

## HMO LICENCE FEES (Draft – May 2019)

### Current Licence Fee

The full fee must accompany application for an HMO Licence. The fee to cover the administration costs of the licence procedure as well as the cost for managing and authorising the licence.

Where a property is licensable and the relevant person submits an application, for up to 5 units of accommodation the fee is £220.00 per unit and then £200.00 for each additional unit.

Units of Accommodation	Fee	Renewal Fee
5 or more	£220.00 per Unit for the first 5 units Followed by £200.00 for each additional unit over 5	Half the standard rate

### Proposed Licence Fee

In light of the recent case law, the fee structure has to be split into two parts to take account of the actual staff time required to process HMO licences. It is proposed that the fee is split into:

Part A - the amount payable on application (the costs of procedures and formalities under the authorisation scheme) - £862.01

Part B - the amount that becomes payable on the grant of a licence (management and enforcement of the authorisation scheme) - £701.19

Both parts give a total of £1,563.20 for licensing a unit.

The cost of processing a one unit HMO is calculated to be £1,563.20. It is recommended that an officer's one hour rate is added as the number of units increase:

Number of units	Licence Fee	Payable with Application	Payable prior to licence to be issued
1	£1,563.20	£862.01	£701.19
2	£1,616.12	£914.93	£701.19
3	£1,669.04	£967.85	£701.19
4	£1,721.96	£1,020.77	£701.19
5	£1,774.88	£1,073.69	£701.19
6	£1,827.80	£1,126.61	£701.19
7	£1,880.72	£1,179.53	£701.19
8	£1,933.64	£1,232.45	£701.19
9	£1,986.56	£1,285.37	£701.19
10	£2,039.48	£1,338.29	£701.19

Application (procedures and formalities) Part A			
Item	Time allocation (Hrs)	Admin: A £44.89 per hour  Officer: O £52.92 per hour  Manager: M £97.49 per hour	Cost of Item  £
1. Receive and check initial application • Check application valid e.g. all compulsory questions completed and correct fee included • HMO application details entered on the computer System; includes entering data about the HMO. Create Files • Return application form for completion of missing details • Issue acknowledgment letter	2.0	A	£89.78
2. Inspection of Property (Including travel Time) • Contact the applicant and negotiate a date and time for the inspection • Officer to visit, carry out a Fire Risk Assessment and inspect in accordance with HHSRS (fill in forms and keep on file) Ensure that there is adequate Management • To check overall compliance of property and management arrangements in line with HMO management regulations • Decision whether to grant a licence or to vary the licence which was applied for, eg number of occupants • Determination of licence conditions required to make the HMO reasonably suitable	4	O	£211.68
3. Fit and Proper Person on application filled in and where necessary • Check with other council services e.g. Council tax, housing benefit, • (where deemed necessary) Check landlord details with other local authorities external agencies • Check Rogue Landlord Database • Input data on the computer system for property and Fit and proper person criteria	2	O	£105.84
4. Prepare Documents on computer system & Word	4.25	O	£224.91

<ul style="list-style-type: none"> <li>• Prepare Notice of Intention and second payment letter, prim notices, draft licences and copies for all interested parties</li> <li>• Checked and signed by Head of Housing Needs</li> <li>• Documents prepared for recorded delivery and sent.</li> </ul>	0.5	M	£48.75
5. Issuing the licence, competing records etc. <ul style="list-style-type: none"> <li>• Prepare licence documents and for Licence Holder and all interested parties</li> <li>• Manager to check and sign licence documents</li> <li>• Send licence documents to interested parties</li> <li>• Update computer records and scan and save licence documents</li> </ul>	2.5	O	£132.30
	0.5	M	£48.75
Sub Total	15.75		£862.01

Application (management and enforcement ) Part B			
Item	Time allocation  (Hrs)	Admin: A £44.89 per hour  Officer: O £52.92 per hour  Manager: M £97.49 per hour	Cost of Item  £
6. Other HMO Licensing related Matters <ul style="list-style-type: none"> <li>• Responding to FOI requests for information about licensed HMOs</li> <li>• Responding to enquiries from members of the public and tenants about HMO regulations and licensing</li> <li>• Consideration of and issuing of Temporary Exemption Notices</li> <li>• Consideration of and issuing amendments or revocations of licences</li> </ul>	1.25	O	£66.15
7. General costs of licensing HMOs (pro rata for each licensed HMO) <ul style="list-style-type: none"> <li>• Surveying the area to identify HMOs which require a licence</li> <li>• Preparation of guidance materials for applicants</li> </ul>	12	O	£635.04

<ul style="list-style-type: none"> <li>• Maintenance of information for applicants on Council website</li> <li>• Advice given to applicants about regulations and procedure</li> <li>• Maintenance of the public register of HMO licences</li> <li>• Routine inspections, based on risk assessments, of Licenced HMOs to ensure compliance with licence requirements and other related legislation</li> <li>• Enforcement of non-compliant landlords</li> </ul>			
Sub Total	13.25		£701.19
Total for Licensing for first unit = £1,563.20			