



Licensing of Houses in Multiple Occupation (HMOs)

GUIDE TO FEE CALCULATION

Under the licensing arrangements for certain types of houses in multiple occupation every local authority has to set their own fee level for licences. Fees must however, reflect the reasonable costs of providing the licensing service and have a fee structure which is fair and transparent.

HMO licence fees must now be levied in 2 x parts. The Part 1: Application Fee (payable at point of application) covers the costs incurred by the council up to the point of the decision to issue or refuse the licence. The Part 2: Licence Issue Fee (at point of issuing the licence) covers the costs of drafting the licence, giving Notice of the council's intention to licence to all interested parties and the issue of the final licence with licence conditions. Part 2: Licence Issue Fee is not required if the licence application is refused.

HMO LICENSING

If you own a property that meets all of the following criteria, you need a HMO Licence:

- The property is rented out
- There are 5 or more persons from 2 or more households and,
- They share any of the following basic facilities; kitchen, bathroom or toilet

The definition of the property type for fire safety purposes is determined by the "mode of occupation". The fee is the same for all modes of occupation but the property type as determined by the case officer will ultimately determine what fire safety measures will be required to meet the councils' standards.

'Shared House' accommodation

This type of multi-occupied accommodation consists of a property occupied by a pre-formed group of *unrelated* people having their own bedrooms but sharing kitchens, bathrooms and living rooms. This could be a group of students, friends or working people sharing the property. The HMO will be let to all members of the group on a joint tenancy and they will have exclusive use of the whole property. The bedroom doors may or may not have a lock. The group will often behave, interact and share the property in a manner similar to a family.

'Bedsit type' shared accommodation

This type of multi-occupied accommodation consists of a property occupied by a number of *unrelated* individuals who have their own bedroom that has been let on a single tenancy. None of the tenants have exclusive use of the whole property but they will share some or all of the following; kitchens, bathrooms and living / dining rooms. The bedrooms will typically have a lock on the door. In some bedsit HMOs, the bedsitting rooms may contain cooking and sleeping facilities but this is not commonplace in Crawley. The tenants will essentially live independently from each other with little or no communal living or interaction.

In both of the above modes of occupation, the number of people who can occupy the HMO or a room will be determined by the number of shared and individual facilities, the size of the bedrooms and other communal rooms.

2019 / 2020 Licence Fees

HMO FEE STRUCTURE

The fee structure is determined by the number of occupants regardless of property type with a base fee for up to 6 occupants.

The licence fee is split and payable in 2 x parts:

Part 1: Application Fee payable upon submission of the application. (Note that this fee is non-refundable whether a licence is granted or not or if the application is withdrawn by the applicant after submission).

Part 2: Licence Issue Fee payable upon successful completion of the application process and prior to the issue of the HMO licence. (Note that the HMO licence cannot be issued without prior payment of the Part 2 Licence Issue Fee).

The licence fees for both an initial licence application and licence renewal application are below.

Size of HMO	Part 1: Application Fee	Part 2: Licence Issue Fee	Part 1: Renewal Application Fee	Part 2: Renewal Licence Issue Fee
Up to 6 persons	£731.00	£243.00	£414.00	£215.00
7 to 10 persons	£793.00	£243.00	£427.00	£215.00

*In cases where landlords are required to licence more than one property in the Crawley Borough, a **discount of £50** is applied on every subsequent application made within the same financial year.*

If it is not clear which fee applies to your property or whether the property requires a licence please contact us to discuss the situation.

Contact: Private Sector Housing Team
Crawley Borough Council, Town Hall
The Boulevard, Crawley, West Sussex RH10 1UZ
Tel 01293 438281 or ps.housing@crawley.gov.uk

Notes

The fee payment forms a part of the licence application – **an application without the correct fee is not complete and as such will not be accepted.**

The licence fee will be refunded if the property is found not to require a licence during the application process. However, the fee is not refundable once an application form has been submitted regardless of whether or not the application would have been successful or if the application is withdrawn.

Fees may be reviewed from time to time to ensure they reflect the full cost of administering the licensing arrangements.

HMO Licences are not transferrable.

Further information on HMO Licensing is available from www.communities.gov.uk