

	<h2>Housing Committee</h2> <h3>23rd October 2017</h3>
<p style="text-align: center;">Title</p>	<p>Private Sector Housing Fees and Charges 2018/19</p>
<p style="text-align: center;">Report of</p>	<p>Deputy Chief Executive</p>
<p style="text-align: center;">Wards</p>	<p>All</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Urgent</p>	<p>No</p>
<p style="text-align: center;">Key</p>	<p>Yes</p>
<p style="text-align: center;">Enclosures</p>	<p>Appendix A – Proposed Fees and Charges 2018/19</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Belinda Livesey – Group Manager (Private Sector Housing) 0208 359 7438 belinda.livesey@barnet.gov.uk</p>

Summary
<p>This report seeks to obtain approval for the Council's proposed new and above inflation plus 2% fees and charges for 2018/19 to support the Commissioning Business Plan, and delivery of the services provided by Re (Regional Enterprise) within the Private Sector Housing Team, for the Council.</p>

Recommendations
<p>That the Housing Committee consider and approve the proposed fees and charges for 2018/19 as set out in Appendix A</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 Fees and charges are reviewed on an annual basis to ensure that the costs of chargeable services are covered and the Council is achieving value for money. This report sets out the proposed above inflation fee increases as well as new fees and charges for services within the Private Sector Housing Team provided by Re. Any fees and charges which are being increased by less than

the rate of inflation plus 2% are not included in this report as their approval will be completed via a Delegated Powers Report.

- 1.2 The new fees are being introduced as the Council has the ability to charge for these functions but have not considered a fee previously. They are in line with other enforcement fees already approved.
- 1.3 The Fire Risk Assessment (for standard HMO) fee has increased as the original fee was introduced prior to the development of the service based on a market rate for a similar service. The proposed fee is set on a cost recovery basis to cover investigative work, full inspection, report preparation and some level of post report discussion .

2. REASONS FOR RECOMMENDATIONS

- 2.1 It is recommended that the Housing Committee consider and approve the proposed fees and charges for 2018/19, as it is considered good practice to review fees and charges annually to ensure that the costs of providing the services are recouped for private sector housing.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 The alternative approach would be to not review the existing fees and charges, and to not add new ones where appropriate. This is not however considered to be good practice and would potentially expose the Council to the risk of not recovering the costs of the provision of the service, or potentially, over recovering where the charge is set at a cost recovery level.
- 3.2 Given the financial pressures currently faced by the Council the only viable option for continuing to provide the services noted in Appendix A is to levy an appropriate fee or charge.

4. POST DECISION IMPLEMENTATION

- 4.1 In accordance with the Constitution, if the Committee approves the recommendation then the fees and charges will be reported to the Policy and Resources Committee for noting (as part of the Council wide budget setting). Once the budget is approved by full Council the fees and charges will be posted on the Council's website and, where a statutory duty requires it, advertised in the approved publication and appropriate location. These new fees and charges will be implemented from 1st April 2018.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Corporate Plan 2015-2020 is based on the core principles of fairness, responsibility and opportunity to make sure Barnet is a place:

- Of opportunity, where people can further their quality of life
- Where people are helped to help themselves, recognising that prevention is better than cure
- Where responsibility is shared, fairly
- Where services are delivered efficiently to get value for money for the taxpayer

The Council's priorities include:

- High quality services maintained whilst reducing unit costs to the lowest amongst Barnet's statistical neighbours.

5.1.2 Fees and charges need to be reviewed to ensure value for money and cost recovery. This complies with the 2015-2020 Corporate Plan priority for Barnet to be in the lowest 25% of all Councils (Boroughs and County Councils) for expenditure per head of population. The Fees and Charges review is a means of ensuring that net costs are kept under control.

5.2 **Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)**

5.2.1 **Finance & Value for Money:** With public and Member expectations increasing, the review of fees and charges ensures that sufficient resources are made available to manage and prioritise those expectations.

5.2.2 All fees and charges will ensure effective cost recovery for delivering the service; prices listed do not include VAT, which will only be charged where indicated. The charges are discretionary to cover the cost of delivery.

5.2.3 The Constitution requires that all new charges, and charges that are proposed to be increased by more than inflation plus 2%, are agreed by the relevant Theme Committee, and also reported to Policy and Resources Committee for noting.

5.2.5 **Procurement:** At this time there are no procurement implications.

5.2.6 **Staffing:** At this time there are no staffing implications.

5.2.7 **Property:** At this time there are no property implications.

5.2.8 **IT:** At this time there are no IT implications.

5.2.9 **Sustainability:** At this time there are no sustainability implications.

5.3 **Social Value**

5.3.1 The Public Services (Social Value) Act 2012 requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.

- 5.3.2 Housing enforcement action requiring the improvement of accommodation will deliver social, economic and environmental benefits for residents in relation to improvement in standards of the private rented sector.

5.4 Legal and Constitutional References

Local authorities have a variety of powers to charge for specific statutory services set out in statute.

Section 49(5) of the Housing Act 2004 permits a local housing authority to make such reasonable charge as it considers appropriate as a means of recovering expenses incurred by the authority in carrying out any review of suspended improvement notices and suspended prohibition orders, or serving copies of the authority's decision on such a review. The amount charged cannot exceed any amount specified by order.

If an appeal against the underlying notice or order is allowed by a tribunal, it may also make such order as it considers appropriate in relation to any charge made in respect of the notice or order - reducing, quashing, or requiring the repayment of the charge.

- 5.4.1 The Local Government Act 2003 also provides a power to trade and a power to charge for discretionary services, the latter on a cost recovery basis. Discretionary services are those that a local authority is permitted to provide under statute but is not obliged to do so. The power to charge for discretionary services is not available to local authorities if there is a statutory duty to provide the service or if there is a specific power to charge for it or if there is a prohibition on charging.
- 5.4.2 Additionally, the Localism Act 2011 provides local authorities with a general power of competence that confers on them the power to charge for services but again these are subject to conditions/limitations similar to those noted above.
- 5.4.3 Where a local authority has a duty to provide a statutory service free of charge to a certain standard, no charge can be made for delivery to that standard. Should a request be made, however, for delivery above and beyond that standard, this may constitute a discretionary service for which a charge could be made.
- 5.4.5 Under the Council's Constitution, Responsibility for Functions, Annex A, the Housing Committee has the following specific responsibilities (amongst others):
- Promote the better integration of privately rented properties into the Borough's

framework

- All matters related to regulation of private sector housing, including enforcement, licensing, empty properties and squatting
- Housing licensing and housing enforcement.
- All matters relating to provision of disabled facilities and other housing related grants, including the operation of a Home Improvement Agency

5.4.6 The Council's Constitution (Financial Regulations) also states: "*For the fees and charges within their remit, theme Committees, Planning Committee and Licensing Committee must approve changes to fees and charges that are above inflation by 2% or more, the introduction of new fees and charges, and changes to fees and charges outside the normal annual cycle. Changes to fees and charges approved by theme Committees, Planning Committee and Licensing Committee must be reported to Policy and Resources Committee for noting.*"

5.5 Risk Management

5.5.1 The fees and charges proposed within this report are based on recovery of costs incurred by the Council. There will nonetheless remain an element of reputational risk and challenge.

5.6 Equalities and Diversity

5.6.1 The Corporate Plan 2015-2020 sets the Strategic Equalities Objective, which is: that citizens will be treated equally, with understanding and respect, and will have equal access to quality services which provide value to the tax payer. Changes to policies and services are analysed in order to assess the potential equalities impacts and risks and identify any mitigating action possible before final decisions are made.

5.6.2 The Equality Act 2010 sets out the Public Sector Equality Duty which requires public bodies to have due regard to the need to:

- eliminate discrimination, harassment and victimisation and other conduct prohibited by the Act
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not
- foster good relations between persons who share a relevant protected characteristic and persons who do not

5.6.3 The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

5.6.4 The proposed fees and charges have been reviewed against the protected characteristics and it is considered that there will not be any specific adverse impact on any of the groups.

5.6.5 It is considered that HMO licensing and housing enforcement action requiring the improvement of accommodation has an overall positive impact for landlords, tenants, residents and businesses by virtue of the potential improvement to the quality and management of accommodation in the borough.

5.6.4 In addition there are potential benefits arising from the increased choice of high quality, and well-managed housing.

5.7 Consultation and Engagement

5.7.1 There was no specific consultation on the fees and charges in this report. The additional enforcement charges are in line with existing fees. The fees and charges will be noted by Policy and Resources Committee.

6 BACKGROUND PAPERS

6.1

Appendix 1 – Proposed Fees and Charges from 1st April 2018/19

Description of charge	Unit	Subject to VAT	Current charge excluding VAT	Proposed Charge excluding VAT	Percentage change	Power to charge	Basis for Charging
Review of Suspended Prohibition Order	1	no	new	316	n/a	Section 49 Housing Act 2004	Statutory discretionary/cost recovery
Review of Suspended Improvement Notice	1	no	new	313	n/a	Section 49 Housing Act 2004	Statutory discretionary/cost recovery
Hazard Awareness Notice	1	no	new	288	n/a	Section 49 Housing Act 2004	Statutory discretionary/cost recovery
Fire Risk Assessment (for standard HMO)	1	yes	Up to £400 for a standard HMO plus hourly rate up to £84 for revisits and/or additional advice.	Up to £590 for a standard HMO plus hourly rate up to £85.40 for revisits and/or additional advice.	Up to 47.5% for standard HMO Up to 1.67% for revisits and/or additional advice	s93 Local Government Act 2003	Discretionary /cost recovery