

# Appendix 6

## HMO fee structure

Table 1 - HMO fees 2021/22

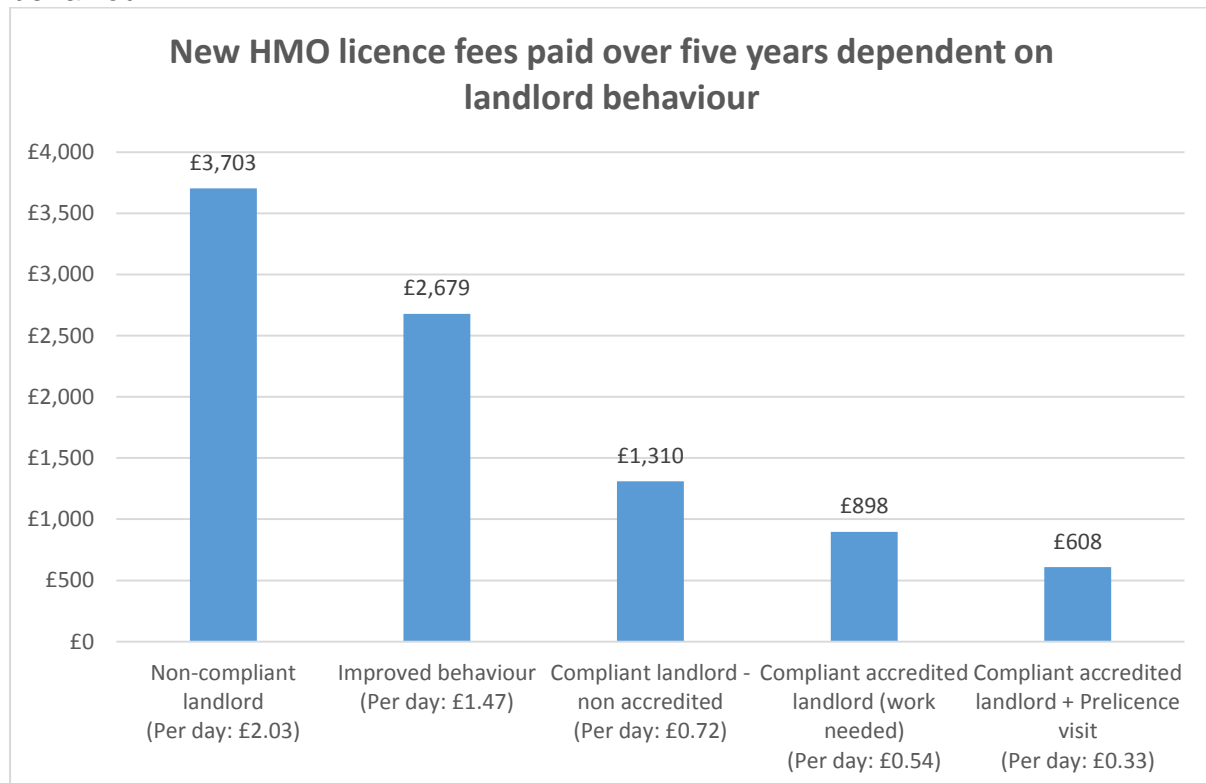
Table 2 – Summary of costs included within the licence fees.

Table 3 – Summary of refund criteria

Table 1 - Fees 2021/22						
Category	Type	Licence length (years)	Description	Stage 1	Stage 2	Total
A	New licence application	One	Higher charge for a NEW application where the HMO has been operating for more than 12 weeks.	£277	£1,781	£2,058
B	New	One	Standard charge for a NEW application where the HMO has been operating for less than 12 weeks or a change of licence holder or where the landlord failed to renew.	£277	£280	£557
C	Renewal	One	Standard charge for a renewal application.	£89	£177	£266
D	Renewal	One	Higher charge for a renewal application where the property / licence holder is classed as non-compliant	£89	£416	£505
E	Renewal	Two	Charge for a two year renewal application	£89	£204	£293
F	Renewal	Five	Charge for a five year renewal application	£89	£324	£413
<p>Student blocks (shared units) where the licence holder is signed up to the National Code of Standards for Larger Developments for University Accommodation NOT managed or controlled by University Establishments will receive a five year licence. Participation in this Code includes an inspection and audit regime.</p> <p>New application = charged as Category B Renewal application = charged as Category F</p>						£557 or £413
Pre application advice visit (payable before visit)						£195

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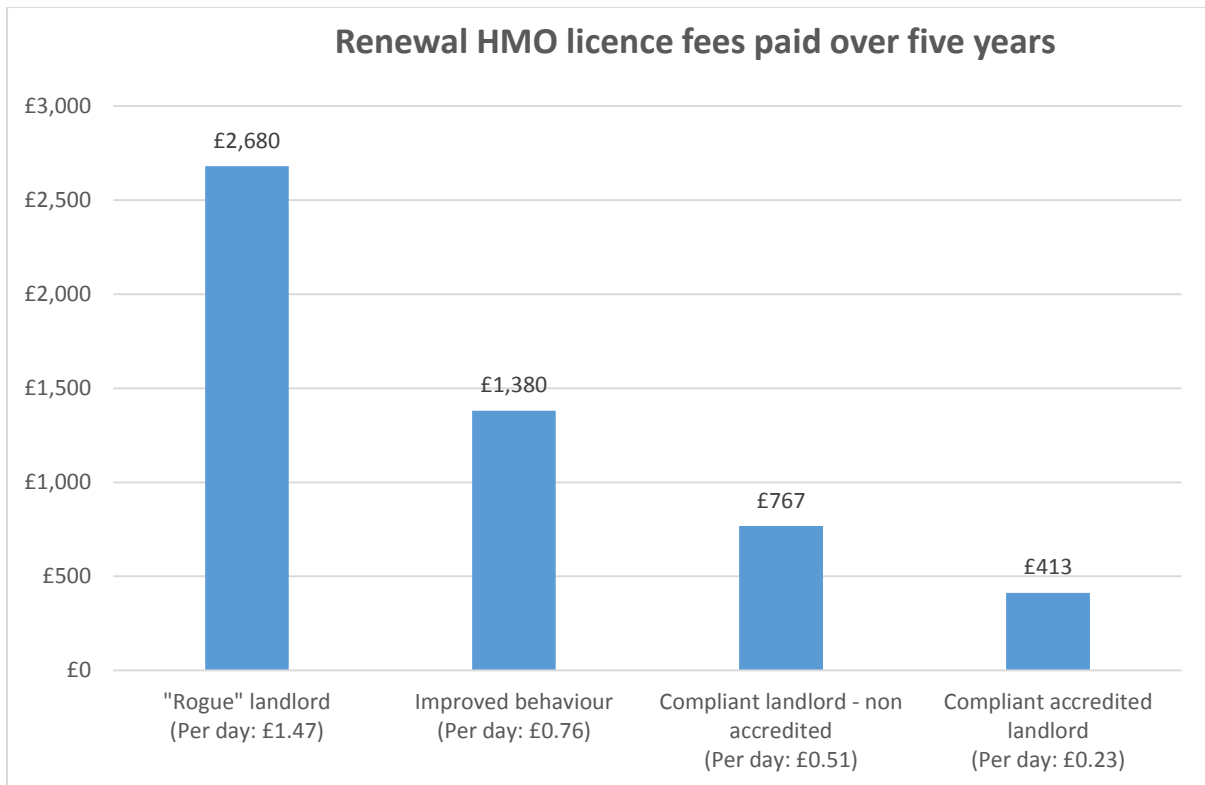
Oxford City Council wishes to ensure that compliant landlords do not “pay” for non-compliant landlords. This is demonstrated by use of different fees based on landlord behaviour.



**New Application Fees paid over five years-National Average (non-London) = £920**

Non-compliant landlord	Yr1 New: Landlord found to be operating HMO without a licence and paid the higher new application fee. Yr2 Renewal: Failed to complete work so paid the higher renewal fee. Yr3 Renewal: Completed work on previous licence however failed to proactively manage the property so paid a higher renewal fee again. Yr4 Renewal: Completed this work and a few minor issues noted so were granted a one year licence Yr5 Renewal: Completed work so received one year licence again.
Improved behaviour.	Yr1 New: Landlord did not know they needed a licence and so paid the higher new application fee. Yr2 Renewal: Completed all work required, had sent in safety certificates without prompting. Given two year licence. Yr 4 Renewal: Two year licence.
Compliant landlord – non accredited.	Yr1 New: Landlord applies for new licence within 12 weeks of buying property. Pays standard fee. Work needed at property so give one year licence. Yr2 Renewal: Completed all work required. Sent in required safety certificates. Given two year licence. Yr 4 Renewal: Sent in required safety certificates. Given two year licence.
Compliant landlord – accredited (Work needed)	Yr1 New: Landlord applies for new licence within 12 weeks of buying property. Pays standard fee. Work needed at property. Given one year licence. Yr2 Renewal: Completed all work required. Sent in required safety certificates. Given five year.
Compliant landlord – accredited and pre-licence visit.	Yr0: Pre-application: Before letting the house, the landlord pays for a “pre-licence visit”. They complete the work. Yr1 New: Landlord applies for new licence within 12 weeks of buying property. Pays standard fee. No work needed. Sent in safety certificates Landlord is accredited then given five year licence.

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**Renewal Application Fees paid over five years-National Average (non-London) =£689**

Non-compliant landlord	Yr1 Renewal: Failed to complete work so paid the higher renewal fee. Yr2 Renewal: Completed work on previous licence however failed to proactively manage the property so paid a higher renewal fee again. Yr3 Renewal: Completed work on previous licence however failed to proactively manage the property so paid a higher renewal fee again. Yr4 Renewal: Completed work on previous licence however failed to proactively manage the property so paid a higher renewal fee again Yr5 Renewal: Completed work on previous licence however failed to proactively manage the property so paid a higher renewal fee again
Improved behaviour.	Yr1 Renewal: Failed to complete work so paid the higher renewal fee. Yr2 Renewal: Completed work, minor work required so paid one year fee. Yr3 Renewal: Completed work, however safety certificates not sent in so paid one year fee Yr 4 Renewal: Sent in required safety certificates. Given two year licence.
Compliant landlord – non accredited.	Yr1 Renewal: Completed work on previous licence, all safety certificates sent in. Given two year licence. Yr3 Renewal: Sent in required safety certificates. Given two year licence. Yr5 Renewal: Sent in required safety certificates. Given two year licence.
Compliant landlord – accredited	Yr1 Renewal: Completed work on previous licence, all safety certificates sent in. Landlord is accredited. Given five year licence.

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**Table 2 – costs included in fees**

**CATEGORY A – Higher charge NEW HMO application where the HMO has been operating for more than 12 weeks.**

The higher fee is to reflect the additional time spent generally on enforcement of unlicensed HMOs.

This includes the time:

- to process the application;
- an inspection before the licence is granted to establish occupancy number and any additional work needed and the time to write licence conditions;
- a compliance visit during the licence;
- an enforcement charge – this charge is added to reflect the time spent over a five year period on unlicensed HMOs
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, responding to service requests relating to HMOs

**CATEGORY B - Standard NEW HMO application made within 12 weeks**

This category is when a NEW licence application is made promptly - it is our standard cost for a new application.

This category also applies where a licence has expired and a new application is received within six weeks of the expiry date.

This includes the time:

- to process the application;
- an inspection before the licence is granted to establish occupancy number and any additional work needed and the time to write licence conditions;
- a compliance visit during the licence;
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, responding to service requests relating to HMOs

**CATEGORY C – Standard RENEWAL HMO application.**

This category is for a RENEWAL licence - it is our standard cost for a renewal application.

This applies where the landlord does not meet the criteria to receive a two or five year licence.

This includes the time:

- to process the application;
- a percentage cost for a five year inspection – the Council must be satisfied there are no Part 1 Category one hazards every five years. Category C licences include a percentage costs towards an inspection.
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, responding to service requests relating to HMOs

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**Table 2 – costs included in fees**

**CATEGORY D - non compliant RENEWAL HMO application.**

This category is when a RENEWAL licence application is classed as "non-compliant". This may be for a variety of reasons e.g.

- on the day of the compliance inspection, work was not completed within the timescale set;
- there has been a service request that has led to work being added during the last licence;
- action required by the council to resolve problems;
- repeated failure to send in certificates on expiry;
- other reasons to be considered non-compliant

This includes the time:

- to process the application including time spent writing additional conditions on the licence due to the non - compliance;
- a compliance visit during the licence;
- an additional charge to reflect the increased cost associated with poor compliance generally across the scheme
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, responding to service requests relating to HMOs

**CATEGORY E**

This category is for a RENEWAL licence - it is for landlords who are compliant and meet our two year licence criteria.

This includes the time:

- to process the application;
- a percentage cost for a five year inspection – the Council must be satisfied there are no Part 1 Category one hazards every five years. Category E licences include a percentage costs towards an inspection.
- two year licence ongoing administration charge - towards ongoing enforcement / audit checks,
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events,

**CATEGORY F**

This category is for a RENEWAL licence - it is for landlords who are compliant and meet our five year licence criteria.

This includes the time:

- to process the application;
- five year licence ongoing administration charge - – the Council must be satisfied there are no Part 1 Category one hazards every five years. Category F licences include a percentage cost towards a five year audit or inspection.
- general scheme costs - this charge is added to all licences to reflect ongoing costs associated with licensing, such as variations, revocations, temporary exemptions, landlord educational events, responding to service requests relating to HMOs.

A discount has then been applied to reflect the anticipated lower enforcement costs associated with accredited landlords.

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<b>Table 3 - Refund criteria</b> <i>The retained amount covers administration costs</i>		
<b>Application Type</b>	<b>Circumstance</b>	<b>Refund</b>
New or Renewal application:	Property was not an HMO at the time the application was made and has not been occupied as an HMO <i>Only where a landlord can demonstrate that the property has never been occupied as an HMO</i>	Stage one payment – full refund  Stage two payment – full refund
New application:	Property has ceased to be an HMO since application was made. Inspection not yet undertaken	Stage one payment – amount paid minus £116
New application:	Property has ceased to be an HMO since application was made. Inspection completed and intention notice not yet issued	Stage one payment – nil
New application:	Property has ceased to be an HMO since application was made. Intention notice issued however decision notice not yet issued	Stage one payment – nil  Stage two payment – full refund
Renewal application:	Property has ceased to be an HMO since application was made. Intention notice not yet issued	Stage one payment – amount paid minus £50
Renewal application:	Property has ceased to be an HMO since application was made. Intention notice issued however decision notice not yet issued	Stage one payment – nil  Stage two payment – full refund
New or renewal application	Intention notice issued. Stage two not paid. Application withdrawn by Council.	Stage one payment – nil
Revocation of licence (new or renewal licence)	After decision notice is issued	Stage one payment – nil  Stage two payment – nil
Overpayment of fees	Where a landlord has overpaid fees, the difference will be refunded i.e. landlord pays for a two year licence and is granted a one year licence	Stage two payment – difference refunded