



**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**MUNICIPAL YEAR 2023-24**

**COMMUNITY SERVICES SCRUTINY COMMITTEE**

**21<sup>ST</sup> NOVEMBER 2023**

**PRE SCRUTINY - REVIEW OF THE 2019 ADDITIONAL LICENSING SCHEME FOR HOUSES IN MULTIPLE OCCUPATION AND THE PROPOSAL TO DECLARE A NEW SCHEME IN 2024**

**REPORT OF THE SERVICE DIRECTOR DEMOCRATIC SERVICES & COMMUNICATIONS**

**1. PURPOSE OF THE REPORT**

- 1.1. To allow members the opportunity to scrutinise the effectiveness of the 2019 Additional Licensing Scheme (ALS) for Houses in Multiple Occupation (HMOs) and, subject to those findings, to pre-scrutinise the proposal to declare a new ALS for HMOs from April 2024, in accordance with the provisions of the Housing Act 2004 to enable the Cabinet to make informed decisions.

**2. RECOMMENDATIONS**

It is recommended that Members:

- 1.2. Undertake pre scrutiny on the report (attached at **Appendix A**), thus providing Scrutiny with an opportunity to contribute to this matter; and
- 2.2 To Authorise the Service Director Democratic Services and Communications to provide the comments and observations of the Committee to Cabinet, prior to their consideration of the matter on the 18<sup>th</sup> December 2023.

**3. REASONS FOR RECOMMENDATIONS**

- 1.3. The need for Cabinet to be aware of the comments and observations of the Community Services Scrutiny Committee prior to their consideration of the review of the 2019 Additional licensing scheme for HMO's and the proposal to declare a new scheme in 2024.

**4. BACKGROUND**

- 4.1 As of May 2023, there were an estimated 18,180 private rented properties across Rhondda Cynon Taf, accounting for approximately 17.6% of the housing stock. Of these 549 were licensed as houses in multiple occupation, which represents 3% of the private rented sector (PRS) and most of these properties are in the Treforest Ward.
- 4.2 Historically, HMOs in RCT have been the domain of students and they continue to provide a key housing option for students particularly in Treforest. As detailed in the ALS evaluation, student numbers have declined in Treforest in recent years and landlords have needed to diversify in order to ensure their properties are occupied. In addition, the impact of welfare reform and changes to Housing Benefit made the scale and nature of the PRS in RCT difficult to predict. Trends have shown an increased reliance on the PRS as people's housing choices are limited by availability of housing benefit and the demand for smaller accommodation continues to rise. For those people who are priced out of owning their own home and are unlikely to be able to access social housing, the PRS is often the only viable housing option available. HMOs are also seen as a housing choice by young professionals, new to the employment market.
- 4.3 HMOs have been subject to proactive regulation in RCT since 2002. Between 2002 and 2006 the Council operated a successful Borough wide Special Control Registration Scheme for HMOs. The Housing Act 2004 ('the Act') came into force in Wales in June 2006 and introduced powers for Local Authorities to regulate standards in the private rented housing sector. In particular, the Act introduced the requirement for Local Authorities to licence certain types of HMO, namely those of 3 storeys or above with 5 or more tenants that comprise 2 or more households; this is termed Mandatory HMO Licensing. The Act also allowed Local Authorities to introduce other types of licensing scheme for different types of HMO (Additional Licensing) and to licence the single occupation rented sector (Selective Licensing). Both schemes are discretionary.
- 4.4 The 2014 Additional Licensing Scheme (ALS) was reviewed in 2018 whereby a decision was made to implement a further ALS which came into effect on 1st April 2019. The 2019 scheme maintained the same key focus introduced in the 2014 scheme which introduced particular requirements to protect the safety of tenants living in HMOs and also to minimise the impact of shared housing on the character and amenity of the surrounding area. Thereby conditions are included to require that landlords maintain boundaries, gardens and walls, as well as taking reasonable steps to reduce anti-social behaviour by persons living in HMOs. The current ALS is due to lapse on 31<sup>st</sup> March 2024.

## **EVALUATION OF THE 2019 ADDITIONAL LICENSING SCHEME**

- 4.5 A full evaluation of the HMO Licensing Schemes (Additional and Mandatory), since 2019, has been undertaken by the Housing Strategy Team and the full report is included as Appendix A including full details of the consultation undertaken to date.

## **2. PRE SCRUTINY**

- 5.1 Members are reminded that the purpose of pre scrutiny activity is to contribute and inform decisions of the Cabinet before they are determined. The Community Services Scrutiny Committee continues to have the opportunity to explore and

comment on a number of reports in advance of Cabinet's consideration to bring a different perspective to the decisions made and enabling Cabinet decisions to be more informed.

5.2 A report summarising the discussion and any recommendations made by Community Services Scrutiny Committee will be put forward and considered by Cabinet at their meeting on 18th December 2023.

5.3 Members are referred to section 5 of Appendix A which details the effectiveness of the 2019 Additional Licensing Scheme (ALS) for Houses in Multiple Occupation (HMOs) and the proposal to declare a new scheme in 2024.

## **6 EQUALITY AND DIVERSITY IMPLICATIONS**

6.1 An Equality Impact Assessment is not needed because the contents of this report are for information purposes only.

## **7 CONSULTATION**

7.1 The involvement of the Community Services Scrutiny Committee in the pre-scrutiny exercise will contribute to the quality and robustness of Cabinet decision-making.

## **8 FINANCIAL IMPLICATIONS**

8.1 There are no financial implications aligned to this report.

## **9 LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

9.1 The report has been prepared in accordance with paragraph Part 4 of the Constitution (Overview & Scrutiny Procedure)

## **10 CONCLUSION**

10.1 The undertaking of pre scrutiny by the Community Services Scrutiny Committee in respect of the review of the effectiveness of the 2019 Additional Licensing Scheme (ALS) for Houses in Multiple Occupation (HMOs) and the proposal to declare a new ALS for HMOs from April 2024, in accordance with the provisions of the Housing Act 2004, will ensure that the Community Services Scrutiny Committee fully evaluates the effectiveness of its overview and scrutiny function.

**LOCAL GOVERNMENT ACT 1972**

**AS AMENDED BY**

**THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**COMMUNITY SERVICES SCRUTINY COMMITTEE**

**21<sup>st</sup> November 2023**

**REVIEW OF THE 2019 ADDITIONAL LICENSING SCHEME FOR HOUSES IN  
MULTIPLE OCCUPATION AND THE PROPOSAL TO DECLARE A NEW SCHEME IN  
2024**

**REPORT OF THE SERVICE DIRECTOR DEMOCRATIC SERVICES &  
COMMUNICATIONS**