

FEES AND CHARGES REPORT

APPENDIX 12 – STRATEGIC HOUSING

1. Service Description

Housing Enforcement Charges

The Housing Act makes provision for the Council to recover its costs when carrying out certain enforcement functions. This is generally in relation to the serving of notices and the carrying out of works in default. A more proactive approach to enforcement is resulting in more cases where charges can be applied, therefore there is more potential to recover certain costs.

The Council can also now issue Civil Penalties for certain housing offences and the income derived from these is ring fenced to resource further private sector housing work.

2. Prior years analysis, current financial year projections

The table below illustrates income achieved 2020/21, 2021/22 and 2022/23. A forecast for 2023/24 is provided.

| Income achieved | 2019-20 (£) | 2020-21 (£) | 2021-22 (£) | 2022-23 Forecast (£) |
|--------------------------------------|----------------|----------------|----------------|----------------------------|
| Enforcement Notices | (82,086) | (41,581) | (29,749) | (72,000) |
| Total Income | (82,086) | (41,581) | (29,749) | (72,000) |
| Budget | (79,300) | (50,000) | (44,000) | (72,000) |
| Income Achieved (Above)/Below Budget | (2,786) | 8,419 | 14,251 | - |

3. Pricing

Housing Enforcement Charges only represent a small element of the Housing and Communities Service.

The costing for each element has been calculated based on a proportionate hourly rate for staff time with absorption of overheads and additional costs.

4. Understanding Customers and Markets

The scope for increasing income within housing enforcement charges is limited. Charges can only be applied in set situations and our policy approach is to resolve matters reasonably and cooperatively. Charges are only applied when formal notices are served which is usually only as a last resort measure.

5. Proposed Charging

It is proposed to apply inflation at 6% to the current years' fee.

6. Impact on Medium Term Financial Plan (MTFP)

| | 2024/25 (£) | 2025/26 (£) | 2026/27 (£) | 2027/28 (£) | 2028/29 (£) |
|--|----------------|----------------|----------------|----------------|----------------|
| Current Budget in MTFP | (75,900) | (76,900) | (76,800) | (51,500) | (51,500) |
| Proposed Budget - Housing Standards Fees & Charges | (75,900) | (77,100) | (78,000) | (53,700) | (54,800) |
| Impact on MTFP 2024/25 Pressure/ (Saving) | - | (200) | (1,200) | (2,200) | (3,300) |

7. Recommendation

Members are requested to recommend to Council the charges for 2024/2025 as set out in the schedule below.

Prosperous Communities Committee

Strategic Housing

| 2023/24 | Proposed Increase / (Decrease) | | 2024/25 | VAT Amount | 2024/25 Charge Inc. VAT | VAT Rate |
|---------|--------------------------------|------|---------|------------|-------------------------|----------|
| £ | % Type | or £ | £ | £ | £ | |

Housing Enforcement Charges

| | | | | | | | | |
|--|--|---------|------|--|---------|--------|---------|----|
| Mandatory HMO Licence Application | Up to 5 units / bedrooms | £901.00 | 6.0% | £54.00 | £955.00 | £0.00 | £955.00 | OS |
| | Per additional unit | £55.00 | 7.3% | £4.00 | £59.00 | £0.00 | £59.00 | OS |
| | Maximum charge - n/a | | | | | | | |
| Mandatory HMO Licence Renewal | Up to 5 units / bedrooms | £764.00 | 6.0% | £46.00 | £810.00 | £0.00 | £810.00 | OS |
| | Per additional unit | £55.00 | 7.3% | £4.00 | £59.00 | £0.00 | £59.00 | OS |
| | Maximum charge - n/a | | | | | | | |
| Hazard Awareness Notice | None | £0.00 | 0.0% | £0.00 | £0.00 | £0.00 | £0.00 | OS |
| Improvement Notice | For one hazard | £397.00 | 6.0% | £24.00 | £421.00 | £0.00 | £421.00 | OS |
| Emergency Remedial Action Notice (plus work - see below) | Cost of works plus hourly rate of officer time | | | Cost of works plus officer time to execute and arrange | | | | OS |
| | Officer time charged at £39 per hour | | | | | | | |
| Prohibition Order | | £382.00 | 6.0% | £23.00 | £405.00 | £0.00 | £405.00 | OS |
| Emergency Prohibition Order | | £397.00 | 6.0% | £24.00 | £421.00 | £0.00 | £421.00 | OS |
| Demolition Order | | £397.00 | 6.0% | £24.00 | £421.00 | £0.00 | £421.00 | OS |
| Immigration Procedure Inspection | Per inspection | £79.17 | 6.3% | £5.00 | £84.17 | £16.83 | £101.00 | S |
| Mobile Homes Act 2013 – Compliance Notice | Hourly rate of relevant officers with on costs plus work in default costs of works | | | | | | | OS |
| Mobile Homes Act 2014 – Emergency Remedial Action Notice | Hourly rate of relevant officers with on costs plus work in default cost of works | | | | | | | OS |
| Penalty Charge Notice (Smoke and Carbon Monoxide Alarm (England) Regulations 2015) | Up to £5,000 | | | | | | | OS |
| Monetary penalty (Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc.) (England) Order 2014) | Up to £5,000 | | | | | | | OS |
| Financial Penalty - Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 | up to £30,000 | | | | | | | OS |
| Works In Default of any Legislation or Emergency Remedial Action * | Base charge | | | | | | | OS |
| Enforcement of the Domestic Minimum Level of Energy Efficiency (under the Energy Efficiency (Private Rented Property)(England and Wales) Regulations 2015, as amended) | up to £5,000 | | | | | | | OS |
| Housing and Planning Act - Civil Penalties | up to £30,000 | | | | | | | |

* Outside the scope of VAT unless the owner agrees in which case VAT is chargeable at the standard rate.