

PORTFOLIO HOLDER DECISION: ENVIRONMENT AND REGULATORY SERVICES.

**PRIVATE SECTOR HOUSING
HOUSES IN MULTIPLE OCCUPATION LICENSING FEES AND CHARGES**

1 ITEM FOR DECISION

The introduction of a new mandatory licensing scheme by the Licensing of Houses in Multiple Occupation (Prescribed Description) (England) Order 2018 changes the criteria which define a house in multiple occupation (HMO). This will significantly increase the number of HMOs requiring a licence in the New Forest.

Landlords with HMOs meeting the new criteria must submit a licence application by 1 October 2018, complete with the appropriate application fee for this 5 year licence.

2 HMO LICENCE FEE

Under the Housing Act 2004, Councils are permitted to charge a fee for HMO licence applications in order to cover their costs, however the Council cannot make any profit from this licence fee.

The fee for an HMO licence will cover the following elements;

- Processing and checking applications
- Making key statutory judgements 'fit and proper' person assessments
- Taking and reconciling payments
- Processing and issuing proposed and final licences
- Maintaining information and systems
- Booking inspections
- Undertaking inspections (including travel)
- Follow up actions following inspection
- Promotion and publication
- Developing documentation and processes
- Ensuring compliance with licensing conditions

It is recommended that the fee for a 5 year licence is £900.

Landlords are required to submit plans of their properties with the application. If the landlord requests that the Council prepare these plans, there will be an additional charge of £300.

3 BENCHMARKING UNDERTAKEN

A comparison of HMO licence fees has been undertaken with other Hampshire Local Authorities prior to setting the fee in order to ensure a comparable and consistent cost.

The figure of £900 is midway between those set by neighbouring Authorities which currently range from approximately £750 to £1200.

As this is a new mandatory licensing scheme, the Council will review the licence fees within the following 12 months to ensure they accurately reflect the cost of administering and implementing the scheme.

4 FINANCIAL IMPLICATIONS

The fees will be sent out to all landlords who apply for a licence and publicised on the website. The cost of the 5 year licence is calculated to work towards ensuring the service is self-financing in this area but not delivering an income.

5 ENVIRONMENTAL, CRIME & DISORDER AND EQUALITY & DIVERSITY IMPLICATIONS

There are no implications arising directly as a result of this decision. Any future impact would be reflected as part of the Portfolio Plan and budget setting processes.

6 CONFLICTS OF INTEREST DECLARED

None

7 RECOMMENDATION

That the fees of £900 for an HMO licence and £300 for a scale plan are agreed and adopted with effect from 1 September 2018.

Portfolio Holder's endorsement: I agree the recommendation

SIGNED:	CLLR A J HOARE
Date:	<u>23 AUGUST 2018</u>
Date Notice of Decision given:	<u>23 AUGUST 2018</u>
Last Day for call-in:	<u>31 AUGUST 2018</u>

For Further Information Contact:

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