failing to license a property in the first place, and failing to comply with conditions once a property has been licensed.

The Metastreet review (Appendix 1) estimates that 1,748 properties in Westminster may be unlicensed. This suggests that around 40% of HMO properties in the city are operating without a licence.

Since the start of the scheme, 607 properties have been investigated for failing to hold an appropriate licence. When the scheme was first introduced, the council adopted a graduated approach, issuing warning letters to suspected licensable properties. As the scheme progressed and following a comprehensive awareness campaign, the council moved to an enforcement-led approach, with an increasing number of penalties issued to operators of unlicensed properties. Robust enforcement is essential to ensure compliance and improve the overall quality of the private rented sector.

Since the scheme's launch in 2021, 50 landlords and agents have been issued with financial penalties for operating unlicensed properties, and 17 licence holders have been issued penalties for failing to comply with works conditions attached to their licence. Most of the enforcement action undertaken by the Private Sector Housing Team relates to properties subject to additional licensing.

Property Type	Energy Efficiency	Electrical Safety	Failure to comply with Improvement Notice	Management Regulations	Failing to licence	Failing to comply with licence conditions	Total
Additional HMO		2	1	3	50	17	73
Mandatory HMO			2	2	1	1	6
NON-HMO	4	8	4				16
Total	4	10	7	5	51	18	95

Table 4 Financial penalties issued since the launch of additional HMO licensing in 2021

While significant strides have been made to identify and tackle unlicensed properties, the council recognises that a considerable number are still likely to be operating. For this reason, a key objective of renewing the scheme will be to maintain a strong focus on identifying unlicensed properties and holding landlords to account.

The council believes that, in the past, many tenants have tolerated poor conditions or been too afraid to report licensing breaches. Strengthened rights under the forthcoming Renters' Rights Bill should help support tenants, particularly by offering greater protection from retaliatory eviction.

A reporting tool on the council's website now allows tenants to report potential unlicensed properties, anonymously if they wish. This has enabled enforcement officers to investigate more effectively and provide direct support to tenants.

22. Predicted hazards in HMOs

The Housing Health and Safety Rating System (HHSRS) is used to assess whether homes are safe and healthy to live in. It identifies problems that could harm the health or safety of occupants—for example, risks from damp, fire hazards, or unsafe stairs.

There are 29 types of potential hazards, grouped under four main categories:

- Basic health needs (e.g. heating, clean air)
- Mental wellbeing (e.g. noise, overcrowding)
- Protection from infection (e.g. hygiene)
- Protection from injury (e.g. falls, electrical safety)

Hazards are rated as:

- Category 1 (serious) – must be dealt with by law.
- Category 2 (less serious) – may still require action.

In 2024, the English Housing Survey found that 10% of private rented homes in England had at least one serious hazard, compared with 8% in owner-occupied homes and 4% in social housing.

By analysing known problem properties, it is possible to estimate how many HMOs across Westminster, including hidden ones, are likely to have serious health or safety risks. The method used is detailed in Appendix 2 of the Housing Stock Condition and Stressors Report (Appendix 1).

Analysis shows that an estimated 1,356 HMOs (both known and hidden) in Westminster are likely to contain at least one serious housing hazard under the HHSRS. This represents 33% of the borough's HMO stock, more than three times the national average for serious hazards in the private rented sector.

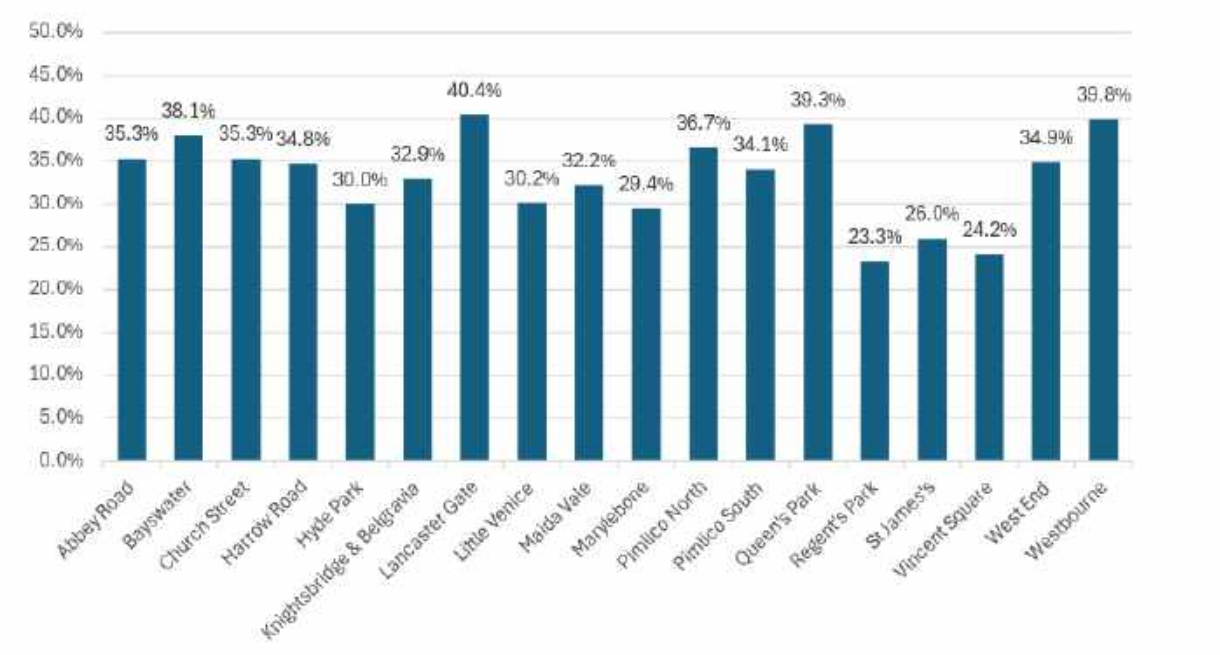


Fig 3.0 . Percentage of HMOs (shared amenities, known and hidden) with one or more predicted serious hazards (Source Housing Stock Condition and Stressors Report 2025).

As illustrated in the chart above, the prevalence of serious housing hazards across both known and hidden HMOs in Westminster is considerable. Analysis indicates that approximately 630 currently licensed HMOs are likely to contain at least one serious hazard (Category 1 or high-scoring Category 2 under the Housing Health and Safety Rating System). These are properties where a licence application has been submitted, some still awaiting inspection or requiring completion of remedial works. The findings are based on real-world inspection data.

Modelling also estimates that a further 916 unlicensed, or hidden, HMOs in the borough are likely to contain similar serious hazards. Together, these represent a significant proportion of Westminster's HMO stock.

These results provide strong evidence in support of the council's proposal to renew the Additional HMO Licensing Scheme borough-wide. They show that a substantial number of HMOs are poorly managed and potentially unsafe, placing tenant health, safety, and wellbeing at serious risk. Without continued licensing, these risks are unlikely to be identified or addressed effectively.

23. Incidence of Anti-Social Behaviour (ASB)

Between July 2018 and June 2024, the council recorded 8,395 anti-social behaviour (ASB) incidents directly linked to known and predicted (hidden) HMOs across Westminster. These incidents were categorised as either noise-related or non-noise-related and relate only to property-specific occurrences.

Noise-related ASB

- Noise complaints made up 83% of all HMO-linked ASB (7,001 incidents).
- Predicted/hidden HMOs accounted for 71% of all noise-related ASB (4,974 incidents).
- Additional licensed HMOs were linked to 1,748 incidents (25%).
- Mandatory licensed HMOs accounted for just 279 incidents (4%).
- Hotspot wards include Lancaster Gate, Bayswater, and Hyde Park.

Non-noise-related ASB

- There were 1,394 incidents (17%) of non-noise ASB linked to HMOs.
- Predicted/hidden HMOs had the highest share (645 incidents).
- Non-noise ASB was most common in Harrow Road, Hyde Park, and Marylebone.

Modelling shows that repeat ASB is most prevalent in unlicensed or poorly managed HMOs, which account for 54% of repeat ASB cases, involving 546 properties.

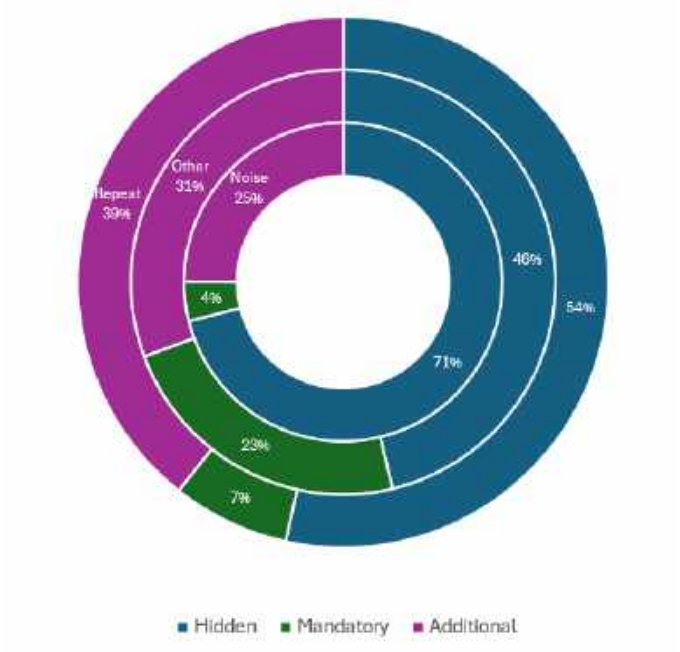


Fig 4.0 Relative proportions of HMO types in relation to ASB. Outer ring = HMO with Repeat ASB, Middle ring = ASB (not noise), Inner ring =Noise ASB (July 2018 – June 2024) (Source Housing Stock Condition and Stressors Report 2025).

These findings show that the council must do more to proactively regulate high-risk properties linked to persistent ASB, both those that are currently licensed and those that remain unlicensed, by increasing enforcement interventions. This can be achieved by applying ASB licence conditions (Appendix 3) at an early stage and targeting unlicensed properties predicted to have the highest prevalence of ASB.

This will involve:

- Proactively regulating high-risk properties linked to persistent ASB through data-led enforcement, focusing on repeat incidents and high-impact areas.
- Providing a clear accountability framework for landlords and managing agents to address tenant behaviour.
- Complementing wider efforts under the ASB Strategy through joined-up, multi-agency action.

Licensing acts not only as a regulatory tool for physical conditions but also as a preventative mechanism to address behavioural issues that affect neighbours and communities.

24. Additional HMO complaints

Complaints made by tenants and other residents are a direct indicator of poor property conditions or inadequate management. Between July 2018 and June 2024, the council recorded 1,668 complaints linked to all types of HMO.

Complaints typically concern:

- Inadequate property maintenance.
- Poor internal conditions (e.g. damp, heating issues).
- Failure to respond to repair requests.
- Anti-social behaviour and management failings.
- Overcrowding and lack of basic amenities.

The Housing Stock Condition and Stressors Report (Appendix 1) links these complaints to HMO type as follows:

- Mandatory HMOs: 209 complaints (12.5%)
- Additional HMOs: 1,088 complaints (65.2%)
- Predicted/Hidden HMOs: 371 complaints (22.2%)

Additional HMOs account for the highest proportion of complaints, suggesting that although they are subject to licensing, these properties continue to generate significant concern among tenants and the community. This underlines the ongoing need for regulation, inspections, and enforcement under an Additional Licensing Scheme. It is also likely that the scheme itself has increased tenant awareness and provided a clear mechanism for reporting issues to the council.

The council recognises that holding a licence does not eliminate the potential for problems to arise during the five-year licensing period. This can occur due to changes in circumstances or management arrangements in licensed properties.

25. Emerging trends and challenges

Rent to rent sector

This practice typically involves agents or, in some cases tenants, renting properties with large upfront payments and then subletting them to others. Property owners are often enticed by these upfront, and sometimes inflated, payments. Rent-to-rent operators then seek to maximise income by letting every available space, often converting living areas into additional bedrooms and renting the property on a room-by-room basis.

While some professional rent-to-rent operators maintain good standards, there remains a rogue element within the sector. During the COVID-19 pandemic, several such operators disappeared, only to be replaced by new ones. Council officers have supported multiple landlords whose properties were taken over by rent-to-rent arrangements in which the operator stopped paying rent to the landlord but continued to collect payments from tenants.

To address this risk, stringent checks are carried out on all licence applicants. In most cases, the council designates the property owner as the preferred licence holder to ensure accountability and compliance.

This ongoing practice, and the likely continued emergence of new operators in the market, supports the need for continued regulation of the HMO sector.

Offshore landlords

Approximately 30% of licensed property owners do not reside in the UK. While overseas ownership is not in itself a barrier to licensing, it presents specific challenges for property management, tenant safety, and compliance monitoring.

To ensure the responsibilities associated with HMO licensing are properly discharged, a licence will only be granted where a suitable UK-based licence holder or managing agent is appointed. This is critical because the licence holder is legally accountable for ensuring that

the property meets all required management standards, safety requirements, and licence conditions at all times.

Where a managing agent is nominated, the council requires a formal agreement confirming that the agent is bound by the licence conditions and has the authority and capacity to act on behalf of the overseas owner. This ensures there is always a competent, contactable person within the UK who can respond to urgent issues such as disrepair, tenant complaints, or breaches of licence conditions.

This approach has likely had a positive impact on the overall management of licensed HMOs under the scheme, as full management arrangements with local agents are in place.

Nightly Letting

Short-term tourist lets cannot be regulated through HMO or Selective Licensing frameworks, as these schemes are designed for residential lettings. In recent years, however, the distinction between short lets and long lets has become increasingly blurred. The rise of online platforms and booking apps has bypassed the need for traditional agents, particularly within the HMO sector, making it easier for landlords or tenants to advertise and rent rooms to tourists on a short-term basis.

Officers are receiving a growing number of complaints about rooms in licensed HMOs being used for short-term tourist accommodation. This practice undermines the residential character of properties, disrupts the quiet enjoyment of longer-term tenants, and introduces security and safeguarding concerns.

In response, the council has taken enforcement action in several cases, using licence conditions to restrict or prohibit short-term lettings where they clearly impact residents' wellbeing. This has been particularly important in cases where anti-social behaviour (ASB) has been linked to the transient use of rooms. Officers continue to monitor this issue closely and apply licensing enforcement powers where such activity compromises tenant safety or management standards.

Tenant & Landlord turnover

Since the start of the 2023/24 financial year, the council has received nearly 832 new HMO licence applications. This reflects both the continued creation of smaller HMOs, such as shared flats, and changes in property ownership or management arrangements.

As HMO licences are non-transferable, any change in ownership triggers the requirement for a new licence application, including full fit-and-proper-person checks and a review of the proposed management structure. This ensures that standards are upheld and that all licence holders are suitably qualified to manage HMOs in line with legal requirements.

Given that the Private Rented Sector (PRS) makes up approximately 44% of Westminster's housing stock, this level of applications is likely to remain consistent. It also underlines the ongoing relevance and necessity of the Additional Licensing designation, particularly in a borough where the PRS plays such a critical role in housing provision. Maintaining the scheme over the long term is essential to ensure effective regulation, tenant protection, and improved housing standards across this expanding and dynamic sector.

Partnership work and intelligence sharing

The Additional HMO Licensing scheme has significantly enhanced opportunities for collaborative working, both within the council and with external partners. By improving intelligence on private rented properties across Westminster, the scheme has strengthened our ability to respond to a range of housing and tenant-related issues through a joined-up, multi-agency approach.

The Property Licensing and Enforcement Team works closely with tenant advocacy groups such as Justice for Tenants, which provides frontline support to tenants experiencing exploitation, harassment, and insecure housing. This collaboration has enabled the successful use of Rent Repayment Orders (RROs) in cases where landlords have operated unlicensed HMOs. Tenants may be entitled to recover up to 12 months' rent, offering both redress and a deterrent to non-compliance.

Improved property-level intelligence has also facilitated closer working relationships with internal departments, including Trading Standards, Council Tax, Planning Enforcement, and Anti-Social Behaviour (ASB) teams. By sharing data on problematic properties, the council is better equipped to take swift, coordinated enforcement action.

The scheme has also improved our ability to identify and address signs of modern slavery and exploitation within the private rented sector. Intelligence gathered during inspections, such as evidence of overcrowding, coercive control, or exploitative living and working conditions, has prompted multi-agency interventions to support affected residents. In some cases, concerns about labour exploitation and human trafficking have been addressed in partnership with the police and Tamar, an organisation that supports victims of sexual exploitation, modern slavery, and human trafficking.

Through these partnerships, the Additional Licensing scheme is not only improving housing standards but also playing a vital role in safeguarding tenants, protecting public health, and tackling criminal exploitation within Westminster's large and diverse private rented sector.

26. Alignment with council strategies

Renewing Additional HMO Licensing in Westminster directly supports the council's core strategies on housing quality, tenant protection, health and wellbeing, and community safety. It remains a vital regulatory tool for delivering a Fairer Westminster and driving long-term improvements in the private rented sector.

Fairer Westminster Delivery Plan

Fairer Housing is one of five key ambitions set out by the council in the Fairer Westminster Delivery Plan 2025/26. The plan aligns closely with the proposed renewal of Additional HMO Licensing, as both aim to ensure that all residents have access to safe, well-maintained, and responsibly managed homes.

A core element of the plan is the commitment to strengthening engagement with tenants and landlords, which directly supports the objectives of improved HMO regulation. Renewing the licensing scheme will help raise property standards, enhance tenant protections, and reduce the risk of homelessness, particularly for those living in smaller shared housing. This approach supports the development of a more trusted and better-regulated private rented sector (PRS) as a long-term housing option for those in housing need.

The Fairer Westminster Plan also underpinned the recent launch of the Private Renters' Charter, which aims to improve awareness of renters' rights and strengthen understanding of standards within the PRS, complementing the goals of the Additional HMO Licensing scheme.

Private Rented Sector Strategy

The Private Rented Sector (PRS) Strategy is designed to raise standards for tenants and ensure the sector is professionally managed and well regulated. Licensing is one of several tools Westminster uses to help achieve its broader strategic objectives for the PRS.

Strategic aims:

1. Improve conditions in the PRS and ensure lawful practices.
2. Support and engage with tenants, landlords, and lettings agents.
3. Improve knowledge and intelligence about the sector, and work with other organisations that give advice and support to tenants, landlords, and lettings agents.
4. Help to improve the energy efficiency of the PRS.
5. Help to shape the sector.

A new short-term Action Plan was introduced this year, pending a full review of the Strategy once the national policy framework becomes clearer.

The policy acknowledges that HMOs are generally at greater risk of poor conditions and substandard management compared with other privately rented homes. Additional HMO Licensing is a key tool in addressing these issues, enabling the council to set clear licence conditions on matters such as fire safety, overcrowding, and property management.

Additional licensing requires landlords to apply for a licence and engage with the council, creating a formal opportunity to interact with landlords and agents who may otherwise be hard to reach. It allows the council to share best practice, offer compliance support, and signpost to training, forums, and accreditation schemes.

The council's understanding of the most complex and high-risk areas of the PRS is strengthened through improved data and intelligence. This supports more effective multi-agency coordination, enhances collaboration with partner organisations and frontline services, and enables the early identification and prevention of unlawful practices such as illegal evictions.

Recognising the role landlords must play in improving the energy efficiency of the housing stock, additional licensing directly supports the council's ability to provide advice and guidance, promote available funding, and incentivise landlords to upgrade the energy efficiency of their properties.

Homelessness Strategy

Additional HMO Licensing plays a vital role in preventing and responding to homelessness. Like many councils, Westminster faces a growing homelessness challenge and increasing pressure to secure suitable, safe accommodation, particularly for single people and smaller households who often rely on HMOs as an accessible housing option. HMOs are a key part of Westminster's local housing supply, and ensuring they are well-managed, safe, and compliant is essential to protecting vulnerable tenants and sustaining tenancies.

The purpose of this strategy is to set out a plan for:

- Preventing homelessness in Westminster.
- Ensuring that sufficient accommodation is, and will continue to be, available for people in Westminster who are or may become homeless.
- Securing the satisfactory provision of support for people in Westminster who are or may become homeless, or who have been homeless and need assistance to prevent them becoming homeless again.

There is also a significant equity dimension to this challenge, with a disproportionate number of people in temporary accommodation coming from Black and multi-ethnic backgrounds.

Poorly managed HMOs can contribute to housing instability, whereas well-regulated shared accommodation can provide a stepping stone out of homelessness.

Licensing schemes also offer greater protection to tenants in the private rented sector. Working in collaboration with partner agencies, the council aims to reduce the likelihood of unlawful evictions, which in turn helps both to prevent and to reduce homelessness in the borough.

The renewal of Additional HMO Licensing aligns strongly with Westminster's 10-Point Plan to Prevent and Tackle Homelessness, particularly by improving housing conditions, enabling earlier intervention, and strengthening regulation in one of the most vulnerable parts of the private rented sector (PRS).

Anti-Social Behaviour (ASB) strategy

The renewal of Additional HMO Licensing aligns closely with the council's Anti-Social Behaviour (ASB) Strategy, particularly in its focus on prevention, early intervention, enforcement, and partnership working.

ASB can be prevented by tackling its root causes, including poor property management and neglect. Licences issued through Additional HMO Licensing set and enforce clear property management conditions, including expectations around tenancy agreements, waste management, and tenant behaviour. Well-managed properties are less likely to attract or sustain ASB, meaning licensing plays a preventative role by setting a clear standard for landlord responsibility.

Under licence conditions (Appendix 2), landlords are required to take reasonable steps to prevent and address ASB. Licensing inspections and complaint investigations provide opportunities to identify early signs of ASB, such as overcrowding, noise issues, or neighbour disputes. Licensing also facilitates engagement with landlords and tenants before problems escalate.

Where necessary, particularly for more serious ASB concerns, the council's ASB officers can support landlords with tools such as warning letters, Community Protection Notices (CPNs), or tenancy interventions.

Additional HMO Licensing supports a joined-up response to problematic properties and tenant behaviour. In more serious cases, it enables a coordinated, multi-agency, community-based approach, strengthening partnerships with residents, landlords, and other key agencies.

Contributing to area renewal priorities

The renewal of the council's Additional HMO Licensing scheme would play a vital supporting role in delivering the council's Regeneration Strategy and City Plan, creating high-quality, sustainable neighbourhoods where people want to live, and improving the quality of homes and places to reduce inequality and support community wellbeing.

Many HMOs are concentrated in regeneration priority areas. Renewing Additional Licensing ensures these homes meet minimum safety and management standards, reducing the risk of substandard, overcrowded, or poorly maintained housing. This directly supports regeneration efforts by ensuring that new investment in public spaces and infrastructure is matched by improved housing conditions, helping to foster thriving, liveable communities.

Poor-quality HMOs are often associated with health and safety risks, including damp, fire hazards, and overcrowding. By addressing unsafe and exploitative rental practices, licensing contributes to the plan's ambition to reduce housing-related inequality, especially among lower-income and ethnically diverse groups who are more likely to live in HMOs.

HMOs provide affordable housing options for younger people, key workers, and lower-income residents. Renewal of the licensing scheme ensures these homes remain safe and well-managed, reducing tenant turnover, neighbourhood disruption, and illegal conversions. This helps maintain a balanced and inclusive housing mix, supporting regeneration that benefits a wide range of residents, not just homeowners or high-income earners.

Poorly managed HMOs can also lead to ASB, waste issues, and community tension, undermining local regeneration. Licensing improves landlord accountability, encouraging long-term investment in property upkeep and tenant relationships, and supporting the goal of stable, welcoming neighbourhoods.

Empty and underutilised homes

Additional HMO Licensing directly supports the council's goal of tackling long-term empty properties (LTEP) by identifying empty or underused homes, enabling proactive engagement with landlords, and helping to bring vacant properties back into use.

Property licensing improves the council's data on the location, ownership, and occupancy status of properties, building a clearer picture of potential LTEP across all wards.

The scheme increases housing supply, particularly in the private rented sector, by offering a pathway for owners of empty or partially empty properties to bring them back into use legally and safely, with guidance and licence conditions to ensure habitability. In certain circumstances, and subject to planning consent, property owners can convert large or vacant homes into safe, well-managed shared accommodation, especially for key workers, students, and lower-income renters. The licensing framework mitigates the risks associated with unregulated conversions and helps ensure the long-term viability of the homes brought back into use.

HMOs, when left unmanaged or partially occupied, can deteriorate and attract ASB, squatting, or vandalism. Where a property appears vacant but is being informally or illegally let, licensing brings it into regulation, increasing transparency around ownership, occupancy, and beneficial ownership.

27. Combining HMO licensing with wider enforcement and housing interventions

As part of the council's approach to renewing Additional HMO Licensing, the scheme will be combined with a range of other tools, powers, and strategic initiatives to ensure it operates as part of a comprehensive, coordinated approach to improving housing standards across the private rented sector (PRS).

The Renters' Rights Bill

The Renters' Rights Bill, also known as the Renters (Reform) Bill, is proposed legislation in England aimed at reforming the private rented sector. Key reforms include abolishing "no-fault" evictions under Section 21, strengthening tenants' rights, and improving housing standards. The bill is expected to become law towards the end of 2025.

This is a particularly timely moment to consider renewing the scheme, as it will complement forthcoming legislation designed to strengthen tenant protections, raise minimum property standards, and increase accountability across the sector. Additional HMO Licensing will provide the council with a practical, proactive mechanism to implement and support compliance with these new national requirements.

Selective licensing

Westminster's Selective Licensing Scheme is due to be introduced on 24 November 2025 in 15 wards. Together, the selective and additional licensing schemes will offer a joined-up framework, allowing the council to apply proportionate but firm oversight to both single-family lets (including up to two sharers) and HMOs across designated areas. This dual approach will enable better coordination of inspections, enforcement, tenant engagement, and landlord support.

The introduction of the Selective Licensing Scheme is expected to significantly improve the council's intelligence on the private rented sector, providing greater insight into how properties are being used. It may also lead to the identification of HMOs that are currently unlicensed but fall within the scope of the Additional HMO Licensing scheme. With an

estimated 1,748 hidden HMOs in the borough, maintaining a robust regulatory framework to identify and manage these properties remains a key priority for the council.

Other housing interventions

The council also proposes to continue using licensing intelligence to inform wider enforcement actions under the Housing Act 2004, including the issuing of Improvement Notices, Hazard Awareness Notices, and civil penalties. Key areas of focus will include:

- Enforcing compliance through Rent Repayment Orders (RROs) and prosecutions, where appropriate, while working with landlords to resolve issues informally where possible.
- Multi-disciplinary coordination with Community Safety (ASB), Planning, and Housing Needs teams to respond to complex cases, including illegal conversions, overcrowding, and ASB.
- Supporting homelessness prevention by identifying tenants at risk and enabling earlier intervention where poor housing conditions or insecure tenancies are contributing factors.
- Tackling long-term empty homes by using licensing inspections and data to help identify underused or abandoned properties.
- Providing a framework for engagement with landlords and agents, including signposting to accreditation schemes, training, and best practice guidance.

Increase in landlord accreditation in Westminster

As part of the council's commitment to recognising and supporting responsible landlords, a 10% licence fee discount is offered to those accredited through a recognised scheme. Since the introduction of Additional HMO Licensing in 2021, there has been a 40% increase in accredited landlords under the London Landlord Accreditation Scheme (LLAS), with numbers rising from 1,063 in 2021 to 1,486 in 2025.

The council proposes to continue offering this discount as part of the renewed licensing scheme, to incentivise good practice and encourage further landlord accreditation across the borough.

28. Alternative proposals

In considering the renewal of the Additional HMO Licensing Scheme under Part 2 of the Housing Act 2004, the council has assessed alternative approaches to addressing issues related to the condition and management of HMOs. These alternatives are outlined below, along with an assessment of their strengths and limitations.

Approach	Strengths	Limitations
Use of Existing Enforcement Powers (e.g. e.g. Housing Health and Safety Rating System)	• Targeted action on specific properties with identifiable hazards. • No need for upfront licence processing or fees.	• Resource-intensive, reactive, and slower to resolve issues. • Difficult to identify all problematic properties without adequate intelligence. • No systematic way to drive improvements across the broader HMO sector • Does not require landlords to meet minimum management standards proactively.
Renters Rights Bill (increased enforcement powers)	• National effort to improve renting conditions and regulation. • Aims to increase transparency and tenant security.	• Does not provide a local mechanism for inspecting, licensing, or enforcing standards in smaller HMOs. • While the Bill enhances tenant rights and sector transparency at the national level, only additional licensing provides councils with direct powers to inspect, regulate, and proactively improve property and management standards in smaller HMOs. Without renewal, the council's ability to intervene in high-risk, non-mandatory HMOs would be significantly weakened.

		• The Property Portal may improve data access, but it will not replace the need for local licensing and inspection regimes, especially in high-risk settings.
Change the size or geographic scope of the Additional HMO Licensing Scheme	• Allows the council to focus resources and enforcement in areas with the highest need or risk.	• Would leave unregulated HMOs in excluded areas, which may still present health and safety risks • Risks creating a patchwork approach, causing confusion for landlords and tenants operating across ward boundaries. • The authority is satisfied that a significant proportion of HMOs being managed ineffectively across all wards and that there is still a significant prevalence of hazards in all wards.
Voluntary Accreditation Scheme	• Promotes good practice among willing landlords. • Builds positive relationships between landlords, tenants, and the council. • Lower regulatory burden.	• Voluntary nature limits participation with non-compliant landlords unlikely to join. • Would not provide comprehensive data or control over all HMOs, • Would be less effective in improving overall housing conditions, • Limited ability to enforce against non-compliance, • Without fee income, the scheme would be difficult to resource to ensure compliance.
Enhanced Use of Civil Penalties	• Strong deterrent effect if used effectively. • Generates revenue for reinvestment in enforcement.	• Reactive only and dependent on complaints or evidence • Requires extensive investigation and legal process

		• Would exclude all licensing breaches, such as failing to comply with conditions, meaning lengthy process to reactively issue enforcement notices that require property improvements.
Mandatory HMO Licensing Only	• Captures larger HMOs with five or more occupants which present health, safety, and management risks. • Mandatory licensing is already embedded in national legislation.	• Mandatory HMO licensing excludes flats in purpose-built blocks regardless of the number of occupants. • Over 66% of HMOs in Westminster are flats, with many located in mansion blocks with unique safety and management requirements, particularly in relation fire safety. • Many properties that meet the definition of an HMO, but fall below the 5-person threshold, may still pose risks (e.g. overcrowding, fire hazards and poor maintenance).
Rely solely on Selective Licensing	• Selective Licensing can include all privately rented properties not subject to additional or mandatory licensing.	• Selective Licensing covers general rental properties but does not impose HMO specific standards. Additional HMO licensing operates under a different regulatory framework. • Additional Licensing allows the council to regulate smaller HMOs, which may have greater health and safety risks. • Selective licensing conditions only cover the management of the property, whereas additional HMO licences cover the property standard and management and allow for property specific improvements to

		be made. (e.g. installation of fire alarms and fire doors). • Nationally imposed standards (such as minimum room sizes) apply only to licences issued under additional HMO licensing.
Use ASB powers	• ASB powers can be used to take action at problematic properties through the Anti-social Behaviour, Crime and Policing Act 2014 (e.g. Community Protection Notices, injunctions).	• ASB powers are not a substitute for Additional HMO Licensing. • Additional Licensing allows the council to proactively inspect properties, identify repeat and persistent ASB linked to licences or unlicenced properties and prevent issues escalating or before they arise. • ASB tools are focused on nuisance or criminal behaviour, not housing conditions. • Additional Licensing requires landlords to meet minimum property and management standards, which ASB powers cannot enforce. • Licensing allows for ASB specific conditions to be attached to licences to ensure that any issues that arise are addressed promptly. Negating the need for time consuming legal processes. Often the legal threshold is higher and lengthy evidence collection is required outside of licensing.

29. Proposed objectives

The proposed renewal of Westminster's Additional HMO Licensing Scheme aims to build on the progress made since 2021 by further improving the standards, safety, and management of shared housing across the borough. Through a multidisciplinary, intelligence-led approach, the scheme will continue to target unlicensed HMOs, address persistent anti-social behaviour (ASB), and contribute to Westminster's wider housing and environmental objectives, including energy efficiency and tenant protection. It recognises the complexity of the private rented sector (PRS) and the importance of coordinated enforcement, tenant support, and partnership working.

Objective	Outcome
Improve the standards and management of HMOs in Westminster.	Ensure that all HMOs meet minimum standards for safety, amenities, and maintenance. Strengthen management accountability by requiring licence holders to demonstrate fit-and-proper status and robust management arrangements. Promote good landlord practices and provide clear expectations around compliance. Continue progress made to date by removing hazards from HMOs and increasing the number of properties improved.
Enhance enforcement and target unlicensed HMOs	Proactively identify and take action against unlicensed HMOs using data, complaints, and partnership intelligence. Hold landlords and agents accountable through civil penalties, Rent Repayment Orders, and prosecution where appropriate. Increase visibility of enforcement activity to deter unlawful letting practices.
Work proactively to reduce repeat Anti-Social Behaviour (ASB)	Use licensing as a tool to address properties linked to persistent ASB. Impose and enforce where necessary licence conditions to manage behaviour,

	improve security, and ensure landlord intervention. Collaborate with internal ASB, noise, and community safety teams to monitor and respond to complaints.
Strengthen engagement with landlords and tenants	Improve communication channels to ensure landlords and tenants understand their rights, responsibilities, and licensing requirements. Provide accessible guidance and support for landlords to promote legal and effective property management. Support awareness and readiness for upcoming regulatory changes including proposed reforms to tenancy law, dispute resolution, and landlord accountability
Support improvements to energy efficiency and sustainability	Encourage landlords to adopt energy-saving measures and ensure that HMOs (where applicable) meet at least the minimum EPC rating required under current legislation. Use licence inspections to identify opportunities for improved insulation, heating, and energy efficiency. Align licensing activity with Westminster's wider climate objectives, recycling and waste and fuel poverty reduction efforts
Embed a multidisciplinary and partnership led approach	Embed a Multidisciplinary and Partnership-Led Approach Continue close working with internal council teams to proactively target problematic properties (e.g. Planning, ASB, Council Tax, Trading Standards). Share intelligence to identify high-risk properties, prevent exploitation (including modern slavery), and coordinate timely interventions

30. Licence fee

Licence applicants will be required to pay a fee for each property that requires a licence. The full schedule of HMO licence fees is set out in Appendix 3. These fees form part of the consultation, and the council welcomes any views on them.

Licence fees are set to recover the full cost of operating the licensing schemes and delivering their stated objectives. A significant proportion of the income generated will fund the staffing resources required to administer and enforce the scheme effectively. Fees will also cover associated operational expenses, such as IT systems and support services. The council's fees and charges are reviewed annually to account for inflationary increases and any changes needed over the life of the scheme.

In accordance with legal requirements, the licence fee is charged in two parts:

- Part A – Payable upon submission of the application. This covers the costs of processing the application and assessing the applicant's eligibility. This fee is non-refundable, even if the application is refused, rejected by the council, or withdrawn by the applicant.
- Part B – Payable only once the application has been assessed and a decision made to grant the licence. This covers the ongoing costs of administration, compliance monitoring, and enforcement for the duration of the licence.

If the council refuses to grant a licence following assessment, only the Part A fee will be charged.

The licence fees are calculated using a time-and-motion study, which assesses the staff time and resources needed to carry out each stage of the licensing process. This includes application processing, property inspections, compliance checks, enforcement activity, and general scheme administration. The study ensures that fees are set fairly and proportionately, in line with legal requirements, and reflect the actual cost of delivering the scheme.

Promoting Good Practice through Incentives

Energy Efficiency:

In line with the upcoming Selective Licensing Scheme, the council proposes a discount for properties that achieve high energy efficiency standards, demonstrated by an up-to-date Energy Performance Certificate (EPC) rating of C or above. This supports our wider commitment to reducing carbon emissions and improving the quality and sustainability of the private rented sector in Westminster.

Accredited landlords

A 10% discount will continue to be offered to accredited landlords who are members of a recognised landlord accreditation scheme.

Accreditation must be valid at the time of application and verified through an approved scheme that promotes professional standards and responsible property management within the private rented sector.

Recognised schemes include, but are not limited to:

- London Landlord Accreditation Scheme (LLAS)
- National Residential Landlords Association (NRLA) Accreditation
- Safeagent
- ARLA Propertymark
- RICS
- UK Association of Letting Agents (UKALA)

This discount is designed to encourage and reward professional conduct and proactive compliance with housing standards.

The fees in Appendix 3 form part of the consultation, and the council welcomes any views on them.

31. Penalties for non-compliance

Failing to licence a property that requires an Additional HMO licence, or breaching licence conditions, is a criminal offence under the Housing Act 2004. The local authority may choose to prosecute the landlord or agent in the Magistrates' Court. If found guilty, they may face unlimited fines, depending on the seriousness of the offence.

Civil Penalty Notices (Fines)

As an alternative to prosecution, the council can issue a civil penalty notice of up to £30,000 per offence, in line with powers granted under the Housing and Planning Act 2016. The forthcoming Renters' Rights Bill may introduce changes to enforcement powers and penalty structures in the future, which could affect how such breaches are dealt with.

Rent Repayment Orders (RROs)

Tenants (or the council, if housing benefit or Universal Credit has been paid) can apply to the First-tier Tribunal for a Rent Repayment Order, requiring the landlord to repay up to 12 months' rent or housing-related benefits.

Restrictions on Serving Section 21 Notices

As it currently stands, subject to changes in legislation, a landlord cannot legally serve a Section 21 notice (to regain possession of a property) if the property should have been licensed but is not.

Banning Orders

In serious cases, a landlord or agent may be issued with a banning order under the Housing and Planning Act 2016, prohibiting them from letting or managing rental properties for a minimum period of 12 months. Banning orders are typically reserved for the most serious or repeat housing offences.

Inclusion on Rogue Landlord Databases

In serious cases, a landlord or agent may be entered into the national rogue landlord database, particularly if convicted of multiple housing offences or issued with a banning order. In addition, the Mayor of London's Rogue Landlord and Agent Checker will also list non-compliant landlords and agents, making this information publicly available to tenants and prospective renters. Inclusion on these databases can significantly impact a landlord's or agent's reputation and ability to operate in the sector.

32. Approach to licensing and enforcement

The council recognises that the Additional HMO Licensing Scheme in Westminster has now been in place for five years and is well established among landlords and managing agents operating in the borough. As part of the proposed renewal of the scheme, the council intends to continue working constructively with landlords to promote good practice, raise standards, and ensure that all parties are fully aware of their legal responsibilities.

Our aim is to support landlords in meeting their obligations by providing clear guidance, timely advice, and practical support to help them comply with licensing and housing management

requirements. Where landlords are willing to engage and make improvements, the council will adopt a cooperative and proportionate approach.

However, in cases where landlords fail to engage or persistently breach their legal duties, the Council will not hesitate to use its enforcement powers to safeguard tenants and ensure that properties in multiple occupation are properly managed, maintained, and licensed.

The council's regulatory approach is guided by the principles set out in our Private Sector Housing and Lettings Enforcement Policy. These principles include:

- Proportionate – Enforcement action will reflect the severity of non-compliance and the level of risk posed to occupants and the public.
- Consistent – The law will be applied consistently, with reliable advice provided and actions aligned with those of other local authorities where appropriate.
- Targeted – Resources will be directed toward the most serious risks and non-compliant properties, in line with local intelligence and national priorities.
- Transparent – Landlords and agents will be informed of what is expected of them and what they can expect from the Council in return.
- Accountable – Enforcement activity will be open to public scrutiny and supported by clear policies and accessible complaints procedures.

The council is committed to ensuring that the licensing scheme is administered fairly and effectively, balancing support for responsible landlords with firm action against those who put tenants at risk.

33. Application process

Applications for both new and renewal HMO licences must be submitted via the Council's online application portal.

To ensure compliance with legal requirements and to assess whether a property is suitable, or can be made suitable for occupation by multiple households, applicants will be required to provide the following supporting documentation at the time of application:

- Gas Safety Certificate – issued within the last 12 months (where a gas supply is present).
- Fire Alarm and Emergency Lighting Test Certificate – issued within the last 12 months, where a fire detection system is installed in communal areas.
- Electrical Installation Condition Report (EICR) – issued within the last 5 years, covering the fixed electrical installation.

- Floor Plan – clearly showing the layout of the property, including room sizes in square metres. This does not need to be a professional plan.
- Sample Tenancy Agreement – typically an Assured Shorthold Tenancy (AST), reflecting how the property is currently let.
- Proof of address - A recent utility bill, bank statement, or official correspondence (dated within the last 3 months) showing the current address of the proposed licence holder.

In addition to uploading the above documents, applicants will need to provide accurate and detailed information about the property, including:

- The number and size of sleeping rooms
- Details of shared facilities (e.g. kitchens, bathrooms, WCs)
- Amenity provision and how it relates to the number of proposed occupants

This information is essential to determine whether the property meets the required housing standards and is suitable for the number of people living there.

Note: Some documents, such as the Gas Safety Certificate, are statutory requirements under the Housing Act 2004 and must be submitted for the application to be considered valid.

34. Benefits to landlords, tenants and the wider community

Benefits to landlords	
Clear Standards & Expectations	The scheme provides clarity on minimum property and management standards, helping landlords understand their legal obligations and reduce risk. The council works proactively with landlords to ensure compliance, rather than relying solely on complaints.
Support & Guidance	The council offers advice and support to help landlords maintain compliant, well-managed properties, with a dedicated team of officers available to respond to queries.
Creating a level playing field	Licensing helps responsible landlords distinguish themselves from rogue operators, improving trust with tenants and letting agents.
Reduced Complaints	Well-managed HMOs lead to fewer complaints from tenants and neighbours, helping landlords avoid enforcement action and reputational damage.
Property Condition	The scheme encourages ongoing maintenance and investment in property quality, which can support long-term asset value and tenant retention.
Partnership Working	The council can work with other services to address wider issues that may affect licensed properties. Examples include tackling anti-social behaviour (ASB) or criminal activity through a coordinated, multi-agency approach.

Benefits to tenants	
Safer homes	Licensing ensures that properties meet essential safety standards, including fire protection, gas and electrical safety, and adequate means of escape. This helps reduce the risk of accidents or harm.
Improved Living Conditions	Licensing promotes better property maintenance, cleaner shared spaces, and ensures room sizes and amenities are suitable. This means tenants can live in decent, well-managed accommodation.
Better landlord accountability	Licensed landlords must demonstrate that they are 'fit and proper' to manage HMOs and are subject to ongoing checks and enforcement. This gives tenants greater assurance that their landlord can be held accountable if issues arise and that suitable management arrangements are in place.
Clearer rights and expectations	Licensing helps ensure tenants are issued with proper tenancy agreements, know who is responsible for managing the property, and are more aware of their rights and how to raise concerns, both with licence holders and the council.
Stronger action on poor practice	If tenants are living in substandard or unlicensed properties, the council can take enforcement action, issue improvement notices, or even help tenants reclaim rent through Rent Repayment Orders.
More stable living environment	Licensing contributes to a more professional and better-regulated rental sector, giving tenants confidence in the quality and stability of their housing. The council has supported tenants who have experienced difficulties with other tenants due to ASB-related issues.

Benefits to the wider community	
Stronger protections for neighbours	Licensing enables the council to set conditions around property management, including measures to manage ASB. Poorly managed HMOs often cause late-night disturbances, licensing helps prevent and address this. The scheme makes landlords responsible for managing tenants and tackling ASB, with support from the council where required. This leads to fewer problems such as loitering, loud parties, or street-level disturbances.
Cleaner, safer streets	Licensing ensures that external property conditions, including entryways, basement wells, and communal spaces, are properly maintained. This discourages the neglect that can blight neighbourhoods Licensed properties must also comply with proper refuse storage and collection guidelines, reducing fly-tipping, overflowing bins, and vermin, which are common concerns near poorly managed HMOs.
Stronger, more stable communities	Licensing discourages transient, overcrowded, or poorly screened tenant arrangements that can disrupt established neighbourhoods.
Accountability and enforcement	Neighbours have a clear route to report issues directly to the council, which can act swiftly under licensing powers.
Proactive prevention	Licensing helps prevent housing-related problems before they escalate into serious community issues.
Fairer housing market	The scheme supports more equitable access to decent housing, particularly for young professionals, key workers, students, and low-income renters.

35. Public sector equality duty

In accordance with Section 149 of the Equality Act 2010, the council must have due regard to its Public Sector Equality Duty (PSED) when exercising its public functions. This includes the need to:

- Eliminate unlawful discrimination, harassment, and victimisation.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between different groups.

Given the importance of licensing policy in shaping access to safe, secure, and well-managed housing—particularly in the private rented sector, where vulnerable and lower-income residents are more likely to reside—the council recognises the need to consider the potential impact of renewing the Additional HMO Licensing Scheme on individuals with protected characteristics.

To ensure the council meets its obligations under the PSED and to fully understand the likely impact of the proposed scheme renewal, an Equality Impact Assessment (EqIA) has been carried out (Appendix 4). The EqIA systematically assesses how different groups may be affected by the licensing scheme.

The assessment concludes that renewing the Additional HMO Licensing Scheme is likely to have a positive or neutral impact on most protected groups, particularly by:

- Improving housing conditions for vulnerable and lower-income residents.
- Enhancing fire safety, energy efficiency, and property management in shared housing.
- Supporting targeted enforcement against rogue landlords, many of whom operate in areas with high concentrations of disadvantaged or marginalised residents.

36. Further information

If you require further information or require this information in a more different format, please do not hesitate to contact the HMO licensing team at:

Hmo@westminster.gov.uk

Contact centre: 020 7641 6161

Write to us:

HMO licensing
Westminster City Council
Floor 15
64 Victoria Street
SW1E 6QP

Appendices:

Appendix 1 – Housing Stock Condition and Stressors Report (Metastreet Limited, 2025)

Appendix 2 – Standard Additional HMO Licence Conditions

Appendix 3 – Licence Fee Schedule

Appendix 4 – Equality Impact Assessment (EqIA)