

## **Additional Licensing Proposed Fees and Licence Periods. (2022/23)**

### **Overall**

These fees (and fee structure) cover the cost of managing the Additional licensing scheme, including preparing for the scheme, publicising the scheme, training staff, landlords and other stakeholders and the actual administrative costs of processing individual licence applications and compliance monitoring, and do not make a profit for the Council. We don't use the money to pay for legal enforcement work against non-compliant landlords.

The structure ensures that those landlords who work diligently to submit early or on time full and correct applications are not subsidised by those who don't.

### **Promoting best practice in property management - Discounts for Accredited Landlord**

The Council is committed to supporting the improvement of private renting standards within the borough and as such offers a discounted rate for 'accredited' landlords and agents where they are a full member of a national and or regional accredited landlord including:

- Midland Landlord Accreditation Scheme (MLAS)
- National Residential Landlords Association (NRLA Accreditation).

An accreditation discount will be applied if, at the time of applying, the applicant for the HMO licence owns the property and/or is a confirmed member of the Midlands Landlords' Accreditation Scheme or any other recognised national or regional scheme. Local (single council etc.) landlord accreditation schemes do not qualify for a discount. The Council has the final decision as to whether to recognise any scheme put forward by the applicant for a discount.

The accreditation discount to the HMO licence fee will NOT be applied if your application to the accreditation scheme is still pending when you make your HMO application. We will not retrospectively apply the accreditation discount to an existing application and there is no 'proxy' entitlement to the accreditation discount by virtue of an 'association' between a non-accredited and an accredited member.

Where an applicant secures a discount based on being accredited they must retain the accreditation throughout the duration of the licensing scheme. Where their accreditation lapses they will be subject to an additional £100.00 charge.

As indicated in the tables below discounts are also provided for 'early bird' applicants to encourage early registration.

### **Pre-condition for agents.**

Where an agent is managing properties that do not belong to them they will be required to be a member of the Letting Agents Redress Scheme. As this is a statutory requirement no additional discount will be offered to agents signed up to this.

### **Overseas landlords / managers distant from the property.**

Where a landlord is not resident in the UK they must appoint a fit and proper UK based person to manage their HMO for them. The council will usually expect the manager to be

'local' to the borough of Walsall so that they can attend promptly to resident and or council requests / concerns.

## LICENCE FEES

There are 2 stages to the fee payment:

**The first stage fee payment** will need to accompany the licence application.

**The second stage fee payment** will need to be received when the application is complete, enabling us to carry out the necessary checks to enable the notice of intention to issue the licence, but before the final decision to grant the licence is issued.

The Council will contact the applicant (by email) to confirm when 2<sup>nd</sup> Stage fee is due. You must pay this within 14 days. Please note no licence will be issued without payment being received of the 2<sup>nd</sup> Stage fee. If you operate an HMO without a licence you may be subject to legal action by the Council.

### Fees and Stages of Fee payment

Fees for 2022/23 Stage payments				
For HMOs of 3 or 4 persons (Please note HMOs of 5 or more persons are subject to Mandatory Licensing)	Non Accredited		Accredited Landlord Fee	
	Stage 1	Stage 2	Stage 1	Stage 2
<b>Standard Fee</b>	£800	£265	£635	£215
	<b>Total £1,065</b>		<b>Total £850</b>	
<b>Early Bird Fees</b> A 15% reduction in relevant fee for those who apply prior to 1 August 2022.	£680	£230	£555	£190
	<b>Total £910</b>		<b>Total £745</b>	

Please note that fees for applications are expected to increase by circa 2% each financial year. They will be published online on the Council's website.

### Renewal of HMO Application:

Licence holders renewing a licence for the same property will be charged a 'renewal fee', which is lower than the full HMO application licence fee, provided their application is received within time (i.e. their existing licence has not expired).

If an application for renewal is received and is either incomplete or after the licence has expired then the full application fee will apply.

Renewal Fees for 2022/23* including stages of payment				
For HMOs of 3 or 4 persons	Non Accredited		Accredited Landlord	
	Stage 1	Stage 2	Stage 1	Stage 2
<b>Renewal Fee</b> (No early bird discounts apply)	£520	£225	£415	£180
	<b>£745</b>		<b>£595</b>	

\*Please note that fees for applications are expected to increase by circa 2% each financial year. They will be published online on the Council's website.

**Fee Reduction per property for a landlord / manager for additional HMOs (either mandatory or additional licensed):** £50 reduction accredited landlord and £50 reduction non-accredited. This will be applied to the 2<sup>nd</sup> stage fee (not the 1<sup>st</sup> stage).

### Refunds

There will not normally be any refunds on HMO application fees.

Any refund will be at the discretion of the Council and are limited to the following two scenarios:

- Refunds of 1<sup>st</sup> Stage fees where a duplicate application has been made for a property or
- Where on review of an application (at 1<sup>st</sup> Stage) it is decided that the property does not need a license at the time of application (for example, it falls under one of the exemptions).

The refund will be up to 50% of the 1<sup>st</sup> stage fee paid and 100% of any 2<sup>nd</sup> stage fee paid . The remainder of the fee will be retained by the Council for the administrative work that has been involved.

There will be no refund for applications where they are refused by the Council.

### LICENCE PERIODS

Generally, HMO licences are granted for 5 years. However, the licence period may be reduced in certain circumstances at the discretion of the Council and limited to a period of 1, 2, 3 or 4 years. This includes, but is not limited to, where the property is in a poor state, previous licence conditions have not been met and where the Council has concerns over the competence of the (proposed) licence holder and or (proposed) managing agent.

The Council will normally only issue a licence for a period of 1 Year for all of the following cases:

The application follows an investigation made by the Council
The application follows a request made by the Council for you to apply
Where a property should in the opinion of the Council have been licensed previously
There is evidence of previous poor management of any HMO
The property in the opinion of the Council needed significant improvements before a licence could be considered
History of formal housing notices in respect of the property and or landlord or managing agent.