

Proposed fees and charges for HMO licensing

The application and granting of a licence will be subject to the payment of a fee. Article 13(2) of the EU Services Directive (2006/123/EC) requires that the licence fee paid by the applicant must be reasonable and proportionate to the cost of the authorisation (licensing) procedure and shall not exceed the cost of the authorisation (licensing) procedure. The Directive also makes it clear that licence fees can only be used to recover costs and should not be used to make a profit.

Fees for licence applications take into account all of the council's costs in administering and carrying out its licensing functions. The fee will be split into two parts. Part 1 covers the costs of processing, administration and validation of the application, including initial inspection; Part 2 of the fee comprises a contribution towards the running costs of the scheme and exercising other licensing functions, including compliance and enforcement of licences issued. The move to a two part fee follows the European Court of Justice's ruling on charging licence fees in the case of *Hemming v Westminster*.

1. Proposed fees

Type	Part 1	Part 2	Total fee payable (on successful application)
House or flat in multiple occupation (section 254)	£1,100	£200	£1,300
Common parts (section 257)	£1,100	£200	£1,300
Purpose built student accommodation	£1,100	£200	£1,300

The Part 1 fee will be due when the licence application is made, and Part 2 will become due at the point we decide to grant the licence.

We will not charge for:

- change of details of any existing licence holder, manager, owner, mortgagor, freeholder or leaseholder such as change of address.
- change of mortgagor, owner, freeholder and leaseholder (unless they are also the licence holder or manager).
- variation of licence.
- change of manager (unless they are also the licence holder)

Examples of typical scenarios

- A leaseholder letting a four bedroom flat to 'sharers' (a flat in multiple occupation or FMO). The total fee will be £1,300.
- A freeholder of a house converted into flats, each occupied by a single household, where the freeholder has no responsibility for issues within the flats. The total fee will be £1,300.

2. Proposed discount

Accreditation

A discount of £100 will be deducted from the final Part 2 fee for licence holders who are members of a landlord accreditation scheme which requires members to meet a code of conduct and complete a training course. Being a member of a landlord association alone is not sufficient. Up to date proof of accreditation will be required. Companies (even if accredited) will not qualify for the discount.

3. Refunds

Property not licensable

If the property is not licensable when the application is made (for example if the property is not in Camden or it is not an HMO) then the applicant will be notified and the fee paid will be refunded.

Invalid applications

A valid licence application must contain the following:

- A fully completed application form
- Appropriate fee
- Appropriate certificates
- Accurate floor plans and room dimensions

If an invalid or incomplete application is received the applicant will be contacted and asked to provide further information. However, if this information is not received within the time period given the application will be cancelled and the fee paid refunded.

Refusals

There will be no refund of the initial Part 1 fee if the application is refused for any reason (before or after the licensing inspection).

Withdrawn applications

If an application is withdrawn at any stage of the process before the final licence is granted, the applicant will receive a partial refund only.