

# Licensing and Regulatory Committee

## Thursday, 04 December 2025

### Matter for Information and Decision

Report Title: House in Multiple Occupation (HMO) Policy

Report Author(s): Ben Clark-Monks (Selective Licensing Team Leader)

To present to members the draft house in multiple occupation policy to help ensure that the licensing of HMOs within the Borough is transparent, consistent and clearly defined to potential applicants.
The report and appendices outline the requirements expected from a potential applicant and property. Along with how the Council will look to determine their application and outline proposed fees that the applicants or property owners may incur.
<ul> <li>A. Approve the House in Multiple Occupation (HMO) Policy attached at Appendix 1;</li> <li>B. Approve the Fee Structure outlined in paragraph 4; and</li> <li>C. Approve the Amenity and Space Standard for Private Rented Sector at Appendix 2.</li> </ul>
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Our Council (SO1) Our Communities (SO2) Our Communities (SO2)
"Our Borough - The Place To Be" (Vision) Customer & Community Focused (V1) Proud of Everything We Do (V2)
There are no implications directly arising from this report.
The implications are as set out at paragraph(es) 4 of this report.
Decreasing Financial Resources / Increasing Financial Pressures (CR1) Reputation Damage (CR4) Regulatory Governance (CR6)
There are no implications directly arising from this report.

Human Rights:	There are no implications directly arising from this report.			
Health and Safety:	There are no implications directly arising from this report.			
Statutory Officers' Comments:-				
Head of Paid Service:	The report is satisfactory.			
Chief Finance Officer:	The report is satisfactory.			
Monitoring Officer:	The report is satisfactory.			
Consultees:	None.			
Background Papers:	None.			
Appendices:	<ol> <li>House in Multiple Occupation (HMO) Policy</li> <li>Amenity and Space Standard for Private Rented Sector</li> <li>Amenity Standards for Houses in Multiple Occupation (Current)</li> </ol>			

#### 1. Background

- 1.1 The Council are required to licence, houses in multiple occupation that meet the criteria of a property that houses five or more occupants living in two or more separate households. This is referred to as a mandatory licence and is empowered under Part 2 of the Housing Act 2004.
- 1.2 Following a review of HMO provision within the Borough and changes to the internal processes for receiving applications, managing licences and completing inspections, it was decided that an overarching policy was required to support officers undertaking this function and to ensure transparency and consistency across the service. Along with bringing several factors inline with processes within the Selective Licensing team to ensure that wider property licensing functions are aligned within the department.

#### 2. Why Adopt a Policy

- 2.1 Adoption of a policy in relation to applications will ensure increased transparency with the decision-making process and ensure greater consistency with officer decision making when determining licences.
- 2.2 The policy will also help to support any appeal the Council may face should a decision to refuse or revoke be challenged by the applicant/licence holder.

#### 3. Amenity and Space Standard

- 3.1 The Council currently has an adopted amenity standard, noted as **appendix 3** in this report. An updated version of this document, noted as **appendix 2** is recommended for approval by the Committee.
- 3.2 The document outlines the required level of amenity required for each property to be compliant and the space required for each room or shared amenity such as bathrooms, living rooms and kitchen.

#### 4. Fees, Charges and Discounts

4.1 At present licence fees for HMOs mirror the fee structure of the original Selective Licensing fee as outlined in the table below.

Application Fee	Enforcement Fee	Total Fee
£590.00	£250.00	£840.00

- 4.2 Along with the application fee there is also currently an additional fee of £216.00 when the Council identify an unlicenced property, however at present it is not clear when this fee would be applied.
- 4.3 Discounts are available for applicants registered with an accredited bodies such as the National Residential Landlords Association (NRLA), Decent and Safe Homes (DASH) and East Midlands Property Owners (EMPO). The discount is £100.00 per application.
- 4.4 There are also discounts available for multiple property owners of £30.00.
- 4.5 From benchmarking within the local vicinity, it appears our fees are below the level of neighbouring authorities

Authority	Standard Fee Levels
Leicester City Council	£900.00
Northwest Leicestershire District Council	£912.00
Charnwood Borough Council	£700.00
Hinckley and Rosworth Rorough Council	£800.00 (Small HMO)
Hinckley and Bosworth Borough Council	£1,000.00 (Large HMO)
Peterborough City Council (Acting on behalf of Rutland CC)	£1,100.00
	£964.00 (Up to 5 occupiers)
Molton Porough Council	£1,116.00 (6-12 occupiers)
Melton Borough Council	£1,274.00 (13-20 occupiers)
	£1,476.00 (21 and above)
Harborough District Council	£950.00
Blaby District Council	£965.00

4.6 Therefore, it proposed as requested in recommendation B that the fees associated with HMO licensing within the Borough be amended to the figures outlined in the table below.

Application Fee	Subsistence Fee	Total Fee
£550.00	£450.00	£1,000.00

- 4.7 It is proposed that the Council do not provide a reduced fee for renewal applications, as the substantive work undertaken by officers is comparable for a new application and a renewal, the Council is not required to provide a discount for a Services Directive (Amendment) (EU Exit) Regulations 2019 outlines that the fee paid by the applicant must be reasonable and proportionate to the cost of the authorisation (licensing) procedure.
- 4.8 Following the case of Hemming v Westminster it is a requirement to provide a two part fee, at present the Council refers to these fees as an "Application" and "Enforcement" fees, it is proposed that the name of these fees be amended to "Application" and "Subsistence" fees as the term Enforcement has previously caused concern with both Selective and Mandatory

- licensing applicants and causes potential confusion between a standard part of the licensing process and formal action being undertaken by the Authority.
- 4.9 It is also proposed that the current £216.00 identified/late application fee be increased to £300.00 to reflect the work completed identifying properties and bring the charges in line with the Selective Licensing scheme.
- 4.10 This identified/late application penalty will be imposed along with the subsistence fee by invoice at the point the licence is issued, to recover the costs of investigatory works undertaken.
- 4.11 In relation to discounts, it is proposed that these will mirror the discounts provided under the Selective Licensing scheme with accredited landlords receiving a £100.00 on their application fee and multiple property owners receiving a £50.00 on their application fee so subsequent properties after the first application is made incurring the standard fee.