



Fee and Charging Structure for the Implementation of Mandatory Licensing in Houses in Multiple Occupation (HMO)

Introduction

1. Local Authorities are responsible for administering a range of licencing schemes. For the majority of such schemes the cost of delivering the schemes is recovered through the fess set by each authority and paid by the licence applicant.
2. Part 2 of the Housing Act 2004 allows the Authority to require a fee for the licensing of HMOs
3. The fee covers the cost of running the HMO licensing scheme and is based upon the average length of time to administer this. Inevitably each application and property will vary in the amount of officer time required.
4. The fee is not connected to the length of time covered by the licence.
5. The Authority is not permitted to make a profit from the introduction of a selective licensing scheme and any surplus must be ring-fenced for use on the scheme. The fees should, however, take account of all costs incurred in administering a scheme.
6. Recent case law in relation to the European Services Directive requires local authorities to separate out the cost of processing an initial application from those costs associated with the ongoing administration of a scheme.
7. The fee structure will be reviewed annually.

Role of charging structure

8. The purpose of this document is to establish a transparent charging policy.

Application Fee

9. All fees are payable in two stages, at the application stage and upon granting the licence. As a result of feedback from landlords the Council introduced the option of monthly direct debit payments for selective licensing fees over a maximum period of 24 months to help the applicant manage the costs. Each individual request for monthly direct debit payments will be assessed on its own merits and will be decided at the Authority's discretion.
10. Licenses are non-transferrable. Applications resulting from a change in ownership of a licensed property will be charged the full standard fee.

Fee Reimbursements

11. The Authority will give the applicant a refund if a duplicate application or an application for an exempted property has been made by mistake.
12. The fees are not connected to the length of a licence. If a licence is cancelled before it expires, the Authority cannot give a refund for any time that remains on the licence. A fee will not be reimbursed if a property is sold before the end of the licence and the applicant will still be required to pay any outstanding charges due as a result of the application.

Fee Discounts

13. To reward landlords who are already operating to a minimum legal standard in Burnley a 30% discount will apply to any landlord who is an existing member of the Council's Good Landlord and Agent Scheme. To be eligible for this discount a landlord must have applied and subsequently become accredited before the property was required to be licensed.

Payment

Payment upon application £463.00

Deduct 30% for a licence holder accredited by GLAS £324

Payment upon granting of the licence £336.00

Deduct 30% for a licence holder accredited by GLAS £235

There will be an additional charge of £21 per bedroom where the HMO has more than 10 rooms.