

APPENDIX 5

FEE STRUCTURE

Fee and charging structure for the implementation of Selective Landlord Licensing in a phase 2 of the Newport ward.

Part 3 of the Housing Act 2004 enables the Council to require the application for a Licence to be accompanied by a fee fixed by the Council.

The Council is not permitted to make a profit from the introduction of a Selective Landlord Licensing scheme and any surplus must be ring-fenced to the scheme. The fees should, however, take account of all costs incurred in carrying out all duties under this part of the Act.

Licence Fees

To meet the costs involved in running the Newport Phase 2 Selective Landlord Licensing Scheme it is proposed to charge fees of:

- £760 per Single Occupancy Household Unit
- £20 per Fit and Proper Person Check – in respect of the proposed Licence Holder and the proposed manager (if a different person from the Licence Holder)

This fee has been calculated based on the cost to run the various elements of work needed to administer and enforce the scheme; the number of officers required to fulfil these tasks and the officer time needed to complete them were identified and then costed.

Where a licence is refused or revoked, the applicant or licence holder will not be entitled to any refund of fees and will be required to pay any outstanding charges linked to the application.

Applications resulting from a change in ownership of a licensed property will be charged the full standard fee.

Owners should give careful consideration to the person designated as Licence holder as licences run for a maximum of 5 years and are non-transferable. If the licence holder changes for any reason, the full licence fee is payable by the first licence holder and the new licence holder will also need to pay the full standard fee. The new licence holder will not incur a penalty charge as long as the application form, fees and documentation are received within three months of the change of ownership/manager.

Applications for licences in the last six months of the designation will be eligible for a reduced fee of 50%, where properties have not been licensable prior to the 6 month deadline.

The Council will look to recoup its additional costs where landlords fail to come forward during the licensing timescales or provide incomplete applications which requires additional work from the team.

Licence Fees by Instalments

Payment of the fee by instalments. This has been requested by some landlords in previous schemes. The fee is paid in two parts and it is proposed that Instalment arrangements could only be applied to the second part of the fee, the initial payment covers the cost of administering the

application process. It is proposed that fees could be paid over a term of between 6 and 12 months depending on the number of properties to be licensed. Terms would be applied and to cover the cost of administering this a fee of £100 is proposed. Any landlord who defaults on payments would not be offered payment by instalments for subsequent licenses.

Method of Payment

This fee is divided into two payments the second only becoming payable when it is decided the landlord is fit and proper to be issued with the licence. The first £380 + £20, will be used to administer the application and fit and proper process. The second £380 will be used for the ongoing administration and the enforcement of the legislation associated with the scheme.