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## Joint briefing: HMO licensing and asylum seeker accommodation regulations

The Chartered Institute of Housing (CIH), Crisis, the Joint Council for Welfare of Immigrants (JCWI), Refugee Migrant Forum of Essex & London (RAMFEL) and Shelter call for the withdrawal of the Houses in Multiple Occupation (Asylum-seeker Accommodation) Regulations 2023. **We strongly urge MPs to oppose the passage of the regulations.**

This statutory instrument exempts asylum seeker accommodation from important HMO (Houses in Multiple Occupation) licensing requirements. These requirements are in place to make sure that larger HMOs (properties where five or more unrelated adults share accommodation) meet certain basic safety standards to prevent fires and other dangerous hazards.

HMO licensing also ensure that local authorities can identify and proactively enforce against bad practice in larger properties. The government's plan to exempt asylum seeker accommodation from these vital safety requirements will put people seeking asylum at a higher risk of fires and poorer living conditions. It also creates a risk of more evictions from HMOs and supported exempt housing if landlords seek to switch existing rental properties to Home Office contracts, putting more pressure on council homelessness services.

If passage of the regulations cannot be prevented, we urge MPs to:

- press for the inclusion of minimum statutory health and safety requirements (including fire safety) as part of the instrument
- for Ministers to commit to notifying each local authority without delay of any properties that fall within its jurisdiction so that they can carry out their functions under Part 1 of the Housing Act 2004, and
- for an assurance that as local authorities will lose access to licensing fees for these properties, they will be funded to carry out these functions in respect of all HMOs procured by the Home Office.



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## What do the asylum seeker accommodation regulations do?

- The DLUHC regulations amend [s.254 Housing Act 2004](#) to exempt accommodation provided by the Home Office to people asylum-seekers from the statutory requirements of HMO licensing.
- Landlords who let larger houses in multiple occupation (HMOs) legally [require a licence](#), as a way to make sure the property is safe. An HMO is a property where three or more unrelated adults share accommodation. Larger HMOs occupied by five or more people in two or more households [require a licence](#).
- The new exemption applies to HMOs which begin use as asylum accommodation between 30 June 2023 and 30 June 2024. Though the regulations allow a two-year exemption following the date the accommodation begins use as asylum accommodation. Any amendments made by regulation 2 will be repealed on 1 July 2026.

## Why is the government introducing these regulations?

- The government's explanation is 'to remove barriers that may cause a delay or challenge to acquire more sustainable and cost-effective accommodation for asylum seekers'. HMOs are commonly used by Home Office asylum accommodation service contract (AASC) providers. They are currently accommodating 28,000 people seeking asylum in approximately 6,000 HMOs.
- The government states that providers have 'raised concerns that HMO licensing regulation is posing a barrier to acquiring accommodation'. In addition to mandatory licensing conditions, local authorities can set additional conditions and higher minimum room sizes under HMO licensing. Some do so for non-cohesive groups (i.e. strangers), including people seeking asylum.
- The Home Office is concerned that 'asylum seekers accommodated at taxpayer expense should not be entitled to more spacious accommodation than the national standard'.
- It argues 'more generous standards, particularly around room sizes and facilities, limit supply by restricting the number of people that can be housed in each property and drive the cost to the taxpayer'. Effectively, the Home Office wants to allow its accommodation providers to cram more people into HMOs, thus driving down the cost of accommodation.
- **CIH, Crisis, JCWI, RAMFEL and Shelter argue that government had alternative options to address its concerns. For example, it says it will allocate resources to local authorities to manage the impact of the new arrangements: it could simply keep the local licensing**



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arrangements and use the funds to ensure they are well resourced and thereby reduce the risk of any administrative delays.

## Why are CIH, Crisis, JCWI, RAMFEL and Shelter opposed to the regulations?

### 1. HMO licensing requirements are in place to prevent fires.

- HMO licensing was introduced in 2004 following decades of campaigning by Shelter and private tenants' groups. It was primarily introduced to protect people in HMOs from the much higher fire risks, as identified in [1998 government-commissioned research](#).
- The campaign for HMO licensing started in earnest following the fatal fire [in Clanricarde Gardens, Notting Hill](#). Eight people were killed and around 100 residents (living in a warren of 56 shoddily converted bedsits) lost their homes.
- **We must learn lessons on the importance of statutory regulating standards in dangerous accommodation to avoid fatal fires in future.**
- It is a truly terrifying thought that, six years after the catastrophic fire at Grenfell Tower, these DLUHC regulations could lead to another fatal fire in an HMO used to accommodate people seeking asylum and other people in housing need.
- People seeking asylum can be extra vulnerable to fire risks due to disabilities/health problems; being unaware of what standards to expect in a new country; being unable to read or speak English; being reluctant to complain to authorities.
- Where exempt HMOs adjoin other residential buildings (e.g. terraced houses), a fire in an unregulated HMO could also endanger lives in neighbouring homes.
- **Parliament is finally about to pass the Social Housing (Regulation) Bill, which reintroduces the proactive regulation of social homes following the Grenfell Tower fire. DLUHC must not take a step backwards on safety regulations by scrapping statutory enforcement of standards in dangerous HMOs occupied by people seeking asylum.**

### 2. HMO licensing requirements ensure proactive and tough enforcement of risky local properties.

- HMO licensing is a strong form of local authority enforcement because it places statutory, rather than simply contractual, requirements on landlords, as well as placing legal duties on local authorities to operate a statutory licensing scheme. This ensures much tougher enforcement in a number of ways:



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1. **Identifying HMOs:** Landlords letting licensable HMOs are legally required to notify the local authority of their existence and apply for a licence, confirming that they and the property meet all the requirements.
  2. **Providing local authority resources:** HMO licensing is designed to be self-financing, with the licensing fees charged to landlords used to operate local schemes. By losing the fees of HMO landlords operating under Home Office contracts, local authorities would have to use their own over-stretched funds to identify, inspect and enforce standards in these HMOs.
  3. **Requiring local authorities to take action:** Statutory HMO licensing requires local authorities to regularly inspect and enforce standards in licensable HMOs in their areas. Local enforcement teams know their areas well, including notorious landlords and dangerous properties, so they can be strategic in their inspection and enforcement.
- The government has tried to justify the new asylum-seeker regulations by arguing Home Office contracts with accommodation service providers require a *'clear minimum standard, which is equivalent to the national housing standard'*. It confirms accommodation is inspected by a dedicated Home Office assurance team to ensure these standards, such as on room sizes and fire risk assessments, are met.
  - **Agencies under pressure to procure large numbers of accommodation units should not also be the agency responsible for enforcing safety standards.** There can be a conflict of interest. We've seen this with temporary accommodation procured by local authorities for people experiencing homelessness. This often fails minimum legal standards, which must surely be a contractual requirement. But it appears that strong enforcement of contracts by procurement team rarely happens.
  - There are tough sanctions for HMO landlords breaching the statutory HMO licensing scheme, including heavy fines, rent repayment orders and (ultimately) being refused a future licence and no longer being able to operate local HMOs. There will be no such sanction for landlords breaching the standards set under Home Office contracts.
  - The new regulations will create a two-tier regulation system, when what is needed is a level playing field of enforceable standards and effective regulation. We know from experience in the supported 'exempt' housing sector that unscrupulous and profit-driven operators are likely to exploit weaker regulation. With asylum accommodation providers subject to less oversight than other HMO providers and with government about to close regulatory loopholes through the Supported Housing (Regulatory Oversight) Bill, we can expect more landlords to flock to the asylum sector.



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The Local Government Association has warned that ‘enforcement action could become much more complex and slower than the current locally led HMO licensing regime’.

### **3. The new asylum-seeker regulations risk exacerbating the housing emergency and community tensions.**

- Allowing HMO landlords to avoid local room-size standards, cram more people into properties and thereby charge higher rates, incentivises them to convert family houses and flats into HMOs, or move away from letting to other people in housing need.
- A third of private renters rely on local housing allowance to afford their rent, but local housing allowance rates have been frozen for over three years, making it almost impossible for people to find an affordable home in many parts of the country.
- This has resulted in growing homelessness, with over 100,000 households now homeless in temporary accommodation because the local authority can't help them into a home they can afford.
- If landlords are lured away from letting at local housing allowance rates (including to people whom the local authority have a legal duty to prevent and relieve homelessness) by lucrative Home Office contracts, the housing emergency will only grow worse.
- These regulations also risk a crisis in the procurement of temporary accommodation in some areas. In November, the District Councils Network [reported](#) four-fifths of local housing authorities were struggling to procure enough temporary accommodation for families and individuals who are homeless. London authorities are already concerned about access to and the costs of temporary accommodation: these measures could make the problem even worse.
- A further risk is that unscrupulous operators evict people currently living in supported exempt housing. We are already hearing early evidence that increased council scrutiny of exempt accommodation is associated with increased evictions, so there is a real concern that these new regulations will make that trend worse. This will put further pressure on already pressed local authorities and risks further increases in rough sleeping.

Finally, the Local Government Association has [warned](#) of the risk of: ‘asylum seekers potentially being placed into overcrowded rooms in overcrowded housing in neighbourhoods with existing high concentrations of asylum seekers, with potential community tension impacts and despite shared ambitions for a more equitable approach to housing asylum seekers across the UK’.

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