

## **HOUSING ACT 2004, PART 2 SECTION 63**

### **LICENSING OF HOUSES IN MULTIPLE OCCUPATION (HMO)**

#### **HMO Fee Calculator**

**Please use this form to calculate the appropriate fee according to the type of property you are applying to licence.**

If you are uncertain what fee you should be paying, please get in touch with us on 01273 471600

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 actual costs of licensing a property and have a structure which is fair and transparent. In order to achieve countywide consistency in fee setting, all local authorities in East and West Sussex have adopted the following mechanism for calculating fees:-

The initial licence fee is made up of three elements;

- Development – this is a fixed amount which has been agreed by the Sussex authorities to cover the initial development of the licensing regime, including applications forms, promotional material, etc.
- Monitoring – this is an element of the fee based on the actual time each licence takes to monitor over the licence period (generally 5 years). This includes the time taken to verify the annual returns required by the conditions of the licence.
- Processing – this is the main element of the fee based upon the time taken to process the application for licence. This includes administration, assessment of the application and determination of the conditions to be attached to the licence.

In calculating a licence renewal fee at the end of the initial licence period (usually 5 years), the development element of the fee is not used and the renewal fee is made up of the monitoring cost and a reduced processing cost.

The fee for the licence is dependent on the type of accommodation and the number of people living in the accommodation. Three types of accommodation have been identified and details of fees for each type are given below.

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.

#### **Reductions**

There will be a single reduction of **£50** for landlords who are members of a landlord's professional body recognised by the Council or part of a Landlord Accreditation Scheme. Please enclose appropriate proof of membership with this application form.

## **2. Initial Application Fees**

### **'Shared House' accommodation**

This type of multi-occupied accommodation consists of a house occupied by a group of unrelated people having their own bedrooms but sharing kitchens, bathrooms, and perhaps living rooms. This could be a group of students or young working people sharing a house.

A 'standard' fee has been calculated for a shared house occupied by 5 persons, with higher fees for increased numbers of occupants. The amounts are as follows:-

#### **Initial Fee**

For a 'standard' 5 person shared house - £848  
For a shared house accommodating 6 persons - £861  
For a shared house accommodating 7 persons - £875  
For a shared house accommodating 8 persons - £888  
For a shared house accommodating 9 persons - £902  
(each person thereafter incurs an additional cost of £14)

### **Bedsit accommodation**

This type of multi-occupied accommodation consists of a house occupied by a number of unrelated people who each have their own rooms with cooking facilities but who share bathrooms. This includes non self-contained flats where occupiers have to share facilities.

The amounts are as follows:-

#### **Initial Fee**

For a house consisting of 2 individual bedsit units - £955  
For a house consisting of 3 individual bedsit units - £1009  
For a house consisting of 4 individual bedsit units - £1063  
For a house consisting of 5 individual bedsit units - £1116  
For a house consisting of 6 individual bedsit units - £1170  
(each unit thereafter incurs an additional cost of £54)

### **'Hostel' accommodation**

This type of multi-occupied accommodation is occupied by a large number of unrelated people who do not generally have their own room (often the accommodation is in the form of dormitory accommodation). The accommodation is usually for people of a particular category such as migrant workers, backpackers, language students. There are shared facilities such as bathrooms and kitchen and often hostels will be staffed. The 'standard' fee calculated for a shared house is used for hostels with up to 10 persons and a multiplying factor based on the number of residents the hostel can hold is applied for larger hostels, as follows:-

#### **Initial Fee**

For a hostel with up to 10 residents the fee is - £848  
For a hostel with 11 to 20 residents the fee is - £1116  
For a hostel with 21 to 40 residents the fee is - £1385  
For a hostel with 41 to 60 residents the fee is - £1653  
For a hostel with 61 to 80 residents the fee is - £1922  
For a hostel with more than 81 residents the fee is - £2190

### **Mixed Property Accommodation**

Where the property to be licensed comprises of a mix of self-contained and bedsit /shared housing then each self-contained unit will be charged at an additional £46.

The base charge will be calculated according to the predominant use of the property.

For example: A shared house made up of up to 5 people which also includes 2 self contained flats will be charged at the following rate:

Shared House of up to (5 people) £848.00

plus 2 Self contained flats @ £54.00 per unit - £108.00 = **£956.00**

For example: A house comprising of 4 bedsit type accommodation units and three self-contained flats will be charged at the following rate:

Bedsit accommodation (4 units) £1063.00

plus 3 Self contained flats @ £54 per unit - £162.00 = **£1,225.00**

This list of examples is not exhaustive. If you feel that your property does not fall within one of the above categories please contact us to discuss the situation.

### **3. Renewal Application Fee**

#### **'Shared House' accommodation Renewal Fee**

For a 'standard' 5 person shared house - £595  
For a shared house accommodating 6 persons - £606  
For a shared house accommodating 7 persons - £617  
For a shared house accommodating 8 persons - £628  
For a shared house accommodating 9 persons - £639  
(each person thereafter incurs an additional cost of £11)

#### **Bedsit accommodation Renewal Fee**

For a house consisting of 2 individual bedsit units - £682  
For a house consisting of 3 individual bedsit units - £726  
For a house consisting of 4 individual bedsit units - £769  
For a house consisting of 5 individual bedsit units - £812  
For a house consisting of 6 individual bedsit units - £856  
(each unit thereafter incurs an additional cost of £44)

#### **'Hostel' accommodation Renewal Fee**

For a hostel with up to 10 residents the fee is - £595  
For a hostel with 11 to 20 residents the fee is - £812  
For a hostel with 21 to 40 residents the fee is - £1030  
For a hostel with 41 to 60 residents the fee is - £1247  
For a hostel with 61 to 80 residents the fee is - £1464  
For a hostel with more than 81 residents the fee is - £1681

#### **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. Once accepted, we will not make any refunds of application fees unless in the case of an application for a licence under Part 2 of the Housing Act 2004, the house was not an HMO, or was not an HMO that was required to be licensed under the Management of Houses in Multiple Occupation (England) Regulations 2006 Reg.7(a) at the time of the application. Fees may be reviewed from time to time to ensure they reflect the full cost of administering the licensing arrangements.