

## **Selective Licensing – Outline of potential fees and charges (appendix 6)**

In the event that the Council decides to introduce selective licensing, this would have some key financial implications for the Council.

The costs of administering selective licensing (primarily additional staff costs) would need to be recouped through the licence fee levied to landlords.

Fee income charged would need to be at a sufficient level to pay for additional staffing costs of administering such a scheme and would of course vary depending on the scale of any proposal.

The licence fee for the scheme is currently unknown for Merton, and an assessment of fees and costs will arise from the proposed research study. However, looking at other London boroughs where selective licensing has been introduced, a typical fee is likely to be in the region of £500 to £750 per property/unit, for a 5-year licence. Licenced properties covering more than one unit may be subject to extra charges for the additional units.

It is estimated that the cost of running such as scheme shall be in the region of £100k to £200k per designation / area, which would be recoverable from the fees charged. Additional set-up, infrastructure and project management costs will need be assessed and included. Indicative costs will be included in the proposed research paper to Cabinet on 17 September 2019.

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