



**Licensing and  
Regulatory Committee**

**Thursday, 07 April  
2016**

**Matter for Information  
and Decision**

**Title: Review of Fees and Charges for Environmental Health –  
Private Sector Housing**

**Author: Robert Watson - Environmental Health Officer**

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## **1. Introduction**

- 1.1. The chargeable private sector housing functions undertaken by the Environmental Health team include the enforcement of housing standards, licensing of certain houses in multiple occupation and the provision of housing accommodation certificates for immigration purposes.
- 1.2. The current fee structure for the above functions is not consistent with the cost of offering the services and requires review to ensure the cost to the authority is recouped where allowed by legislation. This report presents the proposed fees and charges for providing these services which the Constitution places with the remit of this Committee. The proposed costs are based on officer time spent and are similar to those charged by other authorities.

## **2. Recommendations**

That Members:

- 2.1. Approve the new fee structure outlined in Appendix 1 (fee calculations are illustrated in Appendix 2); and
- 2.2 Approve a ten week period for the processing of a House in Multiple Occupation Licence or re-licence application after which tacit consent will apply, as described in this paragraph 3.5 of the report.

## **3. Information**

### **3.1. HMO Licensing**

- 3.1.1. Local authorities have a variety of powers to charge for specific statutory services set out in statute. The Local Government Act 2003 also provides a power to charge for discretionary services, the latter on a costs recovery basis. Discretionary services are those that a local authority is permitted to provide under statute but is not obliged to do so. The power to charge for discretionary services is not available to local authorities if there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging.
- 3.1.2. Additionally the Localism Act 2011 provides local authorities with a general power of competence that confers on them the power to charge for services but again subject to conditions/limitations similar to those noted above.
- 3.1.3. Where authorities have a duty to provide a statutory service free of charge to a

certain standard, no charge can be made for delivery to that standard, however delivery beyond that point may constitute a discretionary service for which a charge could be made. The current mandatory HMO licence fee in Oadby and Wigston is set at £350 for a five year licence. This fee does not cover the cost of completing and issuing the licence. The proposed fee although based on officer time spent is considered an average fee considering what is charged elsewhere with fees ranging locally from £610 to £1150.

- 3.1.4. The Provision of Services Regulations 2009 came into force in December 2009; this EU Services Directive requires that all licence applications must be processed as quickly as possible and, in any event, within a reasonable time period. When a local authority does not respond to an application within the specified time the application will be granted in default, known as 'tacit consent' and a fee will not be recoverable. Currently Oadby and Wigston has no defined timescales in place.
- 3.1.5. It is proposed to set a time period of 10 weeks in which an HMO Licence or licence renewal must be approved and tacit consent can then be applied if it is not. Any application processing 'clock' will not start until all required documentation has been received and will operate on a stop/start time basis when responses are required/during consultation periods/ further information requested/inspections is awaited etc.
- 3.1.6. As a general principle it is proposed that the Council will continue to issue licenses for a five year period.

### **3.2. Immigration**

- 3.2.1 People immigrating to the UK from outside the European Economic Community (EEC) must confirm that the housing they're moving into will be in a suitable condition and will not be overcrowded
- 3.2.2. The Immigration Authority asks the 'sponsor' for written proof that this is the case. The British High Commission normally asks for an inspection to be carried out by a suitably qualified surveyor or Environmental Health Officer. The council therefore produce an Accommodation Certificate for this purpose. As this is not a mandatory service the Council charge for the service and at present the charge does not cover the cost to the authority.
- 3.2.3 The cost reflects 2.5 hours of officer time and is based on a standard inspection for this type of service.

### **3.3. Recovery of Enforcement Action Cost**

- 3.3.1. The Council undertake various enforcement action in relation to private sector housing. This action is predominantly taken against private landlords requiring them to make their rented properties safe. The costs involved in taking certain enforcement action can be recovered and can be placed as a Local Land Charge against the property until recovered. The cost of this work is not being fully recovered at present and therefore an increase in the charges is deemed necessary.

**Email:** robert.watson@oadby-wigston.gov.uk

**Tel:** (0116) 257 2679

<b>Implications</b>	
Financial	An appropriately set charging scheme will ensure services continue to be provided whilst providing value for money.
Legal	The approval of the charges ensures future enforcement action, which may be subject to legal challenge is robust.
Risk	The increase in fees is necessary to off-set rising costs. There is an element of risk in setting the correct fee and any proportionate level of increase. This risk has been minimised by basing the fee on time spent undertaking the relevant function.
Equalities	The fees and charges are to be applied openly and consistently to all.