

Appendix C - Telford and Wrekin Council Additional Licensing Consultation Commentary

Key themes and concerns from the additional licensing consultation have been carefully analysed including evidence from partners and comprehensive commentary and mitigation is detailed below:

Consideration

- New and Existing Powers are adequate to deal with issues without the need for Additional Licensing.

Mitigation

- The Renters' Rights Act 2025 does not provide a local, place based regulatory framework: The consultation evidence shows that additional licensing is intended to address specific local issues in Telford & Wrekin, including HMO management quality, concentration, community impact and fire risk, which national legislation does not target at a borough level.
- National registration is not a substitute for local oversight: While the Private Rented Sector Database may improve national visibility, consultation responses from Police and Fire services emphasise that borough-wide licensing enables proactive, local intelligence-led enforcement, partnership working and targeted prevention activity that cannot be replicated through a national register alone.
- Licensing enables preventative intervention, not just reactive enforcement: Evidence in the consultation shows that existing powers are often exercised after problems arise; additional licensing provides a mechanism for routine inspection, early identification of risk and consistent management standards, rather than reliance on complaints or post-incident action.
- Waiting for national reform delays action on evidenced local risk: The consultation identifies current and ongoing safety, safeguarding and ASB issues in unregulated HMOs. No evidence is presented that the Renters' Rights Act will address these risks in the short term or remove the need for immediate local action.

Consideration

- The Council should consider delaying the implementation of the scheme in light of new powers coming into force at the same time.

Mitigation

- Clear public mandate to proceed: A majority of respondents (57.4%) supported additional licensing, with strongest support from residents (69.3%); opposition was concentrated among landlords, indicating that calls for delay do not reflect wider community views.
- Delay would undermine consultation credibility: Following a full 12-week consultation with strong partner support, deferring implementation risks

damaging confidence in the process and postponing locally tailored solutions despite clear evidence of need.

- Current and evidenced safety risks: The consultation identifies ongoing poor conditions, overcrowding and fire safety failures in some HMOs, with improvements often only occurring after Council intervention, demonstrating existing risks are real and immediate.
- Disproportionate impact on vulnerable residents: HMOs house people with complex needs, and support agencies and police report persistent safeguarding, exploitation and ASB issues in unregulated properties that would continue if implementation were delayed.
- Existing powers lack visibility and preventative impact: Evidence from respondents and statutory partners shows that without licensing, HMOs remain under identified, limiting proactive enforcement, intelligence sharing and effective partnership working.

Consideration

- The proposed £1,522 fee is described as amongst the highest nationally and above neighbouring councils' fees.

Mitigation

- The Provision of Services Regulations 2009 requires licensing schemes to be cost neutral and, importantly, to not generate a surplus. The fees have been proposed following an exercise supported by finance officers to reflect the anticipated costs associated with additional licensing.
- A 10% early bird discount will be given to all applicants who apply within the lead in period from 20th May 2026 to 19th August 2026. The discounted licence fee will therefore be £1,369.80. The current mandatory licence fee (which has not been increased since 2023) is £1,312.53. This is an increase of £57.27.
- The discounted licence fee, over a period of 5 years, equates to 75p per day.
- Effective delivery depends on adequate resourcing: The licence fee funds inspection, enforcement, safeguarding and partnership working; reducing it would directly undermine the scheme's ability to achieve the outcomes identified through consultation.
- The fees are slightly higher than neighbouring authorities as it is proposed that every property will be inspected prior to issuing a licence. Not all authorities take this robust proactive approach.
- Public safety and risk management require robust regulation: Police and Fire partners emphasised that unregistered and poorly managed HMOs present recurring safety, safeguarding and fire risks that require consistent oversight, not a reduced capacity scheme.
- Maintaining a level playing field: The fee supports fair regulation by targeting non-compliant operators; many landlords already report no impact due to existing compliance, meaning a reduction would disproportionately weaken enforcement rather than assist responsible landlords.

- Community benefits outweigh cost objections: Residents and support organisations identified clear benefits to neighbourhoods and vulnerable tenants from well resourced licensing; the consultation provides no evidence that a lower fee would deliver better or safer outcomes.

*Comments were received regarding the licence plus additional inspection fees. For clarification and as detailed in the business case, the licence fee includes two inspections, one following receipt of the licence application and one additional compliance visit. Any additional visits will carry a fee. It is expected that landlords will have complied with any requirements identified on the first visit.

Consideration

- Costs will be passed on to tenants through increased rents.

Mitigation

- While some landlords state they may pass on costs, the consultation provides no evidence that licence fees directly lead to rent increases.
- Rents are driven by wider market factors: The report shows that affordability pressures already exist across the private rented sector, independent of licensing, and are influenced by supply, demand and national policy rather than local regulatory fees alone.
- The Council has conducted research into this area and made a comparison of rents from 2022-2025 between upper tier local authorities in the West Midlands region with additional licensing schemes and those without, in order to establish if there was any evidence to show that additional licensing increases rent. The research showed that rental values had increased in Telford and Wrekin by an average of 19% between 2022 and 2025 compared to 22% in the West Midlands and 23% in England over the same period. Between 2022 and 2025 private rents increased in all upper tier local authorities in the West Midlands. Four Local Authorities had increases above the regional and national average. Two of these (Coventry and Birmingham) have implemented additional licensing, whilst two (Wolverhampton and Solihull) have not.
- The Renters' Rights Act 2025 protects tenants from rental increases above market rent.
- Many landlords report no financial impact: A significant proportion of landlords stated the scheme would have no impact on them because they are already compliant or do not operate licensable HMOs, undermining claims that fee costs must be passed on to tenants.
- Tenant and community benefits justify proportionate costs: The consultation evidence highlights improved safety, management and protection for vulnerable tenants as core outcomes; these benefits depend on a properly resourced scheme and outweigh speculative claims about rent impacts.
- A 2019 report commissioned by the Government "An Independent Review of the Use and Effectiveness of Selective Licensing" found no evidence to support the claim that licensing has had a demonstrable effect on rent levels. The Council acknowledges that this report looked at the impact of selective

licensing but considers that the conclusions in principle can be applied to additional licensing.

Consideration

- Landlords will leave the market

Mitigation

- While some landlords state they may exit the HMO market, the consultation provides no evidence that this would occur at scale or that it would outweigh the benefits of improved standards, safety and management.
- The market exit comments point more towards the Renters' Rights Act 2025 than licensing.
- Many landlords report no change to their position: A substantial number of landlords stated that additional licensing would have no impact on them because they are already compliant or do not operate small HMOs, indicating that widespread withdrawal is not an inevitable outcome.
- HMOs remain a viable and necessary part of the housing market: Evidence from support organisations, police and housing partners confirms ongoing demand for HMOs, particularly for single people and vulnerable groups, making wholesale market exit commercially unlikely.
- Improved regulation supports long term sector stability: The consultation shows that poor conditions, unmanaged risk and lack of oversight undermine confidence in the sector; licensing addresses these issues and helps sustain a responsible, professionalised HMO market rather than destabilising it.