

Report of	Meeting	Date
Director of Customer and Digital (Introduced by the Executive Member for Public Protection)	Executive Cabinet	22nd June 2017

BUILDING CONTROL FEES

PURPOSE OF REPORT

- To report to Members the proposal to amend the current Schedule of Charges for the Council's Building Service.

RECOMMENDATION(S)

- Executive Cabinet are asked to consider and accept the revised Schedule of Charges for the Building Control Service with a view to commencing 1st August 2017.

EXECUTIVE SUMMARY OF REPORT

- Fees charged for applications submitted under The Building Regulations 2010 and the associated site inspections are based upon the Council recovering the cost of the chargeable service over a 12 month period and budgeted accordingly. The current Schedule of Charges was last reviewed back in 2010 and has not been increased since. The new Schedule of Charges seeks to address small losses in the past and maintain our focus on value for money to the customer based upon the man-hours provided in relation to each application and the associated inspections.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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Reason Please bold as appropriate	1, a change in service provision that impacts upon the service revenue budget by £100,000 or more	2, a contract worth £100,000 or more
	3, a new or unprogrammed capital scheme of £100,000 or more	4, Significant impact in environmental, social or physical terms in two or more wards

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

4. To ensure the Council's budgetary targets are achieved and the service is charged at a rate relevant to the service provided to our customers.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

5. None

CORPORATE PRIORITIES

6. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	x

BACKGROUND

7. The Building (local Authority Charges) Regulations 2010 permit Local Authorities to set their own scale of charges relating to chargeable Building Control functions with the expectation that the cost of the service is recovered through these charges in accordance with the guidance document produced by The Chartered Institute of Public Finance and Accountancy. Our current scale of charges was set back in 2011 in conjunction with both South Ribble and Preston City Council, to standardise the fees across the neighbouring authorities and help facilitate easier cross boundary applications and, at the time, any movement towards shared services between any of the three authorities. No increase has been implemented since although the charges have been kept under review.

PROPOSAL

8. In light of falling figures, Preston Council, in conjunction with South Ribble Council and Chorley Council have re-drafted our joint scale of charges to affect an overall increase of 6% although this is not uniform across all charges. Additional charges have been set, under Table E for other standard charges including copies of notices, exemption confirmation, application information and the issuing of S81 Demolition Notices. Figures have also been adjusted to create more rounded values making the charges simpler. Currently the proposed Charge Scheme has been implemented by Preston City, South Ribble are awaiting the proposal to be approved by their Council. The desire is to maintain the standardised fees across the 3 authorities for reasons previously mentioned.

Submissions for Full Plans, Building Notice and Regularisation applications for the last financial year, ignoring all other applications, amounted to 312 in total and had a fee income potential of £122803 whereas the new proposed fee structure would have brought in £135,875. This equates to a 9.6% increase in revenue and there would have been an additional £2100 for new charges relating demolitions.

The income stream is dependent upon market performance within the construction industry and may peak or trough at any time based upon the economy at large.

Increased charges for Building Regulation applications does have an element of risk attached to it insofar as this may push the work towards the private sector, however, they do not operate with fixed charges and frequently price to undercut the Local Authority service, the result is likely to be that the Private Sector put their charges up too.

I believe the Council offers an excellent competitive service backed up by an experienced team of officers, local knowledge and a desire to provide excellent value for money.

The Schedule of Charges is set out as below (see supporting document).

Table A Standard Charges for New Housing.

Table B Standard Charges for certain small domestic buildings, extensions and alterations to dwellings.

Table C Standard Charges for alterations to dwellings.

Table D Standard Charges for all other work not in Tables A, B, & C.

Table E Other Standard Charges.

IMPLICATIONS OF REPORT

9. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	x	Customer Services	x
Human Resources		Equality and Diversity	
Legal	x	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

10. Building Control Fees have fallen short of the base budget in recent years. The increase and introduction of new fees should address this shortfall, however, it must be noted that although the Building Control fee earning service is a statutory function, the council is in direct competition with external providers of the service. With this in mind the Building Control income base budget will remain unchanged in the first year of the fee increases.

COMMENTS OF THE MONITORING OFFICER

11. The report properly states that fees received under these charges should be used to support the service. It is noted that the increase seeks to address a shortfall and therefore the proposed increases are in line with the legislation

DIRECTOR NAME Asim Khan
DIRECTOR OF Customer and Digital

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
John Bethwaite	5241	7 th June 2017	***

CHORLEY COUNCIL

BUILDING REGULATION CHARGES The Building (Local Authority Charges) Regulations 2010 Charges with effect from 1st August 2017

Explanatory Notes

- 1.0** Before you build, extend or convert, you or your agent must advise your local authority either by submitting Full Plans or a Building Notice. The charges payable depends on the type of work, the number of dwellings in a building and the total floor area. The following tables may be used in conjunction with the current scheme to calculate the charges. If you have difficulties calculating the charges, please contact the Building Control Office on 01257 515241.
- 2.0 Charges are payable as follows:**
- 2.1** Should you submit Full Plans you will pay a plan charge at the time of submission to cover their passing or rejection.
- 2.2** With Full Plans submissions, for most types of work, an inspection charge covering all necessary site visits will be payable following the first inspection.
- 2.3** Should you submit a Building Notice, the appropriate Building Notice charge is payable at the time of submission and covers all necessary checks and site visits.
- 2.4** Should you apply for a regularisation certificate, regarding unauthorised building work, commenced on or after 11 November 1985, you will pay a regularisation charge to cover the cost of assessing your application and all inspections. The charge is individually assessed, but typically will be a minimum of 150% greater than the gross Building Notice charge.
- 3.0 Table A:** Charges for small domestic buildings e.g., certain new dwelling houses and flats. Applicable where the total internal floor area of each dwelling, excluding any garage or carport does not exceed 300m² and the building has no more than three storeys, each basement level being counted as one storey. In any other case, Table D applies.
- 4.0 Table B:** Where work comprises more than one domestic extension the total internal floor areas of all the extensions shown on the application may be added together to determine the relevant charge. Please note however, the area of loft conversions or loft conversions may not be aggregated to an extension but a 50% discount can be applied. If the extension(s) exceed 100m² or three storeys in height then Table D applies (subject to a minimum plan charge equal to a minimum build cost of £100,000).
- 5.0 Table C:** Standard charges for minor works to dwellings.
- 6.0 Table D:** Applicable to all other building work not covered by Tables A, B, C or D. Total estimated cost means an estimate accepted by the local authority of a reasonable cost that would be charged by a person in business to carry out the work shown or described in the application excluding VAT and any professional fees paid to an architect, engineer or surveyor, etc., and also excluding land acquisition costs.
- 7.0** All other non-domestic works will be individually determined.
- 8.0 Exemptions/reduction in charges:**
- 8.1** Where plans have been either approved or rejected no further charge is payable on resubmission for substantially the same work.
- 8.2** Works to provide access and/or facilities for disabled people to existing dwellings and buildings to which the public have access are exempt from charges. In these regulations 'disabled person' means a person who is within any of the descriptions of persons to whom section 29(1) of the National Assistance Act 1948 applied, as that section was extended by virtue of section 8(2) of the Mental Health Act 1959, but not taking into account amendments made to section 29(1) by paragraph 11 of schedule 13 to the Children Act 1989. The work must be for the sole use of the disabled person.

With the exception of the regularisation charge, all local authority Building Regulation charges are subject to VAT at 20%.

TABLE A - STANDARD CHARGES FOR NEW HOUSING (up to 300m² floor area) or FOR NEW DWELLINGS – FORMED BY CONVERSION / CHANGE OF USE

	Plan Deposit Charge		Inspection Charge		Total Charge	
	Basic charge	Inc. VAT	Basic charge	Inc. VAT	Basic Charge	Inc VAT
1	180.00	216.00	420.00	504.00	600.00	720.00
2	230.00	276.00	605.00	726.00	835.00	1002.00
3	280.00	336.00	740.00	888.00	1020.00	1224.00
4	330.00	396.00	875.00	1050.00	1205.00	1446.00
5	380.00	456.00	1010.00	1212.00	1390.00	1668.00

1. For more than 5 dwellings or if the floor area of the dwelling exceeds 300m² the charge is individually determined.

TABLE B - STANDARD CHARGES FOR CERTAIN SMALL BUILDINGS, EXTENSIONS AND ALTERATIONS TO DWELLINGS

CHARGES FOR CERTAIN SMALL BUILDINGS, EXTENSIONS AND DOMESTIC ALTERATIONS						
Proposal	Plan Deposit Charge		Inspection Charge		Building Notice Charge	
	Basic Charge	Inc VAT	Basic Charge	Inc VAT	Basic Charge	Inc VAT
<i>CATEGORY 1: Extensions to dwellings</i>						
Extension(s): Internal floor area not exceeding 5m ²	125.00	150.00	200.00	240.00	325.00	390.00
Internal floor area over 5m ² but not exceeding 40m ²	150.00	180.00	250.00	300.00	400.00	480.00
Internal floor area over 40m ² but not exceeding 70m ²	150.00	180.00	350.00	420.00	500.00	600.00
Internal floor area over 70m ² but not exceeding 100m ²	150.00	180.00	500.00	600.00	650.00	780.00
<i>CATEGORY 2: Garages and Carports</i>						
<i>Erection or extension of detached or attached building or an extension to a dwelling:</i>						

which consists of a garage, carport, or both, having a floor area not exceeding 60m ² in total and is intended to be used in common with an existing building & the conversion of an attached garage into a habitable room	100.00	120.00	200.00	240.00	300.00	360.00
<i>CATEGORY 3: Loft Conversions and Dormers</i>						
<i>Formation of a room in roof space, including means of access thereto. Fees for lofts greater than 40m² are to be based on the cost of work. The fee cannot be less than shown below:</i>						
Erection of room in roof space with a floor area not exceeding 40m ² (without dormer)	150.00	180.00	250.00	300.00	400.00	480.00
Erection of room in roof space with a floor area not exceeding 40m ² (with dormer)	150.00	180.00	300.00	360.00	450.00	540.00

TABLE C - STANDARD CHARGES FOR ALTERATIONS TO DWELLINGS

Proposal	Plan Deposit Charge		Inspection Charge		Building Notice Charge	
	Basic Charge	Inc VAT	Basic Charge	Inc VAT	Basic Charge	Inc VAT
1. Installation of replacement windows and doors in a dwelling where the number of windows/doors does not exceed 20	100.00	120.00	Inc	Inc	100.00	120.00
2. Underpinning with a cost not exceeding £30,000	250.00	300.00	Inc	Inc	250.00	300.00
3. Controlled Electrical work* to a single dwelling (not carried out in conjunction with work being undertaken that falls within Table B)	250.00	300.00	Inc	Inc	250.00	300.00
4. Renovation of a thermal element i.e. work involving recovering of a roof, replacement of a floor or renovation of an external wall to which L1b applies	100.00	120.00	Inc	Inc	100.00	120.00
5. Formation of a single en-suite bathroom/shower room or cloakroom within an existing dwelling (excluding electrical work)	200.00	240.00	Inc	Inc	200.00	240.00

6. Removal of load bearing wall and insertion of steel beam/s	150.00	180.00	Inc	Inc	150.00	180.00
7. Installation of heating appliance to a single dwelling e.g. Wood burning stove.	200.00	240.00	Inc	Inc	200.00	240.00

* Not carried out under a Competent Person Scheme.

All other work within dwellings will be charged as set out in Table D.

TABLE D - STANDARD CHARGES FOR ALL OTHER WORK NOT IN TABLES A, B & C
(excludes individually determined charges)

Estimated Cost		Plan Deposit Charge		Inspection Charge		Building Notice Charge	
From	To	Basic Charge	Inc VAT	Basic Charge	Inc VAT	Basic Charge	Inc VAT
0	1,000	100.00	120.00	-	-	100.00	120.00
1,001	5,000	100.00	120.00	100.00	120.00	200.00	240.00
5,001	10,000	100.00	120.00	150.00	180.00	250.00	300.00
10,001	20,000	100.00	120.00	250.00	300.00	350.00	420.00
20,001	30,000	150.00	180.00	300.00	360.00	450.00	540.00
30,001	40,000	150.00	180.00	400.00	480.00	550.00	660.00
40,001	50,000	150.00	180.00	500.00	600.00	650.00	780.00
50,001	75,001	200.00	240.00	550.00	660.00	750.00	900.00
75,001	100,000	200.00	240.00	650.00	780.00	850.00	1020.00

Where it is intended to carry out additional work on a dwelling at the same time as undertaking an extension within Table B then the charge for this additional work (as indicated in Table D) shall be discounted by 50% subject to a maximum estimated cost of less than £10,000.

Notes:

All the above charges are on the basis that any controlled electrical work is carried out by a person who is a member of a registered Competent Person Scheme, if this is not the case an additional charge will apply.

Where the estimated cost of work exceeds £100,000 the charge will be individually assessed by Chorley Council

**Subject to a minimum plan fee of £250.00 + VAT
and inspection fee of £650.00 + VAT**

TABLE E - OTHER STANDARD CHARGES

Category of Work	Basic Charge	Inc VAT
Copy of Completion Certificate or Decision Notice	25.00	30.00
Building Regulation Confirmation letter (eg, letter of exemption)	67.50	81.00
Supply of information relating to Building Regulation applications or calculated by hourly rate if greater than 1 hour.	67.50	81.00
Service of Section 81 (Building Act 1984): Demolition Counter notice (No VAT)	150	-

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