

## Recovery of Costs policy

*This policy was first introduced 2006 and revised in 2008. The 2012 version is the second revision.*

### 1. Recovery of costs associated with the service of notices etc. under Part-1 Housing Act 2004

- 1.1 The *Housing Act 2004* provides for the use of certain notices and orders to deal with house-condition issues. It also allows the Council to recover certain costs incurred in association with them.
- 1.2 Although the government may set a limit on the maximum amount that can be charged it has not done so (and indicated in 2005 that it had no plans to do so<sup>1</sup>). However, local authorities are expected only to charge the reasonable costs of enforcement and should take into account the personal circumstances of the person(s) against whom the enforcement action is being taken.
- 1.3 The Council's *Housing Health & Safety Rating Scheme Policy* (HHSRS Policy) sets out the circumstances in which the various notices etc. will be used and costs recovered. That policy also allows for the relevant Head of Service<sup>2</sup> to determine whether any variation to the stated approach is appropriate.
- 1.4 Unless the Head of Service considers that there is a legitimate reason for departing from the stated policy, the Council will recover the costs associated with taking all relevant enforcement actions.
- 1.5 Under its 2008 Recovery of Costs Policy the Council determined the costs it should recover, in each case, on the basis of the actual time spent by officers on chargeable activities and on the appropriate hourly rate for those officers. However, that approach prevented us from telling people who might be subject to formal enforcement action what our charges would be (which is likely to have reduced any deterrent effect). It has also meant that, in certain similar cases, we have calculated different charges simply because of property location relative to the Council's Bodicote offices.
- 1.6 This 2012 policy introduces a new approach: The Council will recover a specified minimum charge (for the sake of clarity), but will recover an increased amount when it is judged appropriate to do so, taking into account the time spent on the relevant activities in any particular case<sup>3</sup>. The additional charge is only likely to apply when for example, the enforcement action relates to a large, unusually complex or particularly

<sup>1</sup> ODPM Response to Consultation, September 2005

<sup>2</sup> Currently the Head of Regeneration and Housing

<sup>3</sup> For example: original inspection, the process of hazard rating or notice & schedule preparation (in the case of Improvement Notices only)

defective premises (all of which will mean that the enforcement process takes more time).

1.7 The Head of Service will be responsible for determining (periodically) what the specified minimum charge will be and, in doing so, will take into account:

- standardised / average travelling costs
- inclusive salaries of relevant officers and any appropriate standardised / average employment costs
- estimates of the time typically taken on the various relevant activities

1.8 The Head of Service will also specify periodically how, and in what circumstances, costs over and above the specified minimum charge will be determined.

## **2. Recovery of costs associated with work-in-default**

2.1 A number of the statutory notices used by the Council allow it to undertake work-in-default in the event that notice recipient(s) fail to carry out works required by those notices. The Council can then recover the costs it has incurred.

2.2 The Council will rely upon its *House Condition Enforcement Policy* in determining whether or not to undertake work-in-default in each particular case.

2.3 The Council will seek to recover all of the costs associated with undertaking work-in-default (including for example, time spent by its officers, administrative costs, contractor's costs, the cost of any specialist reports, supervisory costs etc.)

2.4 The Council will calculate the cost of officer time (for activities other than travel) on the basis of the actual time spent by officers on the chargeable activities and will charge that time at an appropriate hourly rate.

2.5 The Head of Service will be responsible for determining (periodically) what hourly rate or rates should be applied and may determine that a standardised / average employment cost should be used.

2.6 The Head of Service will also be responsible for determining (periodically) how travelling cost will be calculated and may determine that a standardised / average travelling cost should be used.

2.7 The Council will normally invoice the responsible person(s) for the cost of work but will in addition make the cost of work-in-default a charge on the relevant premises in all cases where the applicable legislation provides for this to be done. Accrued interest will be added to charges at an appropriate rate determined by the Council.

2.8 Any exceptions to this approach will be determined by the relevant Head of Services.

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