

## **Appendix 2**

### **Draft Fee and Charging Structure for the Implementation of Selective Licensing**

#### Introduction

1. Part 3 of the Housing Act 2004 outlines that the Authority may require the application to be accompanied by a fee fixed by the Authority. The legislation implies that the full fee should be paid with the application. There is no requirement within the legislation for local housing authorities to accept staged payments.
2. The fee covers the cost of running the selective licensing scheme and is based upon the average length of time to administer the designation for each landlord and property. Inevitably each application and property will vary in the amount of officer time required.
3. The fee is not connected to the length of time covered by the licence.
4. 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 selective licensing scheme.
5. 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.
6. All fees are payable in two stages, at the application stage and upon granting the licence.
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 application fees are payable at the application stage. 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 Council's discretion.

#### Reduced Fees

10. An application for a licence submitted in the last six months of the designation will be eligible for a reduced fee of 50%; however this will only apply in circumstances where the property has not been eligible for licensing prior to the 6 month deadline.
11. Applications for a property during the designation that are not subject to point 8 above will be based on the agreed fee structure.
12. Licenses are non-transferrable. Applications resulting from a change in ownership of a licensed property will be charged the full standard fee.

#### Fee Reimbursements

13. Applications will be charged the full amount and the payment is to accompany the application form. At the Council's discretion a payment plan may be established to agree to payments to be made over an agreed period of time; any such plan can only be repaid by direct debit.
14. The Council will give the applicant a refund if a duplicate application or an application for an exempted property has been made by mistake.
15. The fees are not connected to the length of a licence. If a licence is cancelled before it expires, the Council cannot give a refund for any time that remains for the selective licensing designation. A fee will not be reimbursed if a property is sold before the end of the selective licensing designation and the applicant will still be required to pay any outstanding charges due as a result of the application.
16. Where a licence is refused or revoked, the applicant or licence holder will not be entitled to any refund of fees and will still be required to pay any outstanding charges due as a result of the application.

#### Fee Discounts

17. 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 by the dates below:

- For properties in Burnley Wood with Healey Wood: xxxx;
- For properties in the Leyland Road area: xxxxx

18. Early Application Discount for Properties in the above areas:

To reward landlords in these areas who apply within 3 months of the designations coming into force (xxxxxxx), a discount of £100 will be applied to the application fee, providing the applicant submits a full complete application form and all requested documentation. Payment must be received in full or a direct debit payment plan agreed. Failure to continue to make direct debit payments will result in the loss of any early application discount previously supplied.

19. The Council wants to support responsible landlords to make further investments in the selective licensing areas, which is why the Empty Homes Programme will pay the selective licensing fee of an accredited landlord if:

- They purchase an empty property in the designation areas which has been vacant for a minimum of 12 months prior to the landlord purchasing it; *and*
- The property is refurbished to the accreditation standard within 6 months of the landlord purchasing the property.
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*For further information contact the Empty Homes team on 01282 425011 ext 3188.*

#### Payment Methods

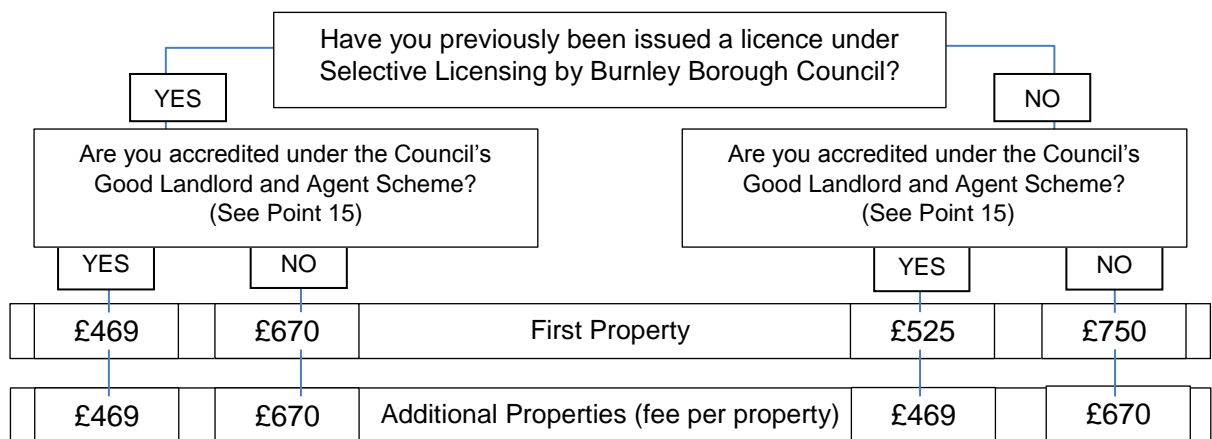
20. Payment in full is required with the application documents.

#### Fee

	Upon Application (Part A)	Upon Granting (Part B)	Overall Fee A+B

New application with one property (Not been licensed previously)	£405	£345	£750
New additional property	£370	£300	£670
Accreditation Discount <b>*Discounted from the overall fee</b>			30%
Early Application Discount <b>*Discounted from the overall fee</b>			£100

#### Calculating Your **Overall (A=B)** Fee



Deduct £100 from your **total** fee if the Early Application Discount applies (see Point 16)

### **Overall Fee (A+B) Examples**

<b><i>Landlords <u>NOT</u> previously licensed in Burnley who are...</i></b>	
Accredited, with one property	£525 (application fee reduced by 30%) Reduced to £425 if apply within three months
Not accredited, with one property	£750 (application fee) Reduced to £650 if apply within three months
Accredited, with two properties	£994 (application fee plus additional property fee, reduced by 30%) Reduced to £894 if apply within three months
Not accredited, with two properties	£1420 (application fee plus additional property fee) Reduced to £1320 if apply within three months
<b><i>Landlords <u>previously licensed</u> in Burnley who are...</i></b>	
Accredited, with one property	£469 (additional property fee reduced by 30%) Reduced to £369 if apply within three months
Not accredited, with one property	£670 (additional property fee) Reduced to £570 if apply within three months
Accredited, with two properties	£938 (2x additional property fee reduced by 30%) Reduced to £838 if apply within three months
Not accredited, with two properties	£1340 (2x additional property fee) Reduced to £1240 if apply within three months