

**24 January 2017**

**Planning and Licensing Committee**

**Planning and Building Control Fees and Charges Review**

**Report of:** *Caroline McCaffrey, Team Leader Development Management*

**Wards Affected:** *All*

**This report is:** *Public*

**1. Executive Summary**

- 1.1 This report sets out the Council's Planning and Building Control non-statutory fees and charges. Planning fees are set by central government and building fees continue to be led by market conditions.
- 1.2 It is also proposed to review the planning pre-application charging schedule on a quarterly basis and make adjustments to those fees where appropriate, to reflect the quality of service and resources provided. Otherwise, building control fees and other non-statutory fees will be reviewed on an annual basis.
- 1.3 There are no proposed fee increases to either Building Control, Local Land Charges, or to photocopying charges.

**2. Recommendation**

- 2.1 That all Planning and Building Control non-statutory fees and charges, and Local Land Charges fees, are reviewed annually; and that Planning pre-application fees are reviewed quarterly; to be revised where appropriate as agreed by the Chief Executive and the Chair of Planning and Licensing Committee.**

**3. Introduction and Background**

- 3.1 Local authorities charge for the Planning and Building Control services they provide. Certain fees and charges such as planning application fees are set by Government and so cannot be changed at the local level. However, other fees and charges such as pre-planning application advice to developers is not a statutory function and so can be charged as it is the choice of the developer/applicant whether to utilise such services.

Consequently, fees for these non-statutory services can be set by the Council. However, the rates set need to be reasonable and broadly reflect the cost of providing the service.

- 3.2 The Council's Planning and Building Control non-statutory fees and charges were reviewed in March 2015. The Building Control fees were increased by 5% and Planning pre-application fees adjusted to reflect comparative services delivered by neighbouring Essex and London authorities, along with the cost and level of service provided.
- 3.3 Fees and charges for non-statutory services are currently considered to be at a level that addresses the level of resource required to provide the demands of the service. As the emerging Brentwood Local Development Plan moves closer towards submission and adoption it is anticipated that the requirement from the development industry to engage in complex pre-application discussions will increase placing additional resource requirements on the Council. It is therefore proposed charges for those elements of the service are reviewed on a regular basis in order to meet the costs of delivering an effective service without making charges prohibitive for applicants.
- 3.4 The principal regulations governing the Local Land Charges Register, maintenance, access and the charging of fees are set in the Local Land Charges Act of 1975 and Rules of 1977. Fees and charges should normally be set to recover the full cost of the service, which should usually be the total cost of all resources used in providing the service. This includes direct and indirect costs, including a full proportional share of overhead costs, distribution costs, insurance, depreciation and costs of capital.

#### **4. Existing Planning, Building Control and Local Land Charges Fees and Charges**

- 4.1 The Borough's current fees and charges are set out on the Council's website so that those preparing a planning application or undertaking a Local Land Charges search are informed of rates in advance. Appendix A of this report sets out the fees and charges for Building Control, planning applications, pre-application advice, and Local Land Charges.

#### **5. Reasons for Recommendation**

- 5.1 Ongoing budget constraints facing the public sector continue to be a factor in Council services seeking to generate income wherever possible to contribute to the provision of high quality services to residents and businesses. At this juncture it is not considered that an increase to non-

statutory fees and charges is required, but this should continue to be reviewed on a regular basis and adjusted to reflect both the level of demand from the development industry and the Council's resources to provide a high standard of service. It is therefore proposed that all Planning and Building Control non-statutory fee income continues to be ring-fenced to the Planning and Development service area in order to justify charges and reassure applicants that the service they are paying for will be delivered.

- 5.2 Local Land Charge fees, having regard to the 1975 Act, are considered to be at a level that addresses the level of resource required to provide the demands of the service at cost. HMRC have confirmed that VAT at 20% is to be imposed on the CON29 element of the search from 1 January 2017 and the fees reflect this. The fees have been reviewed in order to ensure that a cost recovery service is maintained and will be reviewed in line with any future legislative changes.

## **6. Consultation**

- 6.1 Discussions with staff, planning agents and the managed service provider for Development Management have assisted in the preparation of this report.

## **7. References to Vision for Brentwood 2016-19**

- 7.1 Proposals in this report support a range of themes in the Council's corporate plan Vision for Brentwood 2016-19. These include providing services that deliver sustainable development, and supporting the Transformation agenda to ensure modern and efficient service delivery whilst considering resources and income generation.

## **8. Implications**

### **Financial Implications**

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- 8.1 Approving fees and charges for Council departments is an essential part of setting the budget for 2017/18. Although no substantive increases are deemed appropriate at present, the recommendation is to ensure regular review is undertaken to accurately reflect a balance between income generation and resource management. This is informed by market demand and so income cannot be guaranteed due to reliance on the development industry coming forward with proposals and agreeing to pay non-statutory fees and charges proposed. However, maintaining a quality

service that is competitively priced will ensure a significant contribution is made towards the Council's budget deficit.

### **Legal Implications**

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8.2 The Local Government Act 1999 provides that the Council is under a general duty to "make arrangements to secure continuous improvement in the way its functions are exercised, having regard to a combination of economy, efficiency and effectiveness" Statutory Guidance, revised in March 2015, emphasises that authorities should engage service users and the wider community in consultation on options for the future and reshaping of the service.

8.3 Charges for discretionary services such as pre-application advice and planning performance agreements are, in principle, allowed by the Local Government Act 2003.

8.2 **Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

8.3 No other implications are identified.

### 9. **Background Papers**

9.1 None

### 10. **Appendices to this report**

- Appendix A - Proposed 17/18 Planning and Building Control Fees and Charges

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