

TONBRIDGE & MALLING BOROUGH COUNCIL
COMMUNITIES and HOUSING ADVISORY BOARD

12 November 2018

Report of the Director of Central Services

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 REVIEW OF HOUSES IN MULTIPLE OCCUPATION (HMO) AND CARAVAN SITE LICENSING FEES FOR 2019/20

Summary

This report updates members of the existing fees charged to licence a HMO or caravan site and the recommended charge following a review of the costs to process the respective application Houses in Multiple Occupation (HMOs).

1.1 Review of HMO licensing fees

1.1.1 The Housing Act 2004 introduced a mandatory licensing regime for HMOs of three storeys or more; occupied by five or more persons living in two or more households. On the 1 October 2018 this changed to remove the three or more storeys criteria therefore widening the scope of HMO licensing to include all those HMOs occupied by five or more persons living in two or more households. HMOs in self-contained flats in purpose built blocks where the block comprises three or more self-contained flats are excluded from the licensing requirement.

1.1.2 There are currently 12 licensed HMOs in Tonbridge & Malling and it is estimated this may increase by another 10 HMOs following the change in licensing criteria.

1.1.3 The aim of licensing is to improve the controls on HMOs and to raise the standard of some of the highest risk properties that are often occupied by some of the most vulnerable people, whilst maintaining an adequate supply of rented accommodation.

1.1.4 The licence is for a maximum of five years and cannot be transferred. The licence can end as a result of the passage of time, the death of the licence holder, the sale of the property or the revocation of the licence by the Council. The licence is held on a public register maintained by the Council.

1.1.5 Following a review of administrative costs and using the same HMO licence fee cost calculator developed by the Kent and Medway local authorities that has

previously been used, the proposed revised charges are detailed in the table below:

Service	Current Charge	Recommended Charge	Predicted Income Full Year 2019/20
New HMO licence application fee	£480	£524	£1572 for three new licence applications
Renewal of an HMO Licence application	£360	£483	£966 for two licence renewals due in this period

- 1.1.6 The charge for a new HMO licence application fee is comparable to our neighbouring Kent authorities of Maidstone at £525, Tunbridge Wells at £575 and Sevenoaks at £650. Over the five year period the fee of £524 equates to approximately a cost of £105 per annum and £9 per month.
- 1.1.7 The review of the costs to process the renewal of a HMO licence has found the costs are not that dissimilar to processing a new application, hence the greater increase compared to the current charge. The charge for the renewal of a HMO licence application is comparable to our neighbouring authorities of Maidstone at £485, Tunbridge Wells of £460 and £412 for Sevenoaks. This lower cost is attributed to the reduced inspection time as it is just the case of checking the layout and amenities of the property have not changed since the last application.

1.2 Caravan Site Licensing

- 1.2.1 The Mobile Homes Act 2013 amended the Caravan Sites and Control of Development Act 1960 to allow local authorities from the 1 April 2014 to charge a fee for the licensing of residential mobile (park) home sites (“relevant protected sites”) and recover their costs in undertaking this function.
- 1.2.2 A caravan site must have planning consent for use as a caravan site before it can be licensed and once licensed it remains in perpetuity until a change of use or planning consent has expired.
- 1.2.3 Following a review of administrative costs associated with charging for caravan site licences based on our experience over the last twelve months the proposed revised charges are shown in the table below:

Service	Current Charge	Recommended Charge	Predicted Income Full Year 2019/20
New caravan site licence application fee	£350	£380	£380 for one new licence application
Transfer of a caravan site licence	£125	£180	£360 based on the transfer of two caravan site licences

1.2.4 The charge for a new caravan site licence and the transfer of a caravan site licence is comparable to Tunbridge Wells where the cost is £300 and £175 respectively. Sevenoaks do not currently charge a fee for licensing of residential mobile home sites.

1.3 Legal Implications

1.3.1 The Council is legally required to licence certain HMOs and caravan sites under the Housing Act 2004 Part 2 and the Caravan Sites and Control of Development Act 1960 (as amended by the Mobile Homes Act 2013) respectively. For this licensing function they may charge a fee to fund the costs to process an application.

1.4 Financial and Value for Money Considerations

1.4.1 The cost to process the HMO and caravan site licence application is reflected in the fee charged to the applicant. Therefore, there should be no additional financial and value for money considerations.

1.5 Risk Assessment

1.5.1 There are no risks associated with this report.

1.6 Recommendations

1.6.1 Members are RECOMMENDED to AGREE charges from the 1 April 2019 for the following:

- £524 for a new mandatory HMO licence application;
- £483 for the renewal of a mandatory HMO licence application;
- £380 for a new caravan site licence where the use of the site is for permanent residential use; and
- £180 for the transfer of a caravan site licence for a permanent residential use site,

Background papers:

Nil

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