

# Additional HMO and Selective Licensing proposals

Appendix 4: Schedule of proposed fees, charges and discounts

Fair for landlords. Safe for tenants. Better for Medway.



1. Payment of fees
  - 1.1. The licence fee is payable in two parts.
  - 1.2. Part A will be payable on submission of the application and will cover the cost of processing and the administration in determining the eligibility of the application. Should the application be refused or rejected by the council or withdrawn by the applicant this first Part A payment will not be refunded.
  - 1.3. Part B will be payable once the application has been assessed and the decision is made to grant the licence. This will cover the administration, management, and enforcement of the licensing functions for the scheme.
  - 1.4. The final licence will not be issued until the full fee has been paid.
  - 1.5. Licences will be granted for the duration of the scheme (up to 5 years) unless we have concerns about the management, use, condition or occupation of the property, in which case we may grant a licence for a shorter period.
  - 1.6. Where we take enforcement action, the licence may be revoked or varied to a shorter term. If the licence is revoked, and the property continues to be rented out, a new application will have to be made and a new licence fee paid at the standard rate.
  - 1.7. Licences are not transferrable. If a person wants to become the new licence holder for a property, they must apply for a new licence, and pay a new licence fee.

## 2. Proposed licence fees

<b>Licence type</b>	<b>Part A</b>	<b>Part B</b>	<b>Total fee</b>
<b>Selective</b>	£436	£404	£840
<b>Additional HMO</b>	£830	£770	£1600

## 3. Proposed discounts

Nature of discount	Amount (Selective)	Amount (Additional)
<b>Charity</b>	£210 off Part B	£400 off Part B
<b>Accredited landlord</b>	£84 off Part B	£160 off Part B
<b>Multi-dwelling</b>	£105 off Part A	£200 off Part A

3.1. The table below shows discounts and their effect on the total selective licence fee payable.

Selective licence discount	Description	Discount	Part A	Part B	Total payment after discount
<b>Charity</b>	Applicable where the licence application is made by a charity that is officially registered with the Charity Commission for England and Wales or is otherwise recognised as having charitable status in law and the property is used wholly or primarily for charitable purposes	£210 (off Part B)  The charity discount cannot be applied in combination with any other discounts.	£436	£194	£630
<b>Accredited landlord</b>	Landlords accredited or members of specified schemes (Refer to 3.3 below)	£84 (off Part B)	£436	£320	£756
<b>Multi-dwelling</b>	Applicable where multiple properties are: a. In common ownership and management control. b. Contiguous with each other in the same block or building. c. All applications are made at the same time.	£105 (off Part A) Part A fee will be payable at the full rate for the first flat. Discount will be applied in respect of applications relating to the 2nd, 3rd properties etc.	£331	£404	£735

3.2. The table below shows discounts and their effect on the total additional HMO licence fee payable.

Additional HMO licence discount	Description	Discount	Part A	Part B	Total payment after discount
<b>Charity</b>	Applicable where the licence application is made by a charity that is officially registered with the Charity Commission for England and Wales or is otherwise recognised as having charitable status in law and the property is used wholly or primarily for charitable purposes	£400 (off Part B)  The charity discount cannot be applied in combination with any other discounts.	£830	£370	£1200
<b>Accredited landlord</b>	Landlords accredited or members of specified schemes (Refer to 3.3 below)	£160 (off Part B)	£830	£610	£1440
<b>Multi-dwelling</b>	Applicable where multiple properties are: a. In common ownership and management control. b. Contiguous with each other in the same block or building c. All applications are made at the same time.	£200 (off Part A) Part A fee will be payable at the full rate for the first flat. Discount will be applied in respect of applications relating to the 2nd, 3rd properties etc.	£630	£770	£1400

### 3.3. Accredited landlords

If you are accredited under one of the following schemes, you may be entitled to an £84 (selective) or £160 (additional) discount (from Part B payment):

- Kent Landlord Accreditation Scheme (KLAS)
- National Residential Landlords Association (NRLA)
- UK Association of Letting Agents (UKALA)

If you are a member of one of the following schemes, you may be entitled to an £84 (selective) or £160 (additional) discount (from Part B payment):

- Association of Residential Letting Agents (ARLA)

- Royal Institution of Chartered Surveyors (RICS)
  - Safeagent
- 3.4. Discounts will be determined on receipt of full application and all supporting documents.
- 3.5. Discounts will not be applicable where the council has:
- made two requests for additional supporting documents, or
  - served a warning letter for failure to license the property.
- 3.6. Refer to section 6 for 'Discounts Applied - Practical Examples'

4. Licence variation fees

<b>Action</b>	<b>Applicable fee</b>
Change of licence holder's address	None
Change of manager's address	None
Change/appointment of manager (unless they are also the licence holder)	None
Change of name (marriage/divorce/deed poll)	None
Change in amenities	None
Reduction in the number of maximum occupiers and/or households for licensing purposes	None

5. Other fees and charges

<b>Action</b>	<b>Applicable fee</b>
Change of licence holder	New application fee
Revocation of licence	None
Application to licence following revocation of licence	New application fee
Application refused or rejected by the council	Part A payment
Application withdrawn by the applicant	Part A payment
Temporary exemption notice (TEN) made by the council	None
Application received following the expiry of a TEN made by the council	New application fee

## 6. Discounts applied: practical examples

The examples below illustrate the calculation of the total amount payable after discounts are applied, using a selective licence fee of £840 (£436 for Part A; £404 for Part B).

The same principles will apply when calculating the total additional HMO licence fee after any discounts have been applied.

Key	Nature of discount	Amount (Selective)	Amount (Additional)
CH	Registered charity	£210 off Part B	£400 off Part B
ACLL	Accredited landlord	£84 off Part B	£160 off Part B
MD	Multi-dwelling	£105 off Part A	£200 off Part A

### 6.1. Scenario A

An ACLL discount is applicable for applications made by landlords with accreditation or membership under the schemes listed in 3.3.

**Landlord applies for a licence for one property. The landlord is accredited under the NRLA.**

Property	Discount	Part A	Part B	Total fee
1	Part B reduced by £84 (£84 ACLL)	£436	£320	£756
	<b>Total</b>	£436	£320	£756

## 6.2. Scenario B

If an accredited landlord owns multiple properties that are in different parts of the designated area and therefore not eligible for a multi-dwelling discount, the landlord may apply for an ACLL for each property. Refer to Scenario B below.

**Landlord is accredited.**

**The landlord has three properties. Each property is in a different part of the designated area.**

<b>Property</b>	<b>Discount</b>	<b>Part A</b>	<b>Part B</b>	<b>Total fee</b>
1	Part B reduced by £84 (£84 ACLL)	£436	£320	£756
2	Part B reduced by £84 (£84 ACLL)	£436	£320	£756
3	Part B reduced by £84 (£84 ACLL)	£436	£320	£756
	<b>Total</b>	<b>£1,308</b>	<b>£960</b>	<b>£2,268</b>

## 6.3. Scenario C

Applicants may also apply for a multi-dwelling discount where multiple properties in the same building are owned and under the control of the same person. A multi-dwelling discount will be applied in respect of applications relating to the 2nd, 3rd properties etc.

**Landlord is accredited.****The landlord has four flats in a building converted into self-contained flats.**

Property	Discount	Part A	Part B	Total fee
1	Part B reduced by £84 (£84 ACLL)	£436	£320	£756
2	Part A reduced by £105 (£105 MD) Part B reduced by £84 (£84 ACLL)	£331	£320	£651
3	Part A reduced by £105 (£105 MD) Part B reduced by £84 (£84 ACLL)	£331	£320	£651
4	Part A reduced by £105 (£105 MD) Part B reduced by £84 (£84 ACLL)	£331	£320	£651
	<b>Total</b>	<b>£1429</b>	<b>£1280</b>	<b>£2709</b>

## 6.4. Scenario D

A charity discount is applicable where the licence application is made by a charity that is officially registered with the Charity Commission for England and Wales or is otherwise recognised as having charitable status in law and the property is used wholly or primarily for charitable purposes. The charity discount cannot be applied in combination with any other discounts.

**A licence application is made by a registered charity. The property will be used wholly or primarily for charitable purposes.**

Property	Discount	Part A	Part B	Total fee
1	Part B reduced by £210 (£210 CH)	£436	£194	£630
	<b>Total</b>	<b>£436</b>	<b>£194</b>	<b>£630</b>