

VALE OF GLAMORGAN
REPLACEMENT LOCAL DEVELOPMENT PLAN
2021 - 2036

HOUSES IN MULTIPLE OCCUPATION

November 2025



BACKGROUND PAPER - BP26



1. Introduction

- 1.1 This background paper has been prepared by the Vale of Glamorgan Council as part of the evidence base used to inform policies within the Replacement Local Development Plan (RLDP) 2021 – 2036 in respect of Houses in Multiple Occupation (HMOs), which is a type of housing that has increased in numbers within urban areas within the Vale over recent years. The current national policy landscape indicates that while HMOs are considered to be an important part in the overall choice of housing available in the Vale, their regulation will need to adapt to address issues such as saturation in certain areas, the quality of accommodation, and the impact on residents and services. As a consequence, it is important to consider whether a policy response is needed in the Vale and if so, how this should operate in practice to inform the wording of a policy for inclusion in the RLDP.
- 1.2 Section 2 of the background paper provides a summary of relevant underpinning national and local planning guidance and legislation.
- 1.3 Section 3 outlines the current situation in respect of HMOs within the Vale, justifying the need for a policy intervention.
- 1.4 Section 4 sets out the key considerations for an HMO policy, through an assessment against three criteria; the concentration test, the sandwiching test and the small streets test. It also explains the wording of the policy.

2. Legislation and Policy Context

- 2.1 The regulation nationally of HMOs in Wales has evolved significantly over the past two decades, which is also reflected locally in the Vale of Glamorgan. There has been a shift from focusing on basic licensing and safety standards to addressing broader concerns around concentration, community impacts, and infrastructure strain. The introduction of local planning controls and more robust enforcement mechanisms, alongside ongoing consultations, indicates a growing recognition of the need to balance the benefits of HMOs with the need for sustainable, cohesive communities.

National Legislation and Policy

Planning Policy Wales (Edition 12)

- 2.2 Paragraph 4.2.5 of Planning Policy Wales (PPW) states that “*Planning authorities should plan for a mix of market and affordable housing types to meet the requirement and specifically consider the differing needs of their communities.*” However, the paragraph goes on to state that localised issues, must also be considered when developing the requirement for market and affordable homes within a particular area and whether the evidence justifies a local policy approach to support the viability of communities. Whilst the examples of localised issues given in PPW are second homes and short term lets, it is considered that HMOs may equally be regarded as a localised issue.
- 2.3 PPW does not specifically refer to HMOs, but the key principles of placemaking and protecting amenity are relevant policy considerations.

Housing Act 2004 (England and Wales)

- 2.4 The Housing Act 2004 sets clear definitions for what is defined as an HMO and introduced a licensing scheme for HMOs across England and Wales.

Housing (Wales) Act 2014

- 2.5 The Housing (Wales) Act 2014 introduced comprehensive changes to the way HMOs were regulated in Wales. It built upon the 2004 Act by introducing a mandatory HMO licensing scheme in Wales, applying stricter standards and giving local authorities more power to enforce compliance. This Act made it compulsory for all HMOs with five or more tenants to be licensed. It also required that all landlords of HMOs meet specific health and safety requirements (e.g., fire safety, room sizes, and sanitation). The Act aimed to improve living conditions for tenants.

Rent Smart Wales 2016

- 2.6 Rent Smart Wales was introduced as a mandatory registration and licensing scheme for landlords and agents operating in Wales. While not specific to HMOs, it applies to all private rental properties, including HMOs. It requires landlords to register their properties and undergo training to ensure they understand their legal responsibilities. Rent Smart Wales increases the professionalism of the private rental sector in Wales, helping to ensure landlords adhered to standards of management and maintenance. It provides an additional layer of oversight for HMO landlords, contributing to tenant protection.

Planning Use Classes (Amendment Order) 2017

- 2.7 The Planning Order 2017 made significant changes to planning regulations for HMOs. It introduced a separate planning class for HMOs, meaning that converting an existing C3 dwelling into an HMO now requires a change of use application. The HMO use classes are as follows:

- Class C3 - Use as a dwellinghouse by a single person or by people regarded as forming a single household. There is no limit on the number of people living as a single household. This use class also includes those living together as a single household and receiving care.
- Class C4 – shared houses or flats occupied by between three and six unrelated individuals who share basic amenities. Social housing, care homes, children's homes, bail hostels, properties occupied by students which are managed by the education establishment and those occupied for the purposes of a religious community are all excluded.
- Where an HMO is proposed for more than 6 residents, this is considered to be a large HMO and is classed as Sui Generis – a use class of its own.

- 2.8 Planning permission is required to change between these use classes.

- 2.9 This amendment to the use classes order aimed to give local authorities more control over the number of HMOs in a particular area by allowing them to refuse applications for change of use if they believed that the development would lead to an over-concentration of HMOs. This is a key policy in allowing Local Planning Authorities to prevent excessive HMO growth in high-density areas, such as student districts in cities.

Letter to Chief Planning Officers – Local Authority Powers to Manage Houses in Multiple Occupation (2018)

- 2.10 The former Cabinet Secretary for Energy, Planning and Rural Affairs wrote to Chief Planning Officers in February 2018 to remind LAs of the extensive powers they possess to manage HMOs. The letter advised of the changes to the use classes order and stated that LPAs need to consider whether any concentrations of HMOs in their area are causing problems, and, if so, they should put in place robust local evidence based policies in their LDPs against which planning applications can be assessed. It also advises that policies should be included in the LDP itself rather than be delegated to SPG.

Houses in Multiple Occupation: Review and Evidence Gathering (2015)

- 2.11 This report, prepared for the Welsh Government, examines the extent of concentrations of HMOs in Wales and the issues associated with them, reviews the existing legislation and considers best practice in both Welsh and non-Welsh authorities. It makes recommendations in respect of both local authority practice and potential changes to the regulatory framework.
- 2.12 The report recognises that in areas with high concentrations of HMOs there were issues including the displacement of established communities, exclusion of first time buyers, anti-social behaviour, degrading of the general environment and street scenes, and parking problems.
- 2.13 The report identifies that where 10% of properties or more in an area are HMOs, this is considered to be the benchmark for significant impacts on communities. It highlights that local evidence from locally held statistics including licencing details, planning application data and Council tax records (to identify student only households) can be used to inform the assessment.

Houses in Multiple Occupation: Practice Guidance (2017)

- 2.14 The Welsh Government have published practice guidance aimed at promoting good practice in respect of the management and control of HMOs to enable local authorities to make informed decisions on what is best suited to reflect local circumstances. The guidance sets out the legal framework for HMOs including the planning use classes, the control of letting boards, anti-social behaviour powers and licencing.
- 2.15 The guidance also highlights good practice in respect of university partnerships, as areas with high student populations have correspondingly high levels of HMOs.

Local Policy and guidance

- 2.16 Many HMOs within the Vale of Glamorgan must apply for both planning permission and licencing to proceed. The HMO licensing is managed by the Shared Regulatory Services team (SRS) which is responsible for applications across the Vale, Cardiff and Bridgend. Planning permission for HMOs are decided within by the Vale of Glamorgan planning department. It should be noted that HMO schemes being operated as social housing are exempt from the requirement for planning permission.

HMO Licensing Fire Safety and Amenity Standards

- 2.17 As part of the mandatory licencing, large HMOs in the three areas covered by the SRS team are required to meet specific amenity and space standards, indicating the minimum number of bathrooms, toilets and appliances in kitchens, as well as setting space standards on a per m2 basis for habitable rooms¹.

¹ <https://www.srs.wales/en/Housing/HMO-Licensing/HMO-Licensing.aspx>

3. Current HMO position in the Vale of Glamorgan

- 3.1 Data collected as part of returns on hazards and licencing on an annual basis indicates that as of 2024 there were 491 known HMOs in the Vale.² As shown in Figure 1, there has been a significant increase since 2020-21 following the COVID-19 pandemic and the numbers of HMOs have remained comparatively high since then.

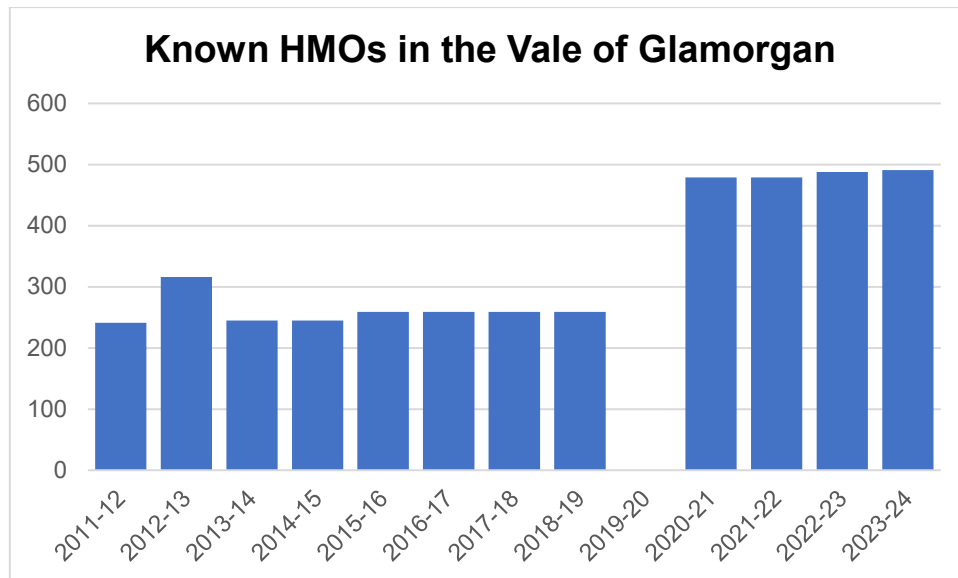


Figure 1 – Known HMOs per annum 2011-2024 (Statswales)

- 3.2 The number of known HMOs is much lower than the adjoining local authority of Cardiff, which is to be expected given Cardiff's position as a University city with a large number of students living in HMOs and also many young professionals living in HMOs. However, the Vale's figure is only marginally lower than RCT, which had 544 known HMOs in 2024. RCT also has a large student population. There are a number of reasons why the HMOs in the Vale may have increased but the cost of living crisis and housing crisis are likely to be key factors, with HMOs representing a more affordable option for many than renting a self-contained house or flat.
- 3.3 In total the number of HMOs only equates to 0.8% of the overall dwelling stock in the Vale. However, it is important to understand where in the Vale these are located.
- 3.4 Statswales indicates that 13 HMOs were granted a mandatory licence in 2023-24³ and since 2011, the number of mandatory licences have ranged from between 6 and 17 licences a year. Mandatory licencing is only required for larger, higher risk HMOs of three storeys or more. Licences only last for a 5-year period so these figures may include some element of licence renewal. Local authorities have the discretion to apply additional HMO licences or

² <https://statswales.gov.wales/Catalogue/Housing/Hazards-and-Licences/housesinmultipleoccupation-by-area>

³ <https://statswales.gov.wales/Catalogue/Housing/Hazards-and-Licences/dwellingslicenced-by-area-licencetype>

selective licences in specific areas of high concentration – for example in the student areas of Cardiff. However, there are no areas of the Vale where additional licencing applies.

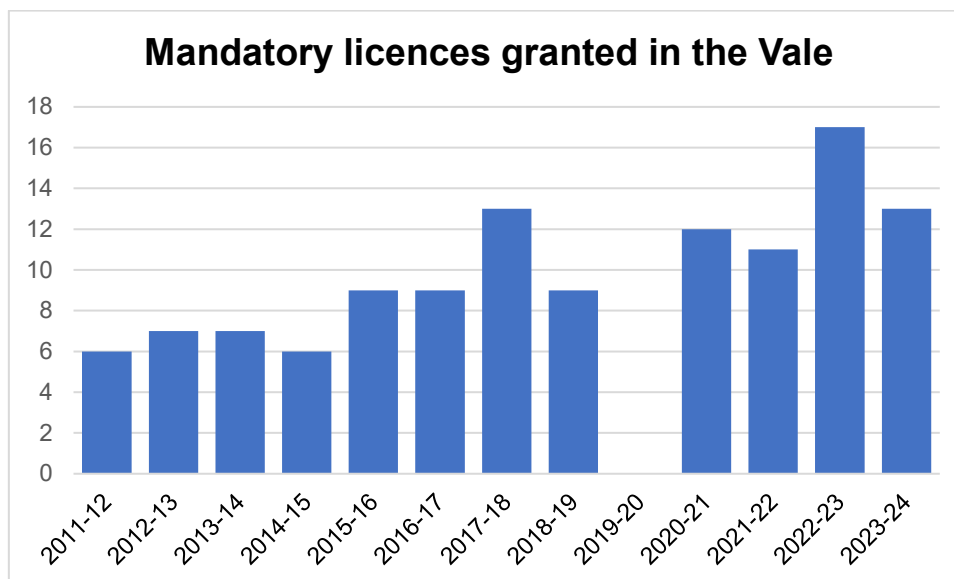


Figure 2 – Mandatory licences granted 2011-2024 (Statswales)

- 3.5 Another key source of data is the number of planning applications that have been submitted for HMOs since the change in the use classes order. An assessment of applications that refer to Houses of Multiple Occupation/HMO and/or C4 or Sui Generis in their description has indicated that there have been no more than 10 applications submitted in any given year.

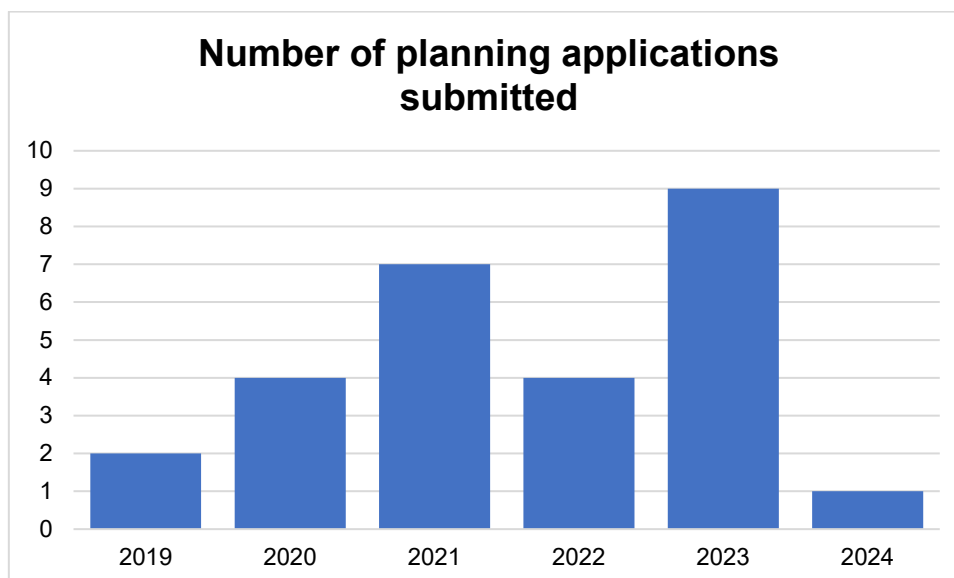


Figure 3 – Number of planning applications submitted 2019-2024 (Source: Planning application data)

- 3.6 Whilst the numbers of applications are low, consideration of the application locations shows that almost every application that has been submitted has been

in Barry. Cumulatively, this does raise concerns about the potential for concentrations.

- 3.7 Figure 4 provides a map of the HMOs located within the Vale of Glamorgan, derived from the mandatory licencing lists and planning application data. It has not been possible to obtain data of all known HMOs.

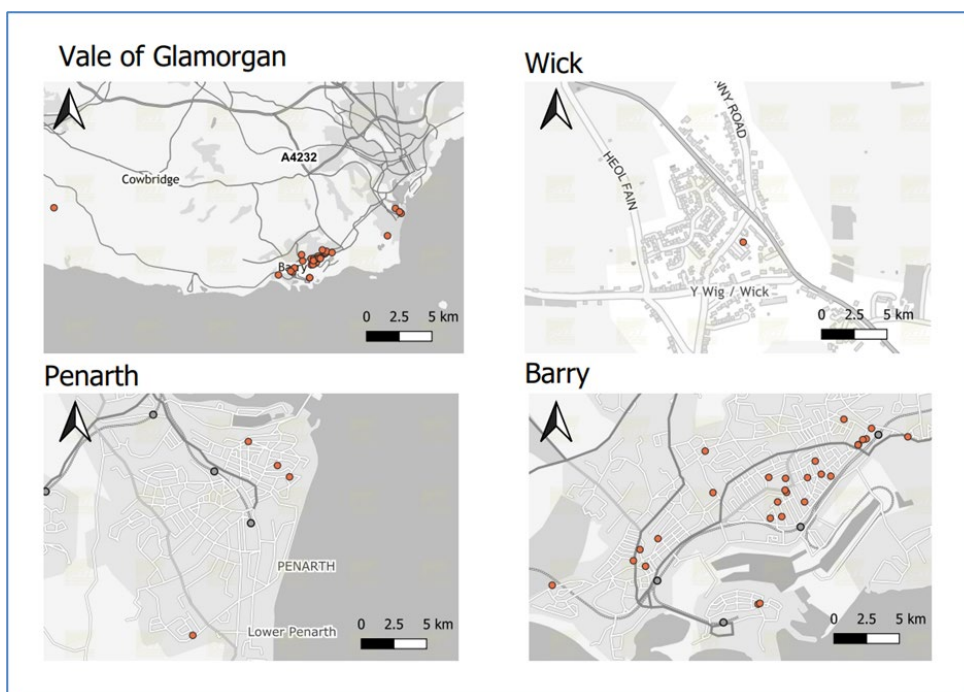


Figure 4 – Location of HMOs (Source: Mandatory Licencing lists and planning data)

- 3.8 It will be noted from the maps in Figure 4 that the highest concentration of HMOs is within Barry, particularly around the Butrills ward near the town centre and the Cadoc ward, with a particular concentration around Vere Street.
- 3.9 Overall, whilst the numbers of HMOs are low, the steady increase in numbers and the concentration of HMOs in particular parts of Barry is considered sufficient justification for consideration of a policy to control HMOs.

4. Policy response to HMOs

- 4.1 Consideration has been given to the policy approach taken in setting HMO policies in Wales, and also by LPAs in England, as well as the conclusions and recommendations of the Welsh Government HMO review report.
- 4.2 A common approach is to consider the concentration of HMOs against three tests - the concentration test, the sandwiching test and the small streets test. This approach is used by other authorities in Wales, including Swansea.

Concentration Test

- 4.3 Under the concentration test, planning permission would not be granted for new or intensified HMOs where HMO properties represent a certain percentage of properties within a defined radius.
- 4.4 In determining the percentage and the radius, consideration should be given to best practice. It is noted that the WG Review Report on HMOs highlighted 10% was considered to be the threshold above which the concentration started to cause issues. The adjoining authority of Cardiff has high levels of HMOs, particularly in the student areas of Cathays and Plasnewydd. The adopted Cardiff LDP includes a policy on the conversion of residential properties to flats or HMOs. This is supported by SPG on Houses in Multiple Occupation, which sets out a concentration test above which the level of HMOs would cause harm. This figure is 20% of all homes being HMOs within a 50m radius for the areas of Cathays and Plasnewydd and 10% in other parts of the city. A similar policy is being carried through into the Deposit Replacement LDP. The threshold of 10% within 50m is also a requirement in the RCT adopted LDP SPG on HMOs.
- 4.5 In accordance with best practice and the approach of neighbouring authorities, it is proposed that 10% in a 50m radius is also appropriate for the Vale.
- 4.6 In practical terms, the 50-metre radius will be calculated from the central point of the property. If any part of a property's curtilage intersects with the perimeter at the edge of 50-meter radius, it will be counted within the threshold.
- 4.7 For the purposes of the calculation, each flat in a block of flats is counted as one dwelling unit and each HMO cluster (self-contained unit) within a student accommodation block is counted as one HMO unit.

The Sandwiching Test

- 4.8 It is also common to ensure that HMOs do not 'sandwich' C3 properties. This means that it will not be acceptable for a new HMO to be permitted if there is already an HMO on the other side of a C3 property on the same street. This is to protect the amenity of C3 occupiers and encourage community cohesion as

the occupiers of HMOs are usually more transient in nature. An example of the sandwiching test in practice is shown in Figure 5.

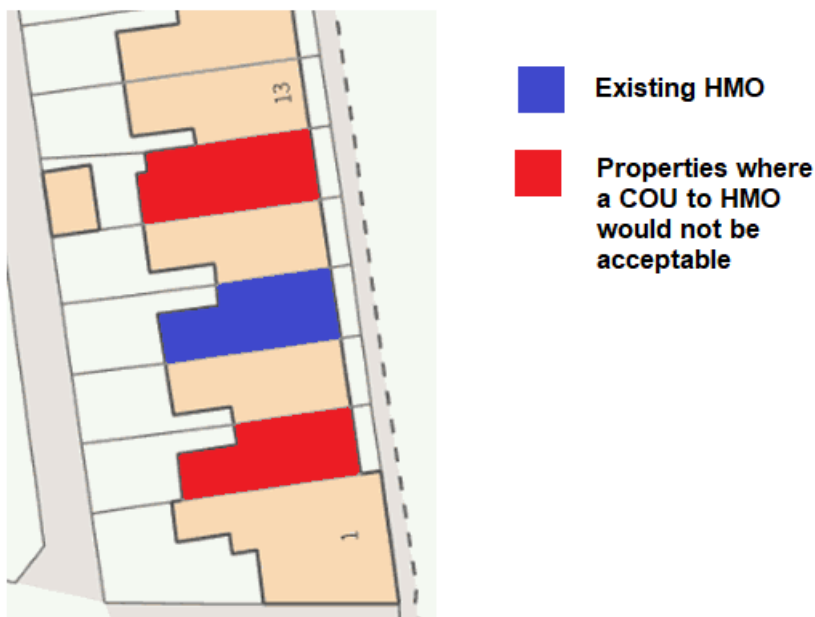


Figure 5: Sandwich Test

Small Streets Test

- 4.9 HMO proposals within 'small streets' that do not breach the 50m radius maximum threshold will not be supported if the proposal would create a disproportionate over concentration of HMOs within that street.
- 4.10 Small streets are defined as streets containing between 11-34 properties. Streets with 35 or more properties would not be counted as a 'small street' in respect of this criterion.
- 4.11 A pragmatic judgment based on a ratio of 1/8 should be used on streets containing between 11-34 properties.
- 4.12 For streets with 10 or less properties a maximum of two HMOs will be permitted as long as it is deemed that it would not create a disproportionate over concentration of HMOs on that street and the location of the HMOs adhere to criterion 2 on sandwiching.

The Scale Test

- 4.13 The building proposed for conversion must be suitable for use as an HMO without requiring significant extensions or alterations that would change its character or appearance. The conversion must be compatible with both the

building and the surrounding area in terms of intensity and scale, as over-crowded buildings can lead to lower living standards.

- 4.14 In order to prevent cramped living conditions, HMO proposals are expected to follow the Space Standards set out in the Shared Regulatory Services' *HMO Licensing Fire Safety and Amenity Standards (2014)*⁴, regardless of whether the property requires a license under the Housing Act.
- 4.15 Usable, private outdoor space, such as a rear garden or a roof terrace, should be provided. This space must be accessible from a communal area, not a private bedroom, and must not compromise the privacy of neighbours. Private amenity space should meet the standards set out in the Council's Residential and Householder Development Supplementary Planning Guidance (SPG) which sets out an amenity space requirement of 20 square metres per person. The SPG also states that private rear gardens should be of a useable shape, form and topography.
- 4.16 In order to prevent noise and general disturbance, rooms should be designed and arranged to minimise sound transmission. Planning conditions may be used to require sound insulation be installed, in the interests of providing and safeguarding reasonable living standards.
- 4.17 HMO proposals must also be of a size able to provide adequate, dedicated, and covered refuse storage areas. These should be located at the rear of the property whenever possible, to avoid negatively affecting the appearance of the street scene.
- 4.18 Lastly, both vehicle parking and secure, covered cycle storage are required, though it is noted that parking standards will depend on the type and size of the HMO. Proposals for HMOs will be required to follow the same parking requirements as set out in the Council's adopted *Parking Standards* SPG (2019)⁵.
- 4.19 Having regard for the above criteria, it is proposed that the wording of the policy should be as follows:

HOUSES IN MULTIPLE OCCUPATION (HMOs)

Proposals for the change of use from Use Class C3 (dwellinghouse) to C4 (Houses in Multiple Occupation (HMO)) or Sui Generis (a large HMO with more than six people), or the intensification of the use from C4 to Sui

⁴ <https://www.srs.wales/Documents/Housing/Fire-Safety-and-Amenity-Standards.pdf>

⁵ <https://www.valeofglamorgan.gov.uk/Documents/Living/Planning/Policy/SPG/Parking-Standards-SPG-March-2019.pdf>

Generis, or the development of a new build HMO will only be permitted where:

- 1) HMO properties would not represent 10% or more of households within a 50-metre radius of the application property, or the application property tips the concentration to 10% or more;**
- 2) It would not result in any residential property (C3 use) being 'sandwiched' between two HMOs;**
- 3) On small streets, proposals would not be supported where it would create a disproportionate over concentration of HMOs; and**
- 4) The scale and intensity of use would be compatible with the existing building and adjoining and nearby uses.**

HMO proposals that exceed the thresholds above will only be permitted where there are exceptional circumstances or other material considerations that demonstrably outweigh any concerns over concentration.

Exceptional Circumstances and Mitigation

- 5.1 It is recognised that there may be certain circumstances where specific material considerations or exceptional circumstances that outweigh the assessment against the tests and where a planning balance would need to be struck. An example of this could be where an area is more suited to an HMO due to the type or layout of properties already within the area or where a C3 property is empty and in need of significant repair and conversion into an HMO can be demonstrated to be the only viable use. Each case will need to be considered on its merits, but it is important that the policy allows some flexibility to account for exceptional situations.



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