



WEST OXFORDSHIRE  
DISTRICT COUNCIL

## WEST OXFORDSHIRE DISTRICT COUNCIL

Name and date of Committee	EXECUTIVE – 9 JULY 2025
Subject	PRIVATE SECTOR HOUSING FEES, STANDARDS, AND ENFORCEMENT POLICIES
Wards affected	All
Accountable member	Cllr Lidia Arciszewska, Executive Member for Environment Email: <a href="mailto:Lidia.Arciszewska@westoxon.gov.uk">Lidia.Arciszewska@westoxon.gov.uk</a>
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Report author	Philip Measures, Service Leader Email: <a href="mailto:philip.measures@westoxon.gov.uk">philip.measures@westoxon.gov.uk</a>
Summary/Purpose	To Review the HMO licence fee and period, to renew the HMO Amenity Standards policy and the Civil Penalties Policy.
Annexes	Annex A- HMO Amenities Standards Annex B – Civil Penalties under the Housing and Planning Act 2016 and The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 Annex C – Equality Impact Assessment.
Recommendation(s)	That the Executive resolves to: <ol style="list-style-type: none"><li>1. Amend the HMO Licence Fees as set out in this Report and for them to apply from 1<sup>st</sup> September 2025;</li><li>2. Approve the HMO licence period increases from 3 years to 5 years;</li><li>3. Approve the HMO Amenity Standards Policy and</li><li>4. Approve the Policy for Civil Penalties under the Housing and Planning Act 2016 and The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020.</li></ol>
Corporate priorities	<ul style="list-style-type: none"><li>• Putting Residents First</li></ul>

	<ul style="list-style-type: none"> <li>• A Good Quality of Life for All</li> <li>• Responding to the Climate and Ecological Emergency</li> </ul>
Key Decision	No
Exempt	NO
Consultees/ Consultation	Portfolio Holders. Empty Homes Officer Business Manager Housing

## **1. EXECUTIVE SUMMARY**

- 1.1** This report introduces renewed policies and standards concerning private sector housing to take account of legislative changes and new guidance from Tribunal decisions.
- 1.2** The Renters Rights Bill current passing through both Houses, will introduce many changes to Private Sector Housing regulation and these policies seek to prepare for these. The new policies are provided in Annexes A and B.

## **2. BACKGROUND**

- 2.1** An HMO is a House in Multiple Occupation where 2 or more tenants of different household share facilities. Where there are 5 or more tenants sharing facilities, a licence is required. These are issued by local authorities, who administer, regulate and inspect such accommodation. Councils are entitled to charge a fee to cover the costs of these duties. There are currently 36 HMOs licenced by the Council.
- 2.2** The procedure for setting the HMO licence fee and the HMO licence period was last approved in 2018 and since then there has been an annual increase in the fee as part of the budget setting process. A licence is currently approved for a period of three years, after which, if the premises still requires a licence, a new application must be applied for. The fee is required to cover the costs of providing a licence which include the Officer time for the following:
- Receipt of application documentation check and administration of licence
  - Inspection and compliance checks
  - Annual Operating Costs (of HMO licensing service)
  - Consumables and external costs
- 2.3** It is now considered a better focus of resources and fairer to landlords to set the licence period at five years and to adopt a risk rating approach prioritising the inspection of higher risk premises. This approach will change the fee structure, where it is also proposed that well run licensed premises, will benefit from a lower renewal fee provided there are no changes to the licensed premises.
- 2.4** The methodology adopted for setting the fee, whether three or five years was one developed by Derby City Council and referred to by the Department for Communities and Local Government (DCLG). The fee is in two parts; the initial application fee and the successful licence issue fee. The application fee is non-refundable even if the application is refused. The existing and new fees are outlined in Table 1.
- 2.5** Table 1

	Application Fee	Licence Issue fee
Current 3 year Licence	£269	£553
Proposed 5 year licence	£235	£1065

- 2.6** \*Where an HMO is letting seven or more rooms and planning permission is required, more time is required for the assessment of the application and inspection of the premises. The

officer time to carry out this work is calculated at £40 per letting room which is proposed as an additional fee to the application.

**2.7** A discount is proposed, to encourage and reward landlords of well managed premises, when they apply for a new licence when their existing licence expires. This is provided the following conditions are met:

- No structural or significant changes to the HMO such as extensions and new rooms.
- No outstanding enforcement action.
- The application is complete and duly made, and received no later than 28 days before the expiry of the existing licence.

A reduction of £100 is proposed. A discount to the additional room fee is also recommended and included in Table 2.

**2.8** Table 2 details the new fees proposed.

Fee	For
£1300: Application fee - 235 Licence issue fee – 1065	New Application
£40	Additional room fee, per letting room, 7 rooms or more.
£1200 Application fee - 235 Licence issue fee - 965	Renewal application, if made up to 28 days of expiry of existing licence, subject to s 2.7.
£20	Renewal application, additional room fee, per letting room. 7 rooms or more, subject to S 2.7.

**2.9** This fee should be reviewed annually as part of the budget cycle to reflect changes in staffing and resource costs.

**2.10 The HMO Amenity standards.** This was first published originally over a decade ago as an Oxfordshire policy focussing on non-licensable HMOs. Licensable HMOs were not the subject of an Amenities Standards policy, because they were subject to licence conditions and management regulations. However, the change in definition of a licensable HMO has significantly increased the number of licensable HMOs and therefore it is appropriate to for the Amenities Standard to cover all types of HMOs, providing a local steer to all interested parties on the standards required and expected. The Policy is set out in Annex A.

**2.11 The Policy for Civil Penalties.** This creates a specific policy for private sector housing under the Council's Enforcement Policy, and it updates the existing Civil Penalties Policy, first approved in 2019. The above-mentioned proposed Renters Reform Bill will place a greater demand and expectation on Housing Authorities to improve standards in the private rented sector through advice and regulation. The expectation of the Ministry of Housing Communities and Local Government is for there to be a greater emphasis on enforcement through the application of Civil Penalties where necessary, and the fines received must only

be used to support the cost of this work. It is therefore important to have a robust Civil Penalties Policy that is up to date with Tribunal decisions on the application of penalties.

- 2.12** The new Policy was developed by commissioning the work of Justice for Tenants. Justice For Tenants is a non-profit organisation that has received grant funding to support local authorities in effectively using Civil Financial Penalties. JFT has, with the support of central government and the Association of Chief Environmental Health Officers, created a model financial penalty policy for local authority use following detailed review of relevant guidance, the 54 procedural precedents relating to financial penalties, and over half of all First Tier Tribunal appeal decisions.
- 2.13** The Policy is set out in Annex B.

### **3. ALTERNATIVE OPTIONS**

- 3.1** The Council may approve, amend, or reject the proposed policies as they see fit.

### **4. FINANCIAL IMPLICATIONS**

- 4.1** Based on the current fee structure, the average annual income from a three year licence is £9864, when distributed evenly over the licence term. With the proposed fee increase and an extension of the licence duration from three to five years, the projected income changes to 9504 , assuming all applications are the existing renewals in full compliance. It should be noted that the individual licences will become due at different times.
- 4.2** It is hard to predict what the actual income will be from issuing Civil Penalties and the intention of course is to secure compliance without the need to serve a Civil Penalty. Any income from the penalties is ringfenced to the service for enforcement purposes.

### **5. LEGAL IMPLICATIONS**

- 5.1** The legal framework for the imposition of penalties and enforcement generally is set out in the Civil Penalties Policy.
- 5.2** A House in Multiple Occupation (HMO) is a building or part of a building occupied by two or more households as their main residence and who share basic amenities such as a bathroom or a kitchen (Housing Act 2004 part 7).
- 5.3** When 5 or more people occupy an HMO, the HMO requires a licence, to be provided by the Local Housing Authority. These are the properties relevant to this report. Section 68(4) Housing Act 2004 provides that a licence can be granted for up to five (5) years and does not require uniformity for all HMOs, so the proposal to increase the licence from 3 to 5 years with exceptions fully complies with the legislation.
- 5.4** If a property is being used as a licensable HMO without a licence, the Council can prosecute the relevant person. The suggested lower fees for renewal of licences when applied for early, should therefore increase compliance but also lower enforcement costs for the Council.

## **6. RISK ASSESSMENT**

- 6.1** The risk of not having current policies is of the challenges to decisions taken concerning inspections and enforcement. Decisions could be modified or overturned at Tribunal if Council actions are not underpinned by clear and reasonable policies.
- 6.2** It is good practice for the licence fee to be reviewed regularly to reflect on actual costs to further reduce the risk of challenge

## **7. EQUALITIES IMPACT**

- 7.1** The EIA is contained in Annex C.

## **8. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS**

- 8.1** Better regulation of the private rented sector will include ensuring standards are met concerning for example excess cold, which is about heating a home more efficiently. The policy will therefore have a positive effect in this regard. There are no negative implications identified from the changes.

## **9. BACKGROUND PAPERS**

- 9.1** None

(END)