



Operational Officer Decision Record

Where the decision has a financial value of between £100k - £350k and does not have a **significant** impact on two or more wards

1. Subject and details of the matter (to include reasons for the decision and detail of any previous cabinet decision)

This officer decision record (ODR) relates to the proposed increase in housing fees charged for the delivery of its services. House in multiple occupation (HMO) licensing fees were previously reviewed in September 2018 and the enforcement fees have remained the same since the legislation was introduced in 2004. The fees currently do not reflect the actual costs of undertaking the works and as a result the Council is subsidising the costs.

Housing Enforcement

Under Section 49 of the Housing Act 2004 a Local Authority (LA) may make such reasonable charge as they consider appropriate as a means of recovering certain administrative and other expenses incurred in the serving of improvement notices (S11 and S12), making a prohibition order (S20 or S21), serving a hazard awareness notice (S28 or S29), taking emergency remedial action (S40), making an emergency prohibition order (S43), or making a demolition order under S265 of the Housing Act 1985.

The current fee for the service of an enforcement notice is £300 for a single let property or £540 for an HMO.

HMO Licensing Fee

The legislation governing the licensing of HMO's was updated in October 2018. This extended the scope of licensing from properties comprising of three storeys and five or more tenants, to any number of storeys with five or more tenants. There are currently in the region of 160 licensed HMOs in the borough, with a further approximately 40 within the next 12 months.

LAs are able to set their own fee level for licence applications however the fees should reflect the actual cost of administering the scheme.

It was held in the case of R (Gaskin) v Richmond-Upon-Thames LBC (2018), that it was recommended that licensing fees must be charged in two stages.

North East Lincolnshire Council (NELC) currently charge an initial fee of £150 (nonrefundable) which will be charged on commencement of a licence application. This will cover the costs of obtaining authorisation under the scheme. The remaining fee of £325 is payable on completion of a successful application. The HMO licence is issued on receipt of the full fee of £475. An HMO licence lasts for 5 years, at which point it must be renewed.

Currently NELC are charging the lowest fee for an HMO licence compared to other authorities within the Yorkshire and Humber Region. The average HMO licence fee is £839.50 for the region, however the average for our neighbouring authorities (Hull City, North Lincs, Lincoln and East Riding) is £944.13.

Comparable HMO Licence Fee charges

Yorkshire and Humber Authority	Total	Neighbouring Authority	Total
Bradford City	£1,390.66	East Riding	£1,016.50
York City	£1,316.00	Lincoln City	£1,010.00
East Riding	£1,016.50	Hull City	£ 910.00
Lincoln City	£1,010.00	North Lincs	£ 840.00
Calderdale	£ 989.12	North East Lincs	£ 475.00
Leeds	£ 975.00	Average Fee	£ 944.13
Scarborough	£ 950.00		
Rotherham City	£ 911.00		
Hull City	£ 910.00		
Doncaster	£ 890.00		
North Lincs	£ 840.00		
Richmondshire	£ 818.00		
Sheffield City	£ 750.00		
Ryedale	£ 714.00		
Wakefield City	£ 675.00		
Hambleton	£ 668.00		
Redcar Cleveland	£ 650.00		
Harrogate	£ 608.00		
Craven District	£ 520.00		
Kirklees	£ 520.00		
Barnsley	£ 505.00		
North East Lincs	£ 475.00		
Average Fee	£ 839.35		

Chargeable Professional ServicesImmigration Housing Report

When a person applies for a visa, the applicant is required to provide proof that their sponsors property is free of category one hazards and meets the necessary housing standards. We currently receive one or two applications a year. NELC currently charge £150 for an immigration housing report.

HMO Advice

Investors often request a joint visit with a Housing Enforcement Officer, to request advice on converting a family home to a HMO. Many other local authorities charge for this service for example;

Croyden Council £200

Salford CC £880 (up to 12 bedrooms)

Wirral Council £66.87

Coventry City Council £260

We do not currently charge for this service, however a number of landlords have taken up this free service previously.

2. Decision being taken

The decision is for the Council to agree to the following fee increases, which represent a true cost in delivering the activities and has been calculated by reviewing each task, time taken and actual hourly employee rates. It is proposed that the increase will be adopted in line the Council's annual fees increase, commencing 1st April 2024.

Housing Enforcement Fee

Activity	Current	Proposed
Serving of an improvement notice - single let	£300	£460
Serving of an improvement notice - HMO	£540	£765

HMO License Fee

Activity	Current	Proposed
New Licence Application	£475	£850
Licence Renewal	£400	£850
Additional person over 6	£50	£115
Variation to licence	£100	£160
Replacement	£100	£145
Temporary Exemption	£250	£385
Second Temporary Exemption	£100	£210
Advice and Site Visit	Free	£100

Immigration Housing Inspection Report

Activity	Current	Proposed
Visa Housing Report	£150	£235

3. Anticipated outcome(s)/benefits

Approve the decision to increase the fees for housing enforcement / licensing of HMOs and undertaking immigration housing inspection reports, this will allow the Council to recover their administrative costs for delivering these services and bring them in line with other neighbouring authorities.

4. Details of any alternative options considered and rejected by the officer when making the decision

Option 2 – Do Nothing – The Council is not covering the true costs involved in issuing and administering these services and will continue to subsidise the activities.

5. Background documents considered (web link to be included or copies of documents for publishing)

None

6. Does the taking of the decision include consideration of Exempt information? If yes, specify the relevant paragraph of Schedule 12A and the reasons.

No

7. Details of any conflict of interest declared by any Cabinet Member who was consulted by the officer which relates to the decision (in respect of any declared conflict of interest, please provide a note of dispensation granted by the Council's Chief Executive)

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8. Monitoring Officer Comments (Monitoring Officer or nominee)

Full cost recovery where fees are justified and reasonable is appropriate and in line with policy. It is best practice to regularly review such fees.

9. Section 151 Officer Comments (Deputy S151 Officer or nominee)

The proposed increase to fees is consistent with the council's established policy to uplift fees and ensure cost recovery through its charging arrangements.

10. Human Resource Comments (Head of People and Culture or nominee)

There are no HR implications.

11. Risk Assessment (in accordance with the Report Writing Guide)

If recommendation approved:

Low Risk

- 1) Landlords will challenge the cost of the fee increase.
- 2) The Council is not covering the true costs involved in issuing and administering these services.

Mitigation

The proposed cost is calculated by reviewing each task, time taken and actual hourly employee rates. The proposal is competitive with other local authorities.

12. If the decision links to a previous one taken by Cabinet, has the Cabinet Tracker been updated?

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13. Decision Maker(s):

Name: Paul Evans

Title: Assistant Director for
Infrastructure

Signed: REDACTED

Dated:

05/02/2024

**14. Consultation carried out with
Portfolio Holder(s):**

Name: Cllr Phillip Jackson

Title: Leader and Portfolio Holder for
Economy, Net Zero, Skills and
Housing

Signed: REDACTED

Dated: 5th February 2024