

APPENDIX B
HMO Licensing 2 Stage Payment Process
& Updating of Discretionary Discounts

Data Analysis and Estimation

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

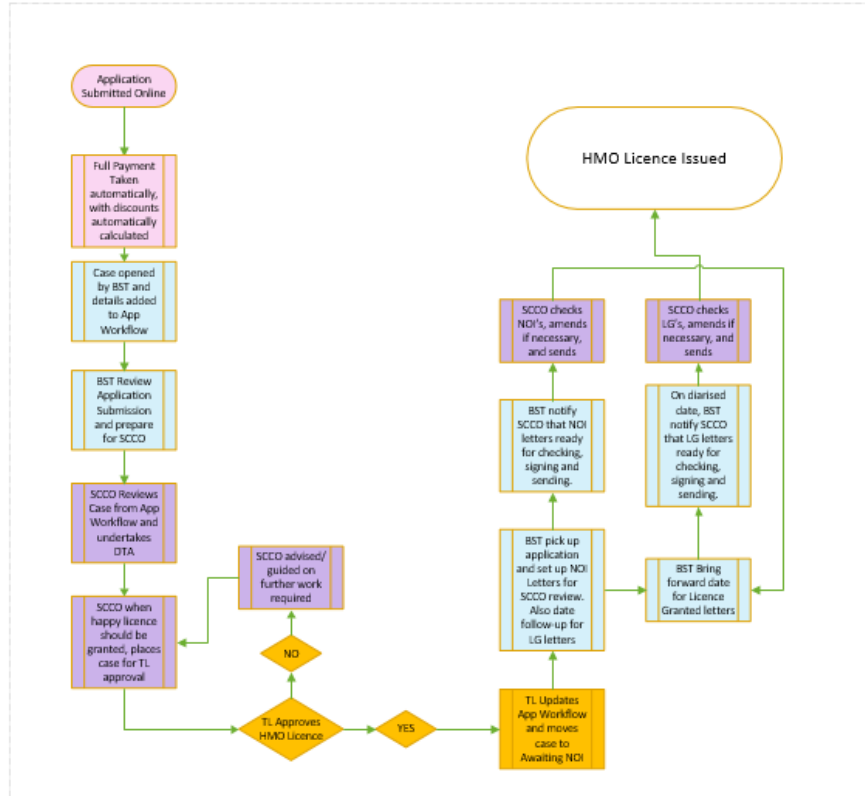
The Licensing Data Analysis, of the Licence Fees Review 2019, shows a sample of the average resource time required to process a 'single payment' HMO licence, with the data split by per task and by role. The Accounts Summary highlights the fee levels proposed that were ratified by PCC Accounts as part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

HMO Licence - existing customer									
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 etw	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%
HMO Licence - new customer									
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 etw	1	£50.46	£50.46	£5.43	£55.89		£55.89	
5	TL (HI) enforce, prevent,	2	£50.42	£100.84		£100.84		£100.84	
TOTAL Cost of Providing Service		17.533	237.58	893.48	5.43	£898.91	0%	£898.91	
								Current Price	£900.00
								Increase %	-0.1%

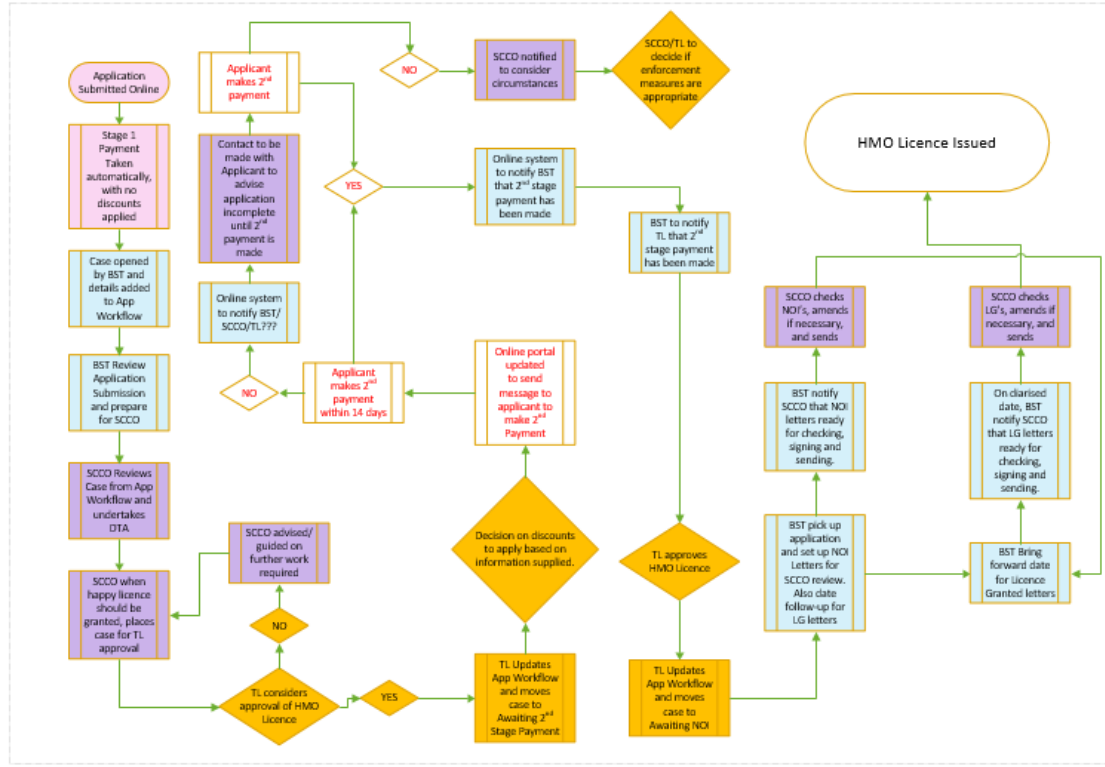
So, what differences will there be if we look to adopt a 2 stage payment process?

The following flowcharts offer an indication of how we can look to adopt the changes. See Draft Flow Chart 1 (single stage payment) and Draft Flow Chart 2 (two stage payment) for more information.

Flow chart 1 – ‘Single Stage Payment’



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 £25.00, in the maximum fee calculation. Please see below, some tables of comparison for both current licence charges, and proposed licence charges:

Current Licence Charges for a New 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	1 Hour	£55.89
TL Enforce, Prevent, Educate	2 Hours	£100.84
Total Licence Time	17.54 Hours Per Licence	£898.91 (Rounded to £900)

Proposed Charges for a New Licence

Business Support	4.94 Hours	£237.29
Senior Community Connections Officer	8.37 Hours	£442.95
Technical Lead	1.74 Hours	£87.68
Travel	1 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	1 Hour	£55.89
TL Enforce, Prevent, Educate	1 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 Connections Officer	8.37 Hours	£442.95
Technical Lead	1.74 Hours	£87.68
Travel	1 Hour	£55.89
TL Enforce, Prevent, Educate	1 Hour	£50.42
Total Licence Time	17.05 Hours Per Licence	£874.23 (Rounded to £875)