



## Proposed licensing process

### Application

The application process will be online. Applicants will be expected to fill out a full application form, with details of the applicant, licensee, manager, ownership and interested persons, fit and proper person check, and property details. Plans (scaled or with room measurements), certification and the appropriate fee will also be expected to be submitted before an application can be accepted.

Properties falling under the scheme will be expected to comply with the minimum standards and conditions that apply to HMOs and also the relevant management regulations (see below). We will inspect properties before issuing a licence.

A draft licence will then be issued, setting out the permitted number of persons who can occupy the property (based on the facilities provided and the room sizes) and also any relevant conditions including works needed to comply (with reasonable timescales). It gives the licensee an opportunity to make a representation if they do not agree. The final licence is issued 14 days after the draft licence if no representations are received.

Most licences will be for five years, however in exceptional circumstances, we may consider issuing a licence for less, for example where there are concerns about the management of the property or where there is a history of non-compliance.

If the property has significant problems (which may be category 1 hazards under the housing, health and safety rating system – HHSRS) it will be referred to a housing enforcement team.

### Standards

Section 65 of the Housing Act 2004 enabled prescribed standards to be developed nationally in relation to facilities and equipment which allow the local authority to decide the maximum number of people who can occupy the property. The council has previously adopted a set of standards in relation to bedsits, studios, shared houses and shared flats. The old standards have been slightly amended. The new standards are available at [www.camden.gov.uk/landlordlicence](http://www.camden.gov.uk/landlordlicence)

### Conditions

Section 67, section 90 and schedule 4 of the Housing Act 2004 outline and identify conditions that may be applied upon the granting of a licence to the licence holder of an HMO. These determine the maximum number of persons who can occupy the property and the number, type and quality of facilities which should be available. A condition may apply an action or obligation to the licence holder within a specified time. The conditions are applied when the licence is granted. The proposed conditions are detailed at [www.camden.gov.uk/landlordlicence](http://www.camden.gov.uk/landlordlicence).

### Management regulations

The Licensing and Management of HMOs Regulations 2007 (in relation to s:257 HMOs) and The Management of Houses in Multiple Occupation (England) Regulations 2006 apply to all HMOs. These detail the duties of managers (and tenants) to ensure good management of HMOs.



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The Council will produce a comprehensive guide to good management practices on the introduction of licensing which will incorporate the regulations and the London Rental Standard. This will take the form of a code of practice. Applicants must declare they will abide by the code of practice when they apply for a licence.

**Housing, health and safety rating system (HHSRS)**

This is an evidence based system used to assess housing conditions. This replaced the old 'fitness standard' and was introduced in the Housing Act 2004. It applies to all properties whether or not they are licensed.

If any significant hazards are identified in a property during the licence inspection then the matter will be referred to a housing enforcement team for further action.



## FEES AND CHARGES FOR ADDITIONAL HMO LICENSING

### Licence application fees

	Prospective licence holder	Category	Fee	Property type	Note
<b>1</b>	<b>Controls whole building</b>				
a		Whole HMO	£450	Any HMO building	
b		Units within HMO	£45	All individual letting units or dwellings	
c		Discount for accreditation	10% of total fee		The discount is for licence holders who are accredited (by an LRS accrediting body)
d		Discount for prompt and accurate licence application.	£100		This will be available for applications made without intervention by the council where the initial application is full and accurate.
<b>2</b>	<b>Controls common parts of building only</b>				Does not include common parts of purpose built blocks
a		Common parts only	£450	Generally the freeholder of a house divided into self-contained units will only be responsible for activities in common parts	
b		Discount for accreditation	10% of total fee		The discount is for licence holders accredited (by a LRS accrediting body)

c		Discount for prompt and accurate licence application.	£100		This will be available for applications made without intervention by the council where the initial application is full and accurate.
<b>3.</b>	<b>Controls a flat which is an HMO</b>				Known also as a flat in multiple occupation (FMO)
a		Whole flat	£450		
b		Units within flat	£45		
c		Discount for accreditation	10% of total fee		The discount is for licence holders accredited (by a LRS accrediting body)
d		Discount for prompt and accurate licence application.	£100		This will be available for an application made without intervention by the council where the initial application is full and accurate.
<b>4.</b>	<b>Change to licence holder</b>	Any HMO	As above		
<b>5.</b>	<b>Variation to licence because of works carried out</b>	Any HMO	No fee		

\* The Council may decide to prosecute if a person in control fails to licence a relevant property. This can result in a fine of up to £5,000 (as well as other penalties).



## Licence Application Fees

### What is an HMO?

Separate advice is given on the types and structures of buildings that are considered HMOs for the purposes of additional licensing. The draft fees identified assume that properties are relevant HMOs.

### The licence applicant

The licence applicant will be the person who is most appropriate person to be the licence holder. There are a number of scenarios that could apply in relation to the fees charged. These include:

- A freeholder of a house converted into flats each occupied by a single household, where the freeholder has no responsibility for issues within flats. The freeholder will pay a fee of £450.
- A freeholder of a house converted into flats each occupied by a single household where the freeholder owns or manages some or all the flats. The leaseholder will pay a fee of £450 plus the relevant unit charge for the number in the freeholder's control.  
For example a freeholder who controls and rents out three flats within the building will pay a fee of £585 (£450 plus 3 x £45).
- A leaseholder owning a flat divided into units and let to more than one household within a house will be the owner of a flat in multiple occupation (FMO). The leaseholder will pay a fee of £450 plus the relevant charge for the number of units within the house.  
For example a leaseholder who controls and rents out four rooms within the flat will pay a fee of £630 (£450 plus 4 x £45).

### Fee basis

Fee levels are based on a range of anticipated timed activities involved in the processing of licence applications and ancillary operations in line with section 63 of the Housing Act 2004.

Income from licensing fees will be used only for licensing and ancillary purposes as enabled by the Housing Act 2004.

Fees identified in the table are subject to change if during the consultation process there are alterations to the scope of the scheme and type of HMO that will be included within the scheme.



## **Suitability of management arrangements**

In considering whether the management arrangements are satisfactory the Council must have regard to the following:

- the suitability of the proposed licence holder and manager (if different) - often called the 'fit and proper test'
- the competence of the proposed licence holder/manager to manage the building
- the suitability of the management structures and
- the adequacy of the financial arrangements.

### **Definition of fit and proper person**

To be able to hold an HMO licence or to be a manager of an HMO a person has to be considered to be 'fit and proper'.

Each applicant for a licence will be asked details (in relation to the proposed licence holder or manager) of:

- any unspent convictions for offences involving fraud or other dishonesty, or violence or drugs or any offence listed in Schedule 3 to the Sexual Offences Act 2003
- any unlawful discrimination on grounds of sex, colour, race, ethnic or national origins, or in connection with the carrying on of a business
- any contravention of any provision of the law relating to housing, public health, environmental health, or landlord and tenant law (including any civil or criminal proceedings that resulted in a judgement against you).
- information about any current or previous HMOs or houses for which a local authority has refused to grant a licence under part 2 or 3 of the Act, or has revoked a licence in consequence of the licence holder breaching the conditions of the licence
- information about any current or previous HMOs or houses that have been the subject of an interim or final management order under the Act.

Any applicant who does not declare unspent convictions will be committing an offence and liable to a fine of up to £5,000. A licence could also be denied or revoked in such cases.

Each application will be considered individually by the local authority and the declaration of an unspent conviction would not necessarily mean that the applicant was not a fit and proper person.

Managing agents must ensure that all their staff are 'fit and proper' and in making a decision the Council will want to know details of the managing arrangements, who is involved, and what precautions have been taken to ensure those involved are fit and proper. The Council will also take regard of evidence that shows a person associated, or formerly associated with the proposed licence holder or manager, has committed the above offences to avoid someone with a record acting as a 'front' for someone else who is not a fit and proper person.

