



Appendix D

Proposed Charging Structure and Worked Examples

Proposed charging regime for licencing of rented dwellings.

The fee structure is made up of 2 parts, the application fee and the annual licence fee.

Properties which have already been accredited by Government under the Rent Safe Scheme will require much lighter touch regulation. Such properties are exempt from the application fee and attract discounted annual licence fees.

Traditional type accommodation

Application fee¹ £50
Free for Rent Safe accredited dwellings

Annual licence fee £200

Discounts for Rent Safe Accredited dwellings:

- 100% for Social Housing providers
- 75% for 5* Rent Safe accredited dwellings
- 50% for 4* Rent Safe accredited dwellings
- 25% for 3* Rent Safe accredited dwellings

Property type	Application Fee	Annual Licence Fee (Before discount)	Discount applied	Amount per unit – first year	Amount per unit – Subsequent years
Social Housing Provider (Rent Safe Accredited)	£0	£200	100%	£0	£0
5 Star Rent Safe Accredited Dwellings	£0	£200	75%	£50	£50
4 Star Rent Safe Accredited Dwellings	£0	£200	50%	£100	£100
3 Star Rent Safe Accredited Dwellings	£0	£200	25%	£150	£150
Unaccredited Dwelling	£50 (paid first year only)	£200	0%	£250	£200

Hostel type accommodation

Application fee¹ £50

Free for Rent Safe accredited dwellings.

Annual licence fee based on maximum occupancy:

(babies under 1 = 0 persons, children 1-10 years = ½ person, over 10 years = 1 person):

Up to 10 £250
 11 – 20 £350
 21 and over £400

Discounts for Rent Safe Accredited Dwellings:

- 100% for Social Housing providers
- 75% for 5* Rent Safe accredited dwellings
- 50% for 4* Rent Safe accredited dwellings
- 25% for 3* Rent Safe accredited dwellings

Table demonstrating costs for hostel type maximum occupancy up to 10 people:

Property type	Application Fee	Annual Licence Fee (Before discount)	Discount applied	Amount per unit – first year	Amount per unit – Subsequent years
Social Housing Provider (Rent Safe Accredited)	£0	£250	100%	£0	£0
5 Star Rent Safe Accredited Dwellings	£0	£250	75%	£62.50	£62.50
4 Star Rent Safe Accredited Dwellings	£0	£250	50%	£125	£125
3 Star Rent Safe Accredited Dwellings	£0	£250	25%	£187.50	£187.50
Unaccredited Dwelling	£50 (paid first year only)	£250	0%	£300	£250

Government of Jersey – Proposed Fee Structure

Table demonstrating costs for hostel type occupancy 11 - 20 people:

Property type	Application Fee	Annual Licence Fee (Before discount)	Discount applied	Amount per unit – first year	Amount per unit – Subsequent years
Social Housing Provider (Rent Safe Accredited)	£0	£350	100%	£0	£0
5 Star Rent Safe Accredited Dwellings	£0	£350	75%	£87.50	£87.50
4 Star Rent Safe Accredited Dwellings	£0	£350	50%	£175	£175
3 Star Rent Safe Accredited Dwellings	£0	£350	25%	£262.50	£262.50
Unaccredited Dwelling	£50 (paid first year only)	£350	0%	£400	£350

Table demonstrating costs for hostel over 20 people:

Property type	Application Fee	Annual Licence Fee (Before discount)	Discount applied	Amount per unit – first year	Amount per unit – Subsequent years
Social Housing Provider (Rent Safe Accredited)	£0	£400	100%	£0	£0
5 Star Rent Safe Accredited Dwellings	£0	£400	75%	£100	£100
4 Star Rent Safe Accredited Dwellings	£0	£400	50%	£200	£200
3 Star Rent Safe Accredited Dwellings	£0	£400	25%	£300	£300
Unaccredited Dwelling	£50 (paid first year only)	£400	0%	£450	£400

¹ The application fee is non-refundable and paid only at initial application, not on subsequent years.

² Social Housing Providers for the purpose of this scheme include Housing Associations, Housing Trusts, Charities, and The Parishes.

NB: Prices relate to each property to be licenced

Licence Fees

- Change of name or address details of any existing licence holder or managing agent - **No fee**
- Variation of licence instigated by Government - **No fee**
- Change of licence holder – **New application fee**
- Revocation of licence - **No fee**
- Application to licence following revocation of licence - **Application fee and licence fee**
- Application refused by Government - **Application fee with no refund**
- Application withdrawn by the applicant - **Application fee with no refund**
- Application made in error - **Application fee with no refund**
- Licence lapsed and new licence required - **Application fee and licence fee**

Government are also proposing:

Where Government has to contact property owners that are required to licence their property and have not done so within the prescribed period a **fee of £150** may be added in addition to the application fee and licence fee. When considering whether a charge is appropriate mitigating factors are taken into account, for example, whether the person hadn't realised they should be licenced or has repeatedly evaded all calls to licence their known rental property.

Where a licence holder or nominated person fails to turn up for a pre-arranged inspection without reasonable excuse a missed appointment **fee of £50** may be charged. When considering whether a charge is appropriate mitigating factors are taken into account, for example, a fee may be considered if the landlord has repeatedly failed to attend at pre-arranged times.

Consideration of the fee structure:

In setting these fees Government has taken into account that it may not set fees that are dissuasive, and any fees must be reasonable and proportionate to the cost of the licensing process and the issuing of the licence. Government will continue to work hard to reduce the fees, whilst striking a balance between providing an effective service.

These fees have been benchmarked against other private rental sector licensing schemes and endeavour to keep the licence fees at the lowest possible level. These application and licensing fees are some of the lowest.

To ensure the licensing experience is customer focussed, the application process is being developed to be intuitive and enable customers to;

- Receive notification by email when a property licence is due to expire
- submit and review online across different device types (smart phone, tablet, PC and Mac).
- delegate a third party, for example a managing agent, to submit on the licence holder's behalf
- undertake simple renewals if there are no changes to the portfolio.
- Enable ease of addition / removal of properties from the licence holder's portfolio.

If the landlord fails to renew the licence before its expiry date the full application process is required. The application fee and licence fee would both then be charged (where required).

Exemptions

Lodging Houses will, for the time being, continue to be licenced under existing legislation. However this will be administered by Environmental Health. If this legislation were to be repealed the properties would require licensing as part of this scheme.

Government of Jersey – Proposed Fee Structure

Worked examples:

The landlord has a portfolio of 14 two bedroom apartments within different blocks across the Island.

Example 1 – landlord with 14 properties – All 5 star Rent Safe accredited

The landlord has 14 properties each accredited at 5 stars on Rent Safe

Rent Safe Accreditation	Application fee	Licence fee	Total fee due (year 1)	Total fee due (subsequent years)
5 stars	Waivered	14 x £50 = £700 (75% discount per property)	£700	£700

Example 2 – landlord with 14 properties – Mixed standards

The landlord has 14 properties. Some are accredited on Rent Safe and others are undergoing incremental improvement to bring them up to minimum standards. In total they have 7 properties at 5 stars, 2 properties at 4 stars, 2 properties at 3 stars and the remaining 3 properties aren't accredited.

The landlord enters their details on the dedicated form once. They then include details of each rental property. The addresses are found using the postcode to minimise the time taken to input each address. The system calculates the licence fee as follows:

Rent Safe Accreditation	Application fee	Licence fee	Total per rental property in that bracket (Year 1)	Total per rental property in that bracket (subsequent years)
5 stars	Waivered	7 x £50 = £350 (75% discount per property)	£350	£350
4 stars	Waivered	2 x £100 = £200 (50% discount per property)	£200	£200
3 stars	Waivered	2 x £150 = £300 (25% discount per property)	£300	£300
Not accredited	3 x £50 = £150 (payable year 1 only)	3 x £200 = £600 (0% discount per property)	£750	£600
			£1600	£1450

Example 3 – landlord with 14 properties – none accredited on Rent Safe

Rent Safe Accreditation	Application fee	Licence fee	Total fee due (year 1)	Total fee due (subsequent years)
Not accredited	14 x £50 = £700 (payable year 1 only)	14 x £200 = £2800 (0% discount per property)	£3500	£2800