<u>APPENDIX B</u> <u>HMO Licensing 2 Stage Payment Process</u> <u>& Updating of Discretionary Discounts</u>

Data Analysis and Estimation

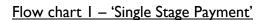
(on resource demand increase when implementing a 2-stage payment process)

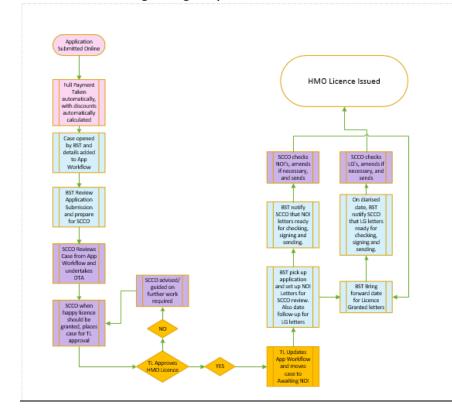
The Licensing Data Analysis, of the Licence Fees Review 2019, shows a sample of the average resource time required to process a 'single payment' HMO licence, with the data split by per task and by role. The Accounts Summary highlights the fee levels proposed that were ratified by PCC Accounts as part of the HMO Licence Fees review in 2019.

Part	Description	Hours	Rate	Staff Cost	Expense s	Total Cost	Contingenc y	Price
1	CCA (HMO)	4.77	£48.06	£229.12		£229.12		£229.12
2	SCCO	8.20	£52.95	£433.95		£433.95		£433.95
3	TL (HI) casework	1.57	£50.37	£79.11		£79.11		£79.11
4	Travel Time 30 mins elw	1	£50.46	£50.46	£5.43	£55.89		£55.89
5	TL (HI) enforce, prevent,	1	£50.42	£50.42		£50.42		£50.42
TOTAL	Cost of Providing Service	16.533	252.27	843.06	5.43	£848.49	0%	£848.49
						Current Price		£850.00
						Increase %		-0.2
						increase /.		-0.2.
но	Licence - new custo	mer				increase 7.		-0.2.
IMO Part	Licence - new custo	mer Hours	Rate	Staff Cost	Expense s	Total Cost	Contingenc y	Price
			Rate £48.06	Cost			_	
Part	Description	Hours	£48.06	Cost		Total Cost	_	Price
Part 1	Description CCA (HMO)	Hours 4.77	£48.06	Cost £229.12		Total Cost £229.12	_	Price £229.12
Part 1 2	Description CCA (HMO) SCCO	Hours 4.77 8.20	£48.06 £52.95	Cost £229.12 £433.95 £79.11		Total Cost £229.12 £433.95	_	Price £229.12 £433.95
Part 1 2 3	Description CCA (HMD) SCCO TL (HI) casework	Hours 4.77 8.20 1.57	£48.06 £52.95 £50.37	Cost £229.12 £433.95 £79.11 £50.46	S	Total Cost ε229.12 ε433.95 ε79.11	_	Price £229.12 £433.95 £79.11
Part 1 2 3 4 5	Description CCA (HMO) SCCO TL (HI) casework Travel Time 30 mins etw	Hours 4.77 8.20 1.57 1	£48.06 £52.95 £50.37 £50.46	Cost £229.12 £433.95 £79.11 £50.46	S	Total Cost £229.12 £433.95 £79.11 £55.89	_	Price £229.12 £433.95 £79.11 £55.89
Part 1 2 3 4 5	Description CCA (HMD) SCCO TL (HI) casework Travel Time 30 mins e/w TL (HI) enforce, prevent,	Hours 4.77 8.20 1.57 1 2	£48.06 £52.95 £50.37 £50.46 £50.42	Cost 2229.12 2433.95 279.11 250.46 2100.84	s £5.43	Total Cost £229.12 £433.95 £79.11 £55.89 £100.84	y	Price £229.12 £433.95 £79.11 £55.89 £100.84

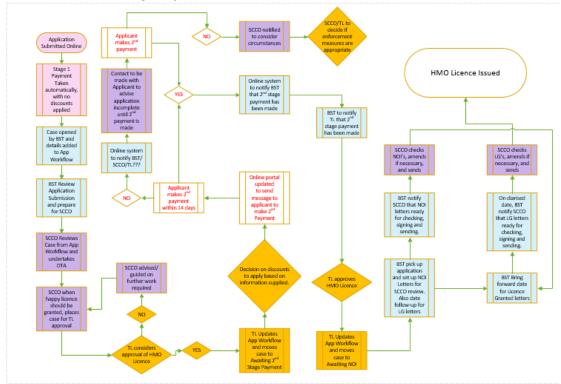
So, what differences will there be if we look to adopt a 2 stage payment process? The following flowcharts offer an indication of how we can look to adopt the changes. See Draft Flow Chart I (single stage payment) and Draft Flow Chart 2 (two stage payment) for more information.

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Flow chart 2 - '2-Stage Payment'



The increased processes identified in Flow Chart 2 are estimated to lead to an increase of 10 minutes per licence for each role (BS/SCCO/TL), and as such 30 minutes increase in total time per licence. Working on the resourcing costs has highlighted a rise, of \pounds 25.00, in the maximum fee calculation. Please see below, some tables of comparison for both current licence charges, and proposed licence charges:

4.77 Hours	£229.12
8.20 Hours	£433.95
1.57 Hours	£79.11
l Hour	£55.89
2 Hours	£100.84
17.54 Hours Per Licence	£898.91
	(Rounded to £900)
	I Hour 2 Hours

Current Licence Charges for a New Licence

Proposed Charges for a New Licence

Business Support	4.94 Hours	£237.29
Senior Community	8.37 Hours	£442.95
Connections Officer		
Technical Lead	1.74 Hours	£87.68
Travel	l Hour	£55.89
TL Enforce, Prevent, Educate	2 Hours	£100.84
Total Licence Time	18.05 Hours Per Licence	£924.65
		(rounded to £925)

Current Licence Charges for a Renewal Licence

Business Support	4.77 Hours	£229.12
Senior Community Connections Officer	8.20 Hours	£433.95
Technical Lead	1.57 Hours	£79.11
Travel	l Hour	£55.89
TL Enforce, Prevent, Educate	l Hour	£50.42
Total Licence Time	16.54 Hours Per Licence	£848.49
		(Rounded to £850)

Proposed Charges for a Renewal Licence

Business Support	4.94 Hours	£237.29
Senior Community	8.37 Hours	£442.95
Connections Officer		
Technical Lead	1.74 Hours	£87.68
Travel	l Hour	£55.89
TL Enforce, Prevent, Educate	l Hour	£50.42
Total Licence Time	17.05 Hours Per Licence	£874.23
		(Rounded to £875)