

1st March 2016

Planning and Licensing Committee

Planning and Building Control Fees and Charges Review

Report of: *Gordon Glenday, Head of Planning and Development*

Wards Affected: *All*

This report is: *Public*

1. Executive Summary

- 1.1 In March 2015, the Planning and Development Committee approved a recommendation to review the Council's Planning and Building Control non-statutory fees and charges annually. The current fees and charges have been benchmarked against the rates charged in a number of other Boroughs to gauge how Brentwood's rates compare with similar services elsewhere. The evidence indicates that Brentwood is currently charging less for the discretionary planning services it provides than nearby authorities.
- 1.2 Officers have reviewed the schedule of fees and propose to increase the non statutory planning fees and charges to a more appropriate level which reflect the cost to the Council of providing the service. With regard to Building Control, however, it is considered that the current rates reflect the market level and so no changes are proposed to these rates.
- 1.3 This report recommends that as well as increasing the charges for some non statutory services currently offered at a cost, a new charge should be introduced for residential pre-application advice. This service is currently free to homeowners.

2. Recommendations

That the Council's non-statutory Planning fees and charges be amended to the rates outlined in TABLE 2 of this report, with effect from 1 April 2016.

3. Introduction and Background

- 3.1 Certain fees and charges such as planning application fees are set by central government and so cannot be changed at the local level. However local authorities have the power to charge for the provision of discretionary services or decide not to provide such services at all. Most local authorities choose to provide a broader range of planning and building control services than the statutory minimum and exercise the power to charge for their provision. For example there is no requirement for local authorities to provide pre application advice although officers and developers find this a useful service to have available. A developer or householder can buy such advice from the market place or from the local authority if such a service is offered. In setting the level of charges local authorities are required to set the rates which broadly reflect the cost of providing the service.
- 3.2 Given the Council's on-going budget challenges, there is increasing pressure on service areas to generate and increase income wherever possible to contribute to the funding of the Borough's services. The Planning Service therefore needs to explore the opportunities available to generate income from the non-statutory services it offers in order to provide a high quality of service to its customers. This report has considered the fees currently charged by the Council compared with some other authorities to give an idea of the varying rates charged. Rates across other councils vary depending upon the cost and level of service provided.
- 3.3 To provide the level of service required in the current local government budgetary environment means that recovering costs through planning and building control fees is imperative. The rates proposed in TABLE 2 seek to generate an appropriate fee income for 2016/17 to meet the costs of delivering an effective pre-planning application service without making the charges prohibitive for developers or homeowners.

4. Proposed Planning and Building Control Fees and Charges

- 4.1 The Borough's current fees and charges are set out on the Council's website so that all developers know the rates in advance of preparing their proposals. If the proposed changes to the Council's fees and charges are accepted, the new rates will need to be published, for example by uploading to the website, so that developers are aware of the changes.

TABLE 1: BRENTWOOD COUNCIL'S CURRENT PLANNING FEES (inc VAT)

<p>No Fee</p>	<p>A single meeting with householders living within Brentwood Borough and/or their agents concerning the extension or alteration of their dwelling (but not the redevelopment or replacement of their dwelling).</p> <p>A single meeting with the operators of businesses within Brentwood Borough and/or their agents concerning the extension or alteration of their business premises, including the proposed display of advertisements relating to those premises (but not the redevelopment of their businesses premises)</p> <p>The owners or occupiers of listed buildings concerning structural alterations to their buildings that would require listed building consent.</p>
<p>Band A - £100</p>	<p>Second or subsequent meetings with those entitled to a free first meeting (except in relation to Listed Building Consent issues where all meetings are free). Non-residents of Brentwood Borough in connection with extensions or alterations of dwellings within the Borough.</p>
<p>Band B - £500</p>	<p>Development comprising the extension or alteration of buildings, the construction of ten dwellings or fewer or non-residential development of less than 1000 sq m.</p> <p>The change of use of buildings resulting in equivalent accommodation or other development including the 'variation' of conditions or planning obligations</p>
<p>Band C - £1500</p>	<p>Developments in excess of ten dwellings or 1000 sq m of non-residential development where one meeting is required.</p> <p>Change of use of equivalent accommodation</p>
<p>Band D - £negotiable:-</p>	<p>Larger or more complex Band B or C developments where a developer may wish to embark on a programme of meetings.</p>

4.2 The Council has been working on its evidence base for fee setting to achieve cost recovery and while that work is ongoing it indicates that the level of fees and charges do not currently achieve cost recovery. A revised scale of charges is suggested and it is recommended that the fees be increased with immediate effect. The proposed revised schedule of non statutory planning fees and charges for the current Bands outlined in TABLE 1 to the levels outlined in TABLE 2.

TABLE 2: PROPOSED PLANNING FEES AND CHARGES (inc VAT)

Band	Title	Written response only	Subsequent written response (following decision notice)	Single meeting with Planning Officer, with written response	Subsequent single meeting with Planning Officer, with written response (following decision notice)
A	Householder extension or alteration	£80	£80	£200 (30 minutes)	£200 (30 minutes)
B	Replacement or erection of single dwelling	£100	£100	£400 (up to 1 hour)	£400 (up to 1 hour)
C	Minor Developments	£250	£250	£1,000 (1 hour)	£1,000 (1 hour)
D	Major Developments	N/A	N/A	£2,500 * (1-2 hour(s))	£2,500 * (1-2 hour(s))
E	Strategic	N/A	N/A	By Negotiation	By Negotiation
F	Listed Building	£80	£80	Site meeting and written response £400 (up to 1 hour)	By Negotiation

If you wish to obtain Specialist advice such as Listed Building, Design Advice, Building Control, Arboricultural or Environmental Health, on any of the above categories, please add an additional £80, per specialist per hour to the above total shown. All fees stated above include VAT.

Explanation of Bands

A- All householder residential extensions, single, two storey etc.

B- One replacement dwelling or creation of one additional dwelling or annexe

C- Net increase or creation of 2 to 9 dwellings.

Change of use of a building.

Creation, extension or alteration of a non residential unit with a total floor space up to 999 square metres.

D- Net increase or creation of 10 to 49 dwellings.
Creation, extension or alteration of a non residential unit with a total floor space of 1,000 square metres to 4,999 square metres.

* DTM (Development Team Meeting) by agreement

E- Net increase or creation of 50 dwellings and over.
Creation, extension or alteration of a non residential unit with a floor space over 5,000 square metres.

F- Listed Building advice for works that do not require planning permission

Any categories not covered by the above, by negotiation.

4.3 With regard to Building Control fees, it is considered that the current rates charged already reflect the cost of providing the service and so no increase is proposed.

5. Reasons for Recommendation

5.1 The Council agreed to review its non statutory planning fees and charges annually. The proposed review of the non statutory planning fees and charges outlined in Section 4 of this report will better position Brentwood's Planning and Building Control services to fund the increasing needs for high quality, cost effective services.

5.2 It is important to acknowledge that any increased fee income resulting from the proposed increase in fees and charges is justified on the basis that the planning and building control services need to be delivered to a high standard. Such a high quality service requires appropriate funding to deliver the services that the higher fee paying developers will expect. The Council must provide value for money for the services it charges. The purpose of the fees is to meet the costs of providing these non statutory services. It is therefore proposed that all planning and building control non statutory fee income is ring-fenced to the Planning Service area in order to comply with the legislation, justify the charges and reassure developers that the service they are paying for will be delivered effectively.

5.3 It is difficult to be precise as to how much additional income the proposed new rates would generate as this very much depends upon the development industry's willingness to buy the services offered. However, as the Council currently provides a free service for over 300 residential applications the introduction of a £200 fee for meetings could generate a significant additional income. However, the introduction of a charge could put some householders off from using the service so the number of requests for residential pre-

application advice could well reduce and the introduction of a fee for written advice only at a lower charge of £80 will now also be available. Nevertheless, given the overall costs of an average household development (build costs and other professional fees), a £200 charge is still relatively modest. If it is assumed that if there is a reduced demand from 300 to 200 residential requests per annum, this would still generate circa £40k pa from residential applications alone. Increases to the other Bands is more difficult to assess but it is reasonable to assume that there could be an increase in these fees of £10k.

- 5.4 Officers propose to keep the matter under review and add to its evidence base for future fees setting decisions.

6. **Consultation**

- 6.1 Discussions with staff have been held in the preparation of this report. Benchmarking against the fees and charges of other similar local authorities has also been undertaken.

7. **References to the Corporate Plan**

- 7.1 Proposals in this report support the Modern Council theme of the Corporate Plan in making efficiencies and savings, while improving service delivery to customers.
- 7.2 The planning service itself supports the Prosperous Borough theme by its promotion of quality development and growth.

8. **Implications**

Financial Implications

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- 8.1 If the proposed Planning and Building Control fees and charges are approved and introduced for 1 April 2016, the Council's fee income for planning services could increase by circa £50K in 2015/16 based on previous levels of planning service charges. If this income level were to be achieved for 2016/17, it would make a significant contribution towards the Council's budget deficit. It must be stressed, however, that this income cannot be guaranteed and is reliant on the development industry coming forward with development proposals and agreeing to pay the non statutory fees and charges proposed.

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 September 2011, emphasises that authorities should engage service users and the wider community in consultation on options for the future and reshaping of the service.

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

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

- 8.4 No other implications are identified.

9. Background Papers

- 9.1 None

10. Appendices to this report

None

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