TONBRIDGE & MALLING BOROUGH COUNCIL

FINANCE and PROPERTY ADVISORY BOARD

5 January 2010

Report of the Director of Planning Transport and Leisure

Part 1- Public

Matters for Recommendation to Cabinet - Key Decision

1 REVIEW OF FEES AND CHARGES FOR BUILDING CONTROL 2010/11

Summary

This report brings forward for consideration as part of the budget setting process for 2010/11 proposals in respect of those fees and charges related to Building Control charges.

1.1 Building Control Fees

- 1.1.1 the Building Control application fee scales have been reviewed in the light of projected costs of providing a competitive and good quality service and the objective of maximising income at the point of service delivery. The judgement on fee setting also has to reflect Government guidance that local authorities should manage building control budgets to ensure that fees raised cover the costs incurred in providing the fee-earning aspects of the service and that no surplus is income is generated, calculated over a three year rolling period.
- 1.1.2 Members should also be aware that we have learned very recently of fundamental changes that are proposed by the Department of Communities and Local Government (DCLG) to the Charging Regulations themselves. Guidance was expected on this before Christmas but is not now likely to be available until into the New Year. We have no details but our information suggests that even with this delay on the part of the DCLG these changes could be made as early as 1 April 2010. In these circumstances I have little option to bring forward a proposed increase to our current scheme of charges with the understanding that this could change by virtue of these new regulations being introduced. Should this be the case then a further report will be brought forward at the earliest opportunity.
- 1.1.3 For 2010/11 a fee increase of 2% is proposed to both Table 1 (New dwellings) and Table 2 (Extensions, loft conversions etc). **Annex 1**. This presents a reasonable rate of increase, covers the cost of service provision and will retain competitiveness.
- 1.1.4 Members will also recall that an additional income stream was introduced in January 2005 when electrical installations were brought within the scope of the

Building Regulations. We decided to make use of consultants to deal with this area of work, an approach supported by our insurers. The charge for this service is now £135 plus VAT which is then claimed back by our contractors. Again this is in line with the other Kent authorities and no change is proposed. However, the Director of Planning, Transport and Leisure recommends that he retains the previously delegated authority in consultation with the Cabinet Member for Planning and Transportation to amend the charge to respond to market conditions during the year if necessary.

1.1.5 Fees for all other developments are based on building costs. In this respect the income from this source reflects the current construction cost changes. However for works over £1m it is sound practice for the Council to continue the flexible approach to enable the negotiation of fees on a case by case basis. This approach enables the flexibility to respond to competition for Building Control services in the market and also reflects the need to assess more complex schemes on an individual basis. Examples of schemes secured utilising this approach recently include major projects such as West Kent College, the River Centre, the Rolex building at Kings Hill and Judd School, where we made successful bids in competition with private sector Approved Inspectors. In this way the risk of losing work to the private sector can be minimised. It is therefore proposed that fees for work of this scale continue to be negotiable but based on the hourly rate charged for professional advice.

1.2 Planning Fees

- 1.2.1 Planning application and related fees are prescribed nationally with no local discretion. As far as I am aware there are no proposals for these to be increased for the next financial year.
- 1.2.2 Last year the Council introduced fees to some parties for the provision of preapplication advice on planning and development proposals. This relatively new system of charging is still bedding-down in accordance with a practice guide that the Council has adopted setting out fee levels and exemptions. I am not proposing to alter these charges this year.
- 1.2.3 Income from sales of documents, particularly those related to the Local Development Framework, is very low indeed these days as a result of their availability electronically. It is not proposed to make any alterations to the charges for the limited amount of hard copies that are sold.

1.3 Recommendations

- 1.3.1 It is **RECOMMENDED** that Cabinet be recommended to:
 - 1) Agree the Building Control application fees for dwellings and domestic extensions set out in **Annex 1**.

- 2) Agree that the Director of Planning, Transport and Leisure retains the delegated authority in consultation with the Cabinet Portfolio Holder for Planning and Transportation to amend the charge in respect of Approved Document P (Electrical Installations) to respond to market conditions.
- 3) Continue to authorise the Chief Building Control Officer to continue to **NEGOTIATE** Building Control application fees for other building works with a value exceeding £1million.

Background papers: contact: Mike Ingram

Nil

Steve Humphrey Director of Planning