

HMO licensing fees for new applications and renewals, discounts and refunds (Effective date 20 April 2023)

Section 63 of the Housing Act 2004 permits the Council to charge a licence fee to cover all costs incurred in carrying out its functions under Part 2 of the Act – HMO licensing.

In developing our fee structure, the Council has had regard to Article 13(2) of the EU Services Directive (2006/123/EC). This Directive 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 makes it clear that licence fees can only be used to recover costs and cannot be used to make a profit.

For HMO licence applications, the fee is split into two parts:

- **Part 1** – the fee levied at the point of application to cover the costs of the scheme's 'authorisation procedures and formalities', i.e. the costs of processing and determining the application; and
- **Part 2** – if the application is successful, a further fee is payable to cover the costs of running and enforcing the scheme

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*. For this reason, applicants need to pay 'Part 1' of the fee with their licence application whilst the second 'Part 2' fee becomes payable before the final licence is granted.

Applicants will have the opportunity to pay both 'Part 1' and 'Part 2' at time of application. If full payment is received with the application but the application is unsuccessful, the second part of the fee will be refunded (**see refunds** page 3).

1. Camden's HMO licence fees

From 20 April 2023, the following application fees apply for all types of licensable HMOs as designated within the London Borough of Camden.

The tables below set out the standard fees for new applications and for renewal applications (both mandatory and additional licensing).

Standard fees for new HMO applications

HMO Type	Part 1	Part 2	Total fee payable (on successful application)
House or flat in multiple occupation (section 254)	£1,178	£214	£1,392
Converted building into flats (section 257)	£1,178	£214	£1,392
Purpose-built student accommodation	£1,178	£64	£1,242

Standard fees for licence renewal applications

HMO Type	Part 1	Part 2	Total fee payable (on successful application)
House or flat in multiple occupation (section 254)	£996	£214	£1,210
Converted building into flats (section 257)	£996	£214	£1,210
Purpose-built student accommodation	£996	£64	£1,060

Renewal applications

For an application to be treated as a renewal and to qualify for the discount, the licence holder (and property) must not have changed since the previous licence was granted.

The following criteria apply:

1. The licence holder must hold an existing licence in respect of the HMO;
2. The renewal application must be made during the active period of the current licence; and
3. The arrangements for granting the current licence must not have significantly changed (other than complying with the conditions required by the previous licence).

If the applicant is the same person who applied previously for the licence, they should be able to access the same Camden HMO portal account. The applicant will have 30 days prior to the expiry of their previous licence to submit their renewal application online. A new applicant will have to open a new account but will still be entitled to a renewal discount. A renewal application cannot be made after expiry of the current licence.

2. Licence application discounts

Landlord Accreditation

A discount of £100 will be deducted from the Part 2 fee for private landlords who:

- a) are the proposed licence holder; *and*
- b) own the licensable property; *and*
- c) have completed training to become an accredited landlord*. This requires landlords to meet a code of conduct and complete a training course.

NB: Companies (even if accredited) do not qualify for the £100 discount. Only landlords who are accredited and have an accreditation number are eligible for the discount

**Proof of up-to-date accreditation must be provided to qualify for this discount*

3. Refunds

Property not licensable (application made in error)

If the property is not licensable (for example the property is not in Camden or the property is vacant at the time of application) the applicant will be notified and the full fee refunded.

Applications withdrawn or refused

Where a valid application for a licence does not progress beyond the initial phase (for whatever reason) the Part 1 fee is non-refundable. Where applicants have elected to pay both the Part 1 and Part 2 fees upfront and the application is later withdrawn or refused, the applicant will be refunded the Part 2 fee.

Invalid/incomplete applications

A full licence application must contain the following:

- A fully completed application form, including fit and proper declaration
- Correct fee
- Gas safety certificates (if applicable)
- Floor plans
- A valid Electrical Installation Condition Report (EICR) certificate issued within the last 5 years and **issued by a suitably qualified electrician who is registered as specifically competent to carry out electrical inspection and testing**

If an incomplete application is received the applicant will be contacted and asked to provide further information/documents. However, if the applicant fails to provide the required information within the stated period, the application will be rejected as not 'duly made'. Any fee paid for a rejected application will be refunded to the applicant. Alternatively, an incomplete application may result in a **one-year licence** being issued – see below.

One-year licences

Generally, licences are granted for a five year period but in certain circumstances, the licence period may be reduced to one year. There is no reduction in the fee for issuing a one-year licence as fees are based on the costs involved in processing the application, not the length of the licence term. See Camden's [Private Sector Housing Enforcement Policy](#) (Appendix B).

4. Other charges

We do not charge for:

- Changing details of an existing licence holder (such as change of address), change of mortgagor, freeholder or leaseholder
- Change of manager
- Variation of licence
- Revocation of licence
- Temporary Exemption Notices (TENs)