HOUSES IN MULTIPLE OCCUPATION (HMO) POLICY

2026 TO 2029

Author: JANETTE PARKER-EAST, ASSISTANT DIRECTOR OF ENVIRONMENTAL HEALTH, LICENSING & COMMUNITY
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VERSION CONTROL:

Version Number	Purpose / Change	Author	Date
1.0	New Policy	Janette Parker-East	15 July 2026

Corporate Plan 2025-28

Council ambition	Linked?
Working for a prosperous future *We want to ensure the best possible local economy, with opportunities for our residents to succeed and achieve*	Yes, the Policy supports the local economy by providing affordable housing options for residents and ensures that housing growth is balanced with infrastructure need which is a key part of the broader Castle Point Plan.
Healthier, safer communities *Residents should feel safe in our Borough and supported to be more active in order to improve their health and wellbeing*	Yes, by directly addressing the goal of providing the right homes meeting the right standards by enforcing safety regulations and adequate facilities in HMOs. The Policy contributes to community safety and resilience by managing potential anti-social behaviour through strict management arrangements for licensed properties.
A greener and cleaner environment *It's important to everyone that we look after our environment*	Yes. Regulating HMOs helps manage street scene issues, such as waste and recycling, by ensuring landlords have proper waste management plans in place. It aligns with the development goals of making efficient use of existing buildings to protect the Borough's Green Belt land.
Restoring the Council to good health *We will place our Council on a sound financial footing and ensure resilience – delivering the service our residents deserve and expect*	Yes, as formal licensing processes reflect the commitment to good governance and transparent decision making and it helps the Council meet its legal obligations as a housing authority.
We ♥ Castle Point *We will help create and maintain the best possible place to live in, work in and visit*	Yes, the Policy promotes Pride in Place by preventing the neglect of HMO properties ensuring they contribute positively to the local area rather than detracting from it and it supports a sense of belonging by ensuring that all residents including those in HMOs live in well maintained and safe conditions.

The Lead Officer responsible for owning the policy and internal approval body (meeting / board where the policy is approved for adoption or approved for referral to PFH or Committee for adoption)

Name: **JANETTE PARKER-EAST, ASSISTANT DIRECTOR OF ENVIRONMENTAL HEALTH, LICENSING & COMMUNITY**

ROLES AND RESPONSIBILITES:
Lead Member and Committee responsible for approving the policy.

- **CLLR R LILLIS – HEALTH, WELLBEING & HOUSING**
  CLLR R SAVAGE – PEOPLE & COMMUNITY
- **CABINET**

PURPOSE STATEMENT

This Policy establishes how the Council regulates shared rental properties to ensure they are safe, well-managed and integrated into the community. The primary purpose is to protect the health, safety and welfare of tenants while managing the impact of shared housing on the wider neighbourhood.

SCOPE

The Policy defines which properties and activities are included covering the licensing scheme, property types, regulatory standards, the enforcement framework and planning.

COMPLIANCE AND ENFORCEMENT

The Policy impacts the Council internally by requiring resources for inspections and licensing and closer coordination between Environmental Health, Planning, Housing and Legal teams. The Policy impacts the Council externally as it raises housing standards and manages community impacts like noise and waste.

- **Equality Impact Assessment (EIA) undertaken?** Yes

- **Data Protection Impact Assessment (DPIA) undertaken?** Yes

POLICY STATEMENT

The Policy sets out the specific standards and legal requirements that landlords must meet to ensure shared properties are safe, well-managed and suitable for the number of occupants. Although HMOs are governed by a combination of Environmental Health and Planning legislation, which can at times lead to confusion, the core standards are dictated by the Housing Act 2004 and additionally Castle Point Borough Council imposes the higher standards detailed in the Essex HMO Amenity Standards.

SUPPLEMENTARY MATERIALS

Links to other strategies and policies:

- **Private Sector Housing Enforcement Policy**
- **Environmental Health and Licensing Enforcement Policy**
- **Essex HMO Amenity Standards**

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Introduction

A property is generally regarded as an HMO if it is occupied by at least 3 people forming more than one household with shared bathroom and/or kitchen facilities and it is their only or main residence.

An HMO licence is mandatory if the property is occupied by 5 or more people from 2 or more households who share kitchen and/or bathroom facilities. Properties with 3 or 4 tenants do not require an HMO licence but must still meet all health and safety management standards.

An HMO licence is required for an HMO under the Housing Act 2004 ("the Act") and the legal definition of an HMO can be found in Part 7, Sections 254 to 260. While Section 254 gives the broad meaning of an HMO the specific requirements for mandatory HMO licensing are defined in Section 55 of the Act supplemented by the Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018. Exemptions to the requirement to be licensed are contained within Schedule 14 of the Act.

Currently changing a home (planning category C3) to a small HMO (3 to 6 people and planning category C4) is considered Permitted Development (a national grant of planning permission allowing specific building works or changes of use without a formal planning application) in Castle Point and does not require planning permission. For 7 or more occupants, Planning Permission is required.

The Essex HMO Amenity Standards function as formal guidance adopted by local authorities across Essex. The document is interpreted as guidance for landlords on what local authorities consider reasonable under the Act. Because these standards have been widely consulted on and formally adopted by participating councils, they carry significant weight in supporting enforcement.

The legislation is prescriptive in relation to the conditions imposed and sets very strict criteria about what the Council can impose as a condition on any HMO licence. Mainly these relate to ensuring that the HMO meets current housing, HMO and management standards but there are also conditions that apply to the prevention of anti-social behaviour and waste removal.

The Council continuously monitors the Borough to identify and regulate HMOs to ensure all shared properties meet safety and legal standards. Local residents play a vital role in this oversight, to help identify unlicensed or poorly managed properties. If a resident suspects a property is operating as an unlicensed HMO or violates housing standards, they can use the online report form to share their concerns. This can be found on the council website at: https://www.castlepoint.gov.uk/report-an-hmo-contact-form?p_l_back_url=%2Fsearch%3Fq%3DHMO&p_l_back_url_title=Search

Every report is reviewed by the Environmental Health team to maintain safe, high-quality housing across our community.

The Environmental Health HMO Licensing Process

To apply for an HMO licence, an application form must be submitted to the Council with relevant accompanying documentation and the fee. The application can be completed online at: https://www.gov.uk/find-licences/house-in-multiple-occupation-licence or by contacting eh@castlepoint.gov.uk for an e-mail or paper copy.

The following must be provided at the time of application:

a) A scaled floorplan, showing all rooms and their sizes, position of fire doors and fire equipment, smoke detector etc, stairs, consumer unit and location of the boiler;
b) Current Landlords' Gas Safety Certificate (must be less than 12 months old);
c) Current satisfactory Electrical Installation Condition Report (EICR)
d) Current Portable Appliance Test Certificate for all landlord owned electrical appliances over 12 months old;
e) Current Fire Alarm Test Certificate (must be less than 12 months old unless installed less than 12 months ago and shows up on the EICR);
f) Current Emergency Lighting Certificate (if applicable – i.e. for a property where there are 3 or more storeys or where a difficult layout requires them). This must be less than 12 months old unless installed less than 12 months ago and it shows up on the EICR);
g) A fire risk assessment (reviewed at least annually or sooner whenever there are significant changes such as building renovations, layout modifications, changes in occupancy or following a fire incident);
h) Up to date contact details of all the people who have a relevant legal or financial interest in the HMO property such as any joint owners, the mortgage provider, the managing agent, the holders of any financial charge listed on HM Land Registry; and
i) The HMO licence fee - to cover administrative and inspection costs (these fees are reviewed annually and form part of the published fees and charges each year).

After submission of the application, an inspection of the property will be arranged to ensure it meets current health and safety standards.

The licence holder and manager must pass a "fit and proper person" test confirming they have no relevant criminal record or history of housing law breaches. A fit and proper person test is a standard used by various regulatory bodies to ensure that individuals in positions of high responsibility are suitable for their roles. While the specific criteria vary by industry, the test generally evaluates a person's honesty, integrity, competence and financial soundness.

A draft licence and notice of intention to grant an HMO licence are issued to all parties who have a legal or financial interest in the HMO. The draft licence includes the mandatory conditions imposed by the Act and the higher standards of the Essex HMO Amenity Standards.

Issue of the draft licence starts a mandatory consultation period of at least 14 days. The Council is permitted to consult only with those people who have a relevant legal or financial interest (e.g. via a charge on the property). The legislation specifically creates this very limited form of consultation and does not allow for representations from other parties. There are no powers to allow the Council to take representations from other parties into consideration.

The legislation obliges the Council to issue an HMO licence (firstly in draft and then in final version) if the application meets all of the following pre-conditions:

a) The applicant has made an application (in the correct format) with the relevant fee and all necessary current supporting documents;
b) The property meets all housing, HMO and management standards;
c) The proposed HMO licence holder and the manager are 'fit and proper persons' (as defined in the 2004 Act); and
d) There are no valid representations from persons with a legal or financial interest in the property to the HMO licence.

The role of the Council is to administer this regulatory process, which has been prescribed by law. The decision can be appealed to the First Tier Property Tribunal.

An HMO licence is valid for a maximum of 5 years but local authorities have the discretion to issue a licence for a shorter period to ensure the property remains legally occupied while monitoring the landlord more closely. Circumstances in which a licence is granted for a shorter period may include:

a) Management concerns – if the local authority has doubts about the fit and proper status of the manager or the adequacy of current management arrangements;
b) Property condition – where there is evidence of poor property standards, cumulative neglect, or outstanding hazards under the Housing, Health and Safety Rating System;
c) History of non-compliance – if the landlord has a history of housing related offences, previous breaches of licence conditions or has ignored previous management notices;
d) Death of a licence holder – a licence ceases immediately upon the death of the holder. A 3-month temporary exemption is then automatically granted which can be extended for a further 3 months.

Planning Permission (Use Class)

The planning legislative regime operates entirely separately to the provisions of the Housing Act 2004.

Currently changing a home (planning category C3) to a small HMO (3 to 6 people and planning category C4) is considered Permitted Development (a national grant of planning permission allowing specific building works or changes of use without a formal planning application) in Castle Point and does not require planning permission.

Large HMOs housing 7 or more people always require planning permission for a change of use. HMOs are classified as *Sui Generis* which is a Latin term for "of its own kind," describing properties that do not fit into standard planning use classes set out in the Uses Classes Order due to their unique impact on an area. Unlike shops or offices, these uses e. g. pubs, nightclubs, scrap yards, and large HMOs, usually have no permitted development rights. This means that full planning permission is required to change a building into a *Sui Generis* use or to change it from one *Sui Generis* use to another, allowing the Council to consider noise, traffic, and local character amongst other matters in determining the acceptability of a development proposal of this nature.

Planning Enforcement

The Council investigates Planning Enforcement matters in line with its Development Management Enforcement Policy.

Planning enforcement action is only relevant where there is an alleged breach of planning control, i.e. either:

- development carried out without the required planning permission, or
- failure to comply with a condition/limitation attached to a planning permission.

For HMOs, this most commonly arises as a material change of use (i.e. a “change of use” that counts as development) and/or a breach of condition on a planning permission relating to an HMO.

An HMO will require planning permission if more than 6 individuals occupy the dwelling. If it is 6 or less individuals, this will likely not require planning permission.

To be registered, complaints must provide:

(i) a detailed description of the alleged breach;
(ii) the type of breach (e.g. material change of use / breach of condition);
(iii) when the use/activity commenced;
(iv) relevant dates and times; and
(v) photographs and/or video (video can be particularly useful for change-of-use cases).

For suspected change of use (often relevant to HMO cases), the Council may require diary sheets, photographs and video footage; if complainant evidence is not provided and officers cannot corroborate the allegation, no further action may be taken. Complainant evidence may be required to support formal action and/or appeals, and complainants may be asked to consent to its use.

Following submission, if sufficient information is provided the Council will acknowledge the complaint, log the case and allocate to an officer. An initial assessment is undertaken within 20 working days of the file being set up, cases are triaged by harm and prioritised. Investigations may include site visits, monitoring and information requests. Outcomes may include no breach found, informal resolution, invitation to submit a retrospective application, closure where action is not expedient, or formal enforcement action.

More details about the Planning Enforcement process can be found in the Development Management Enforcement Policy.

Enforcement & Penalties

The Council takes a "firm but fair" approach to non-compliance in accordance with its Private Sector Housing Enforcement Policy.

1. Civil Penalties:

   The Council can issue civil penalties as an alternative to prosecution for offences, such as failure to licence or to breach the HMO Licence conditions or the HMO management regulations. Details can be found in the Council's Approved Civil Penalties Policy.

2. Prosecutions:

   The Council may decide to prosecute the landlord for a range of HMO offences. This is typically when civil penalties are deemed insufficient for severe breaches and/or where a warning needs to be given to other landlords to act as a deterrent.

3. Rent Repayment Orders:

   Tenants, or the Council (if the tenants are on Housing benefit), may apply to reclaim rent back from a landlord if he operates an unlicensed HMO. This is done by making an application to the First Tier Property Tribunal for a Rent Repayment Order. The Council cannot act as a legal representative but can advise on whether an offence has been committed and provide necessary documentation and evidence. The Council offers support for tenants facing housing difficulties including referrals to debt advice agencies and assistance for those facing potential homelessness due to reporting their landlord.

4. Part 1 Housing Act 2004 (HHSRS and associated Enforcement):

   If a landlord fails to carry out required safety repairs, the Council may serve a Notice under Part 1 of the Housing Act 2004 (HHSRS and associated enforcement). If the landlord subsequently fails to do the repairs, the Council may do the work and charge the landlord, often placing the cost of carrying out the works and a fee for organising the works as a Local Land Charge against the property. An interest fee will also apply for as long as the required costs are outstanding.

5. Banning Orders:

   Local authorities can use banning orders to prevent landlords who commit serious, repeated offences from operating in the private rented sector. A banning order is a last resort against rogue HMO landlords or agents who have been convicted of serious housing offences, prohibiting them from letting or managing property for at least 12 months. It is applied for after convictions regarding safety, licensing or harassment.

6. Temporary Exemption Notices:

   There are occasions when the Council may have to issue a Temporary Exemption Notice. This is a legal mechanism that suspends the requirement to hold an HMO licence for up to three months. It is used when a landlord or manager is actively taking steps to make the property no longer subject to licensing, such as selling it or converting it to a single-family dwelling.

7. Management Orders:

   Management Orders usually follow a prosecution of a landlord and a banning order or a serious failure of the licensing scheme that cannot be resolved any other way. They are legal provisions that allow local authorities to manage HMOs when there is no suitable person to do so. The start is to apply to the First Tier Property Tribunal for an Interim Management Order which ensures immediate steps are taken to protect the health, safety and welfare of the tenants. A final management Order can be made if the interim one is not resolved and it allows the local authority to manage the HMO for up to five years.

Supplementary Materials

The Essex HMO Amenity Standards: Version 2: 26 April 2019.