



# Fee Policy for Licensing of Houses in Multiple Occupation

**Rhondda Cynon Taff County Borough Council**  
**April 2024**

## **Introduction**

In accordance with the provisions of Part 2 of the Housing Act 2004, Rhondda Cynon Taff County Borough Council ("the Council") has powers to issue licenses in respect of properties operating as Houses in Multiple Occupation (HMOs)

Council's can charge:

- a licence fee for applications to grant a licence

When determining a fee the Council:

- will act in accordance with this fee policy
- may fix different fees for different cases or description of cases, and
- may determine that no fee is required to be paid in certain cases

Any fees charged will cover the costs (or part of the costs) incurred by the Council under its functions in Part 2 of the Act, other than the costs of enforcement action under Part 1 of the Housing Act 2004

## **The licensing fee structure**

In calculating its fee structure, the Council has calculated its fees in accordance with the provisions of Section 63 of the Housing Act 2004 which allows the Council to include all its reasonable costs, and this includes administration costs, Officer visits to the premises, travel costs, consultations, meetings, undertakings and advice.

The Council has determined its fee structure based on the cost of administering the application and also the size of the HMO because the work involved in determining an application for a larger HMO is greater than a smaller property.

**Please note from the date of implementation of this Policy, applicants will continue to pay the licence fee in two parts :**

- **Part 1 - will cover the reasonable costs of administering and determining the licence application**
- and**
- **Part 2 - payable upon granting of the licence and will cover the reasonable costs to the council of ongoing regulation and enforcement**

## **Application licence fee**

The fee structure applies to Houses in Multiple Occupation as defined by

- Section 254 subsection (1a) – (1d) and

- Buildings occupied by 3 or more persons forming 2 or more households containing self-contained Flats as defined by section 257 of the Housing Act 2004

The fee is calculated as follows.

<b>HMO Licence Fee two-part payment fees</b>		
<b>Part 1 Application Fee</b>	<b>New application, or late renewal</b>	<b>Renewal of existing licence (submission prior to expiry of existing</b>
	<b>£625</b>	<b>£594</b>
<b>Part 2 Fee payable on grant of licence (based on price per unit of accommodation occupied by single household)</b>	<b>Non-compliant HMO and not made compliant within 8 weeks of the initial licence application inspection being carried out.</b>	<b>Fully compliant HMO at point of initial inspection or made fully compliant within a period of 8 weeks from the initial licence application inspection.</b>
	<b>£179</b>	<b>£147</b>

(See Appendix 1 for fee payment chart)

### **Discount incentives for HMO licence renewal**

As outlined above, a discount will be applied for early submission of an application for licence renewal. The purpose of the discount is to account for reduced administrative and enforcement burden associated with such applications, while encouraging good practice. To qualify for the discount a duly completed online application must be submitted prior to the expiry of the previous licence.

Online renewal applications which are received after the date of expiry of current licence will be charged at the full licensing fee.

### **Compliant properties**

A further discount will be applied per unit of accommodation for both new and renewal applications where the HMO property is deemed to be fully compliant or is made fully compliant within a period of 8 weeks from the initial licence application inspection. This discount will serve to offer an incentive for prompt compliance with current legislation and licence conditions. In addition it will result in more efficient application processing by reducing Case Officer time and departmental resources.

### **Treforest Property Accreditation Scheme**

No further discount is available to applicants who agree to register the licensable HMO into the Treforest Property Accreditation Scheme (TPAS) for the term of the licence. Further details of the Scheme can be found here-

<https://www.rctcbc.gov.uk/EN/Business/LandlordGuidance/PropertyAccreditationScheme.aspx>

### **Licence renewal reminder letters**

The Council endeavour to remind licence holders of the impending expiry of their current licence. However, Licence Holders should not rely upon this service to remember when their licence is due for renewal. **Renewal of a licence is the responsibility of the licence holder. No renewal discount will be applied to applications which are received after the date of expiry of the current licence irrespective of a licence holder claiming not to have received a renewal reminder or having received a renewal reminder letter after the expiry of their previous licence.**

### **Reduction in term of licence, loss of discount incentive and fees for additional incurred costs**

The licence applicant will be allowed reasonable time periods to carry out work or to provide any information or certificates required in order to process the licence application. However, should works not be carried out, or information not provided within the timescales stipulated by the Council, the Council will reduce the term of the new licence to take account of the delays.

Also, in order to take account of the additional administration costs incurred by the Council in dealing with such delays, such as additional site visits and correspondence, any discount incentive originally applied to the Part 1 application fee will be disapplied and the full licensing fee will be payable at the point of granting of the licence.

In addition, in instances where the Council has to carry out additional work over and above what is reasonably expected to process a new or renewal licence application, the Council reserves the right to issue a £50 fee for each occasion where extra correspondence or site visits are required in order to process the application. The applicant will be notified in writing prior to the fee being imposed.

### **Fees in respect of varying a HMO Licence**

Where a licence holder wishes to vary their licence, such as a change in the license holders name through marriage, or change of address, or change in management arrangements, no fee is payable for the administration charges incurred.

### **Refund of Fees**

Where an applicant decides to withdraw a licence application prior to the issue of a licence, the applicant may be eligible for a partial refund. The partial refund will be calculated in accordance with the amount of licence processing work carried out, up to the time of the refund request.

No refunds will be offered in respect of applications which have been processed and the licence issued.

### **Publishing the fee policy**

The fee policy for licensing of HMOs will be published on the Council's website. If the Council revises its fee policy further, it will replace the published policy with the revised policy.

### **How the fees are to be paid**

All licence applications must be made via the Council's online application form and payment process. In order for an application to be considered valid, the Council requires Part 1 of the license fee to be paid electronically. The Part 2 payment will be required at the time of granting of the licence. Applicants will be advised of payment methods at the time of issue of the licence.

### **Review of the fee structure**

A review of the fee structure will be carried out annually. Any adjustments will take into account variations in actual officer and administration time and any changes to officer hourly rates, mileage costs or any other associated costs in providing the licensing function.

## Appendix 1

<b>HOUSES IN MULTIPLE OCCUPATION – LICENSING FEES</b>				
<b>SCHEDULE OF FEES 2024/25 Total Payment (Application Fee + Fee on Grant of Licence)</b>				
	<b>New / Late Renewal</b>		<b>Early Renewal (Before Licence Expires)</b>	
<b>Units of accommodation</b>	<b>NEW Price - 2024/25 (£) non-compliant</b>	<b>NEW Price – 2024/25 Compliant</b>	<b>NEW Price 2024/25 (£) non-compliant</b>	<b>NEW Price – 2024/25 (£) Compliant</b>
2	983	919	952	888
3	1162	1066	1131	1035
4	1341	1213	1310	1182
5	1520	1360	1489	1329
6	1699	1507	1668	1476
7	1878	1654	1847	1623
8	2057	1801	2026	1770
9	2236	1948	2205	1917
10	2415	2095	2384	2064
11	2594	2242	2563	2211
12	2773	2389	2742	2358
13	2952	2536	2921	2505
14	3131	2683	3100	2652
15	3310	2830	3279	2799
16	3489	2977	3458	2946
17	3668	3124	3637	3093
18	3847	3271	3816	3240
19	4026	3418	3995	3387
20	4205	3565	4174	3534

