

## **R20-08: Motion Opposing Fife Council's Increased HMO Charges**

**Owner: Camilla Duke, Rector's Assessor**

**In effect: Immediately**

**Review: September 2020, or when relevant changes are made**

### **Proposed:**

Camilla Duke, Rector's Assessor

### **Seconded:**

Sophie Bickerton, SRC Accommodation Officer

Jamie Rodney, Association President

Anna Young, Association Community Relations Officer

### **The council notes:**

- 1) On 6 February 2020, the SRC passed a motion condemning Fife Council's Increased HMO charges.
- 2) Fife Council recently increased the University of St Andrews HMO Fee from £54 000 every three years to £512,000 every three years.
- 3) The vast majority of this price uplift (85%) comes from Fife Council's decision to treat each individual flat in David Russell Apartments as a separate HMO, rather than each block of flats, as previously.
- 4) A Freedom of Information Request by the University of St Andrews showed that the cost to Fife Council of renewing all of the University's HMOs was around £80,000.
- 5) The Statutory Guidance for Scottish Local Authorities (Licensing HMOs) states under 3.4.3 that the Provision of Services Regulations 2009 require that fees charged in relation to a licensing regime must be reasonable and proportionate to, but not exceed the costs of all procedures required to carry out this function.
- 6) Fife Council has already instituted a moratorium on HMO Licenses in St Andrews.
- 7) The Royal Burgh of St Andrews Community Council has condemned the decision by Fife Council as "bizarre and irresponsible."
- 8) The Senior Students of every Hall of Residence also oppose the changes.
- 9) Srdja Popovic, Rector of the University of St Andrews, referred to the changes as "ridiculous, an absolutely terrible idea."
- 10) The changes were also condemned by Fife Councilors Dominic Nolan and Jane Anne Liston.
- 11) Following a campaign by the Student's Association, Fife Council have agreed to hold further consultations on the policy, taking into account the views of locals and students in St Andrews.

### **The council believes:**

- 1) Increased HMO fees will necessarily result in increased accommodation fees for halls of residence.

- 2) Increasing the cost of halls of residence in St Andrews is detrimental for both students and the local community.
- 3) More expensive halls will lead to greater competition for rented flats, with adverse effects for community cohesion and affordability, especially considering the moratorium on HMO licenses.
- 4) The methods used to calculate the increased fees were not conducted fairly and do not meet the standard of “reasonable and proportionate” outlined by the Statutory Guidance for Scottish Local Authorities.
- 5) Further engagement with Fife Council and the local community is essential to ensure that progress is made on this issue in the coming months.

**The council resolve:**

- 1) To continue to promote and encourage students to sign the open letter attached to this motion. (Appendix A)
- 2) To join the Community Council and the University of St Andrews in expressing its opposition to the fee increase.
- 3) To establish and further dialogue with Fife Council on the wider accommodation crisis in St Andrews.
- 4) To advocate against the fee rises in the consultations done by Fife Council in whatever form they take.
- 5) To work with the University to prevent the extra costs being passed on to students.

## **Appendix A: Open letter opposing this motion**

We the undersigned call on Fife Council to reconsider the huge HMO charges being placed on students following the decision of the Fife Councils Policy and Coordination committee.

Students- like everyone else in St Andrews, are placed under huge financial strain by the cost of living. We therefore find the decision of Fife Council to increase the University of St Andrew's HMO fees from £54000 to £512000, a rise of almost 800% bizarre and irresponsible. Not only does is the huge size of the increase problematic in itself, but the way it has been calculated is totally unfair. Roughly £434 000 (85%) of the new HMO costs come from the increase applied to David Russell Apartments, due to Fife Council charging a separate HMO fee for each of DRA's 224 identical purpose-built flats, rather than charging per block as previously.

Figures released after a Freedom of Information request by the University show that the cost to Fife Council of carrying out HMO checks on every University Residence stands at around £80000- perhaps coincidentally, almost exactly the same cost that would be charged if Fife Council calculated the DRA fees by block rather than by flat. The Statutory Guidance for Scottish Local Authorities (Licensing HMOs) states under 3.4.3 that the Provision of Services Regulations 2009 require that fees charged in relation to a licensing regime must be reasonable and proportionate to, but not exceed the costs of all procedures required to carry out this function." And yet, by distorting the HMO fees for some properties, Fife Council looks set to make a significant profit at our expense.

The potential impacts of this are huge. It means increased costs for students, forcing them to move out of University Halls and into rented accommodation. This means in turn that competition for rented accommodation will increase, making St Andrews less affordable and less livable for local residents and students alike. It will do further damage to community cohesion and make it even more difficult for young people to afford to live here. At a time when both students and local residents are crying out for cheaper accommodation, this places extra costs and barriers on everyone, whether living in halls or rented accommodation.

In short, we do not disagree in principle with an increase in HMO Fees if these fees are used to cover the costs incurred by HMO licenses. But the implementation of this policy is counterproductive, unfair and unhelpful, and should be reconsidered.