

Report to the Cabinet



**Epping Forest
District Council**

Report reference: C/020/2006-07.

Date of meeting: 10 July 2006.

Portfolio: Planning and Economic Development.

Subject: Building Control Fees And Charges 2006/07.

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Recommendations:

- (1) That, in pursuance of The Building (Local Authority Charges) Regulations 1998, the Scheme of Charges set out in Appendix 1 be adopted;**
- (2) That the Charges be introduced with effect from 31 July 2006; and**
- (3) That, as required by the Charges Regulations, the Head of Planning Services be authorised to advertise the introduction of the new Scheme of Charges.**

Report:

1. The Building (Local Authority Charges) Regulations 1998 came in to operation on 1 April 1999. These Regulations require each Local Authority to adopt a scheme of charges, within which they fix their charges for carrying out functions under the Building Regulations and to amend them from time to time. Details of the Scheme have to be advertised at least seven days before its introduction.
2. The charges regulations require the charges to be set reasonably, so that the estimated income derived is not less than the proper cost of performing the relevant building regulation functions. The current Scheme of Charges was introduced on the 1 January 2003 and members have agreed that the charges remain at this level since then.
3. A clear intention of the decision to delegate these charges for setting locally was that the charges should not deliberately and consistently be set so that a significant surplus was made. In addition the charges need to be set for a reasonable period, rather than being frequently adjusted.
4. The current position at EFDC is as follows:

Year	Income (£)	Expenditure (£)	(Surplus)/ Deficit (£)	Cumulative Surplus taken to Ring Fenced Account (£)	DDF Expenditure (£)
2000/01	387,652	355,433	(32,219)	(32,219)	
2001/02	365,398	362,164	(3,234)	(35,453)	

2002/03	459,652	351,314	(108,338)	(143,791)	
2003/04	513,094	459,747	(53,347)	(197,138)	3,000
2004/05	543,215	622,709	79,494	(117,644)	85,000
2005/06	510,565	571,519	60,954	(56,690)	31,000
2006/07 Est.	526,140	585,760	59,620	2,930	25,000

5. The purpose of this report is to consider the current position and future demands on the ring-fenced account. A consequence of this consideration will have an impact on whether the charges are left at their present level or increased.
6. From 2001/01 to 2004/05 the charges received have covered the costs of the service, in fact in some years surpluses have been accrued which have been used to improve service delivery in accordance with the requirements of the legislation.
7. In the previous financial year, 2005/06 this has not been the case. This is partly due to reduced income and the need to fund the budgeted shared cost of maintaining the new Planning/Local Land Charges ICT computer system.
8. In addition to this, a report to Cabinet on the 24 October 2005 agreed a new administrative structure for Planning & Economic Development Services, the cost of which would be offset by £18,000 per annum from the Building Control ring fenced account.
9. The 2006/07 Service Plan for Building Control notes that the team has run with very low staff numbers for some time, with consequent limits on the service that has been given. Consultants and agency staff have been used to help provide this service but this is costly and even with this assistance only a very basic level of service can still be provided. The plan outlines that recruitment issues need to be urgently addressed, the next step being to recruit into key positions, which may only be possible with the payment of market supplements.
10. Providing that the team can recruit and train successfully then service to the customer can return to what it should be, and the surplus may return to a neutral position.
11. There have been amendments to the Building Regulations, which has placed an additional burden on the authority to deal with for example, Part E (Sound) Part F (Ventilation) Part L (Conservation of fuel and power) in relation to replacement windows, Part M (Access to and use of buildings) and Part P (Electrical safety). The scheme of charges should therefore be amended to take into account the additional work involved due to these amendments.

Statement in Support of Recommended Action:

12. To do nothing would be imprudent, and is hardly commensurate with a performance management approach, or paying attention to customer concerns about building control service delivery. For reasons set out in the service plan, the need for recruitment is urgent; therefore it makes sense to increase the fees to take the necessary costs of this into account. The agreed cost of the basic administrative structure for Planning & Economic Development Services and the ongoing funding of the Planning/Local Land Charges ICT computer system will also necessitate an increase.

13. As can be seen in Appendix 2, The recommended increase is still in line with the charges other Local Authorities are making in respect of their charges for building regulations work
14. In view of the above circumstances it is considered prudent for the level of Building Regulation charges to be increased by 10%. The increase to be effected in relation to the standard charges in the Scheme and where the charge is based upon the estimated cost of the building work involved.
15. The new scheme of charges, which reflects the proposed increase is recommended to operate from the 31 July 2006, is set out in Appendix 1.

Other Options for Action:

16. One option is to do nothing, However failure to increase the charges could place an additional burden on the Council's resources and the cost of the building control service may not be recovered over a continuous, rolling three year accounting period, which would be a breach of the Building (Local Authority Charges) Regulations legislation.

Consultation undertaken:

17. Within other Essex Authorities, the Service, and Management Board.

Resource implications: As set out above.

Budget provision: Estimated income derived to increase by £35,760.

Personnel: Recruitment of Building Control staff.

Land: Nil.

Community Plan/BVPP reference: We will continue to control our budgets in an efficient and economic way.

Relevant statutory powers: The Building (Local Authority Charges) Regulations 1998.

Background papers: Nil.

Environmental/Human Rights Act/Crime and Disorder Act Implications: Nil.

Key Decision reference (if required): Given the total sum accrued, this would probably qualify as a key decision for the Council.

APPENDIX 1

EPPING FOREST DISTRICT COUNCIL

THE BUILDING (LOCAL AUTHORITY CHARGES) REGULATIONS 1998

SCHEME OF CHARGES

1.0 Commencement

This Scheme of Charges shall come into force on the 31st July 2006 and is pursuant to The Building (Local Authority Charges) Regulations 1998

2.0 Interpretation

(1) In this Scheme, unless the context otherwise requires-

A carport means a building forming a shelter for a vehicle, open on at least two sides;

A cost does not include any professional fees paid to an architect, quantity surveyor or any other person;

An estimate in relation to the cost of carrying out building work, means an estimate, accepted by the Council, of such reasonable amount as would be charged for the carrying out of that building work by a person in business to carry out such building work (excluding the amount of any value added tax chargeable), references to An estimated cost shall be construed accordingly;

An extension means an extension, which has no more than three storeys, each basement storey (if any) counting as one storey;

A small domestic means a building (including connected drainage work within the curtilage of that building)-

(a) Which is intended to be used wholly for the purposes of one or more dwellings, none of which has a floor area exceeding 300m², excluding any garage or carport

(b) The whole of which is-

(i) Shown on plans deposited for the purposes of section 16 of the Act,

(ii) Shown on plans accompanying a building notice, or

(iii) Shown on plans given to the Council in accordance with regulation 18 of the Approved Inspectors Regulations;

(c) Which has no more than three storeys, each basement storey counting as one storey, including such building which incorporates an integral garage or to which is attached a garage carport or both which shares one or more walls with that building.

(2) All other interpretation of this Scheme shall be made by reference to the definitions and terms contained in The Building (Local Authority Charges) Regulations 1998.

3.0 Principles of the Scheme

- (1) This Scheme fixes the recovery of the following charges;
 - (a) **A Plan Charge** - for or in connection with the passing or rejection by the Council of plans of proposed building work deposited in accordance with section 16 of the Act;
 - (b) **An Inspection Charge** - for or in connection with the inspection of building work for which plans have been deposited in accordance with the Principle Regulations and with section 16 of the Act;
 - (c) **A Building Notice Charge** - for or in connection with the consideration of a building notice, which has been given to the Council in accordance with the Principle Regulations;
 - (d) **A Reversion Charge** - for or in connection with the consideration of building work reverting to the control of the Council;
 - (e) **A Regularisation Charge** - for or in connection with the consideration of an application under regulation 13A of the Principle Regulations and the inspection of any building work to which that application relates.
- (2) The sum of the Plan Charge and the Inspection Charge shall be equal to the Building Notice Charge.
- (3) The Reversion Charge shall be equal to the Building Notice Charge.
- (4) The Regularisation Charge shall be 20% greater than the Building Notice Charge.
- (5) Where an application or building notice is in respect of building work which is substantially the same as building work in respect of which plans have previously been approved or building works inspected by the Council and any such approval has not been declared to be of no effect in accordance with section 32 of the Act, and where the Council is satisfied that the owner of the plans who deposits them or who gives a building notice in respect of them, is the same person who originally deposited the plans or gave a building notice in respect of them, the Council will not require a further Plan Charge or Building Notice Charge.

4.0 Amount of charges

- (a) Schedule 1 shall have effect to determine the amount of charges payable in the case of the erection of one or more small domestic buildings and certain connected work specified in that schedule;
- (b) Schedule 2 shall have effect to determine the amount of charges payable in the case of the erection of certain garages, carports, alterations, extensions and minor works specified in that schedule;
- (c) Schedule 3 shall have effect to determine the amount of charge payable in any case other than one mentioned in sub-paragraph (a) or (b) above

5.0 Exemption in relation to work for disabled people

(1) The Council is not authorised seek to recover a charge:

(a) Where the Council is satisfied that the whole of the building work in question consists of an alteration: and-

(b) Where the building work is-

(i) Solely for the purpose of providing means of access to enable disabled persons to get into or out of an existing building and to or from any part of it, or of providing facilities designed to secure the greater health, safety, welfare or convenience of such persons; and

(ii) Is to be carried out in relation to-

(a) An existing building to which members of the public are admitted (whether on payment or otherwise); or

(b) An existing building which is, or is to be, occupied by a disabled person.

(2) The Council will not recover a charge, which consists solely of a charge in respect of building work for the provision or extension of a room in a dwelling where it is satisfied that the sole use of the room is or will be-

(a) For the carrying out of medical treatment of a disabled person which cannot be reasonably be carried out in any other room of the dwelling; or

(b) For the storage of medical equipment for the use of a disabled person; or

(c) To provide necessary accommodation or a necessary facility by adapting or replacing accommodation or a facility which already existed within the dwelling which was incapable of being used, or used without assistance, by the disabled person.

(3) For the purposes of this Scheme, 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**(a)** applied, as that section was extended by section 8(2) of the Mental Health Act 1959) **(b)**, but not taking into account amendments made to section 29(1) by paragraph 11 of schedule 13 to the Children's Act 1989**(c)**.

(6) Estimates to be provided in certain cases

(1) No later than the time when plans are deposited with the under section 16 of the Act, or a building notice given to the Council, the Council shall, except in the case of building work described in regulation 7(1); have received a written estimate of the cost of the building work.

(2) Where building work of a kind -

(a) Not described in regulation 7(1); and

(b) In respect of which a reversion charge is payable,

reverts to the control of the Council, any plans relating to that building work given to the Council in accordance with regulation 18 of the Approved Inspectors Regulations shall be accompanied by a current estimate in writing of the cost of that building work.

SCHEDULE 1

CHARGES FOR ONE OR MORE SMALL DOMESTIC BUILDINGS AND CONNECTED WORK

1. **Plan Charge** - The plan charge is payable in respect of the erection of one or more small domestic buildings it shall be the total of the sums shown in, or calculated by reference to columns (2) and (3) of the Table in this schedule as relevant for the number of dwellings in that building or those buildings.
2. **Inspection Charge** - The inspection charge payable in respect of the erection of one or more small domestic buildings or connected works is the total of the sums shown in, or calculated by reference to, columns (4) and (5) of the Table in this Schedule.
3. **Building Notice Charge**- 0The building notice charge payable in respect of the erection of one or more small domestic buildings is the total of the plan charge and inspection charge which would be payable in accordance with the Table in this Schedule if plans for the carrying out the building work had been deposited in accordance with the Principal Regulations.
4. **Reversion Charge** - The reversion charge payable in respect of the erection of one or more small domestic buildings is the amount of building notice charge which would be payable in accordance with these Regulations if a building notice in relation to the carrying out of that building work had been deposited in accordance with the Principal Regulations.
5. **Regularisation Charge** - The regularisation charge payable in respect of the erection of one or more small domestic buildings is an amount equal to 120 percent of the total of the building notice charge which would be payable in accordance with the Table in this Schedule if a building notice in relation to the carrying out of that building work had been deposited at the time of the application for regularisation in accordance with the Principal Regulations.
6. For the purposes of the Table, the reference in the heading to column (1) is a reference to the number of dwellings in the building or buildings referred to in paragraph 1 above.

TABLE TO SCHEDULE 1

Charges For Small Domestic Buildings

Number of Dwellings	Plan Charge		Inspection Charge	
	Charge	Additional Charge for each dwelling above the minimum number in the band in column (1)	Charge	Additional Charge for Each dwelling above the minimum number in the band in column (1)
(1)	(2) £	(3) £	(4) £	(5) £
1	182.33	-	208.36	-
2	266.66	-	390.69	-
3	352.23	-	566.80	-
4	436.57	-	749.11	-
5	527.11	-	925.23	-
6	618.89	-	1021.97	-
7	644.93	-	1230.33	-
8	670.98	-	1438.69	-
9	697.03	-	1647.05	-
10	703.23	-	1875.26	-
11	709.42	-	2057.58	-
12	716.87	-	2239.90	-
13	723.07	-	2422.21	-
14	729.27	-	2604.53	-
15	735.47	-	2786.85	-
16	742.92	-	2969.16	-
17	749.11	-	3151.48	-
18	755.32	-	3333.79	-
19	761.52	-	3516.12	-
20	768.96	-	3698.43	-
21 to 30	781.35	13.65	3829.02	130.23
31 and over	917.86	6.20	5131.31	97.99

SCHEDULE 2

CHARGES FOR CERTAIN SMALL BUILDINGS, EXTENSIONS AND ALTERATIONS

1. Calculation of Charges

For building work specified in column (1) of the Table in this Schedule:

- (a) **Plan Charge** - the plan charge payable is the amount, if any shown in column (2) of the table in relation to that building work;
- (b) **Inspection Charge** - the inspection charge payable is the amount, if any shown in column (3) of the Table in relation to that building work;
- (c) **Building Notice Charge** - the building notice charge payable is the amount shown in column (4) of the Table in relation to that building work;
- (d) **Reversion Charge** - the reversion charge payable is the amount shown in column (4) of the Table in relation to that building work;
- (e) **Regularisation Charge** - The regularisation charge payable is the amount shown in column (4) of the Table in relation to that building work;

2. Interpretation of Schedule

- (a) Where the building work in question comprises or includes the erection of more than one extension of a building used or intended to be used for the purpose of a single private dwelling, the total floor areas of all such extensions may, be aggregated in determining the charge payable in accordance with the Table in this Schedule.
- (b) In the Table in this Schedule: a reference to a dwelling is a reference also to a building consisting of a garage or carport or both which is occupied in common with a house or with a building consisting of flats or maisonettes or both.

TABLE TO SCHEDULE 2

Charges For Certain Small Buildings, Extensions and Alterations

<p align="center">Type of Work</p> <p align="center">(1)</p>	<p align="center">Amount of Plan Charge</p> <p align="center">(2)</p> <p align="center">£</p>	<p align="center">Amount of Inspection Charge</p> <p align="center">(3)</p> <p align="center">£</p>	<p align="center">Amount of Building Notice Charge or Reversion Charge</p> <p align="center">(4)</p> <p align="center">£</p>	<p align="center">Amount of Regularisation Charge</p> <p align="center">(5)</p> <p align="center">£</p>
<p>1. Erection of a detached building which consists of a garage or carport or both having a floor area not exceeding 40m² in total and intended to be used in common with an existing building, and which is not an exempt building.</p>	34.97	92.79	127.76	153.31
<p>2. Any extension of a dwelling the total floor area of which does not exceed 10m², including means of access and work in connection with that extension.</p>	62.02	186.04	248.06	297.67
<p>3. Any extension of a dwelling the total floor area of which exceeds 10m², but does not exceed 40m², including means of access and work in connection with that extension.</p>	97.67	293.02	390.69	468.83
<p>4. Any extension of a dwelling the total floor area of which exceeds 40m² but does not exceed 60m², including means of access and work in connection with that extension</p>	130.23	391.39	521.62	625.94

SCHEDULE 3

WORK OTHER THAN WORK TO WHICH SCHEDULES 1 AND 2 APPLY

1. Building Notice Charge and Reversion Charge

The amount of any building notice charge or regularisation charge for any building work shall be that shown in the Table to this Schedule, in relation to the estimated cost of that building work.

(b) Where building work is carried out to an existing dwelling and the work consists of the provision or replacement or extension of windows, roof lights, roof windows and external doors and the estimated cost of the work does not exceed £5,000 the building notice charge shall be £61.79 and the regularisation charge shall be £74.15. Where one Full Plans application or Building Notice is in respect of two or more dwellings and relates to building work that consists solely of the provision or replacement or extension of windows, roof lights, roof windows and external doors and the building work to each of the dwellings is substantially the same a 25% reduction in the building notice charge will be made.

2. Plan Charge

(a) The amount of any plan charge for building work the estimated cost is £5,000 or less shall be the amount of the building notice charge which would by virtue of paragraph 1 be payable in respect of that work

The amount of the plan charge for any building work the estimated cost of which is more than £5,000 shall be 25 percent of the building notice charge which would by virtue of paragraph 1 be payable in respect of that work.

3. Inspection Charge

(a) No Inspection Charge is payable in respect of any building work the estimated cost of which is £5,000 or less, notwithstanding that an inspection is carried out.

(b) The amount of the inspection charge for any building work the estimated cost of which is more than £5,000 shall be 75 percent of the building notice charge which would by virtue of paragraph 1 be payable in respect of that work.

4. Regularisation Charge

The amount of the regularisation charge for any building work shall be 120 percent of the building notice charge which would by virtue of paragraph 1 be payable in respect of that work.

TABLE TO SCHEDULE 3

Calculation of Charges For All Other Building Work

1.	Where the estimated cost is £2000 or less	£118.25
2.	Where the estimated cost exceeds £2,000, but does not exceed £5,000	£209.69
3.	Where the estimated cost exceeds £5,000, but does not exceed £20,000	
	(a) The sum of together with	£209.69
	(b) For every ,1,000 (or part thereof) by which the estimated cost exceeds £5,000 the sum of.....	£10.44
4	Where the estimated cost exceeds £20,000, but does not exceed £100,000	£392.13
	(a) The sum of together with	
	(b) For every £1,000 (or part thereof) by which the estimated cost exceeds £20,000 the sum of	£11.48
5.	Where the estimated cost exceeds £100,000, but does not exceed £1,000,000	£1,195.95
	(a) The sum of together with	
	(b) For every £1,000 (or part thereof) by which the estimated cost exceeds £100,000 the sum of	£4.44
6.	Where the estimated cost exceeds £1,000,000, but does not exceed £10,000,000	
	(a) The sum of together with	£4,001.66
	(b) For every £1,000 (or part thereof) by which the estimated cost exceeds £1,000,000 the sum of.	£3.50

APPENDIX 2

ESSEX GROUP AUTHORITIES COMPARISON (Revised April 06)

Authority	Dwelling	Extension 10 sqm	Extension 10-40sqm	Extension 40-60 sqm	Garage/ carport < 40 sqm	Alteration works £0000-2000	Replacement windows	Loft Conversions
Basildon	390.00	228.00	332.00	443.00	115.00	120.00	100.00	
Braintree	469.000	258.72	377.02	499.57	127.66	114.04	74.47 or est	On est
Brentwood	588.00	237.46	347.71	456.01	150.00	102.50	100.00 or est	On est
Castle Point	527.00	223.83	327.66	438.30	110.64	100.00	100.00	<40 sqm 327.66 or on est
Chelmsford	309.00	190.55	318.27	424.37	106.09	100.0	51.06	On est
Colchester	351.00	221.50	350.40	464.80	123.80	100.00	60.00	On est
Epping	390.69	243.65	390.69	521.62	127.76	118.25	61.79	On est
Harlow	542.00	229.79	403.40	539.57	136.17	135.30	On est	404.40 (max 2 rooms + bathroom) or On est
Maldon	554.66	283.30	424.95	566.61	147.51	137.53	127.77	<40m2 424.95 >40<60m2 566.61 .60m2- On est
Rochford	300.0	200.0	300.0	400.0	100.0	100.00	On est	On est
Southend	467.78	262.05	395.65	529.25	128.46	115.50	61.66	<£25,000 value 395.65
Tendring	449.00	238.80	357.45	474.04	110.64	106.38	74.89	On est, min 357.44
Thurrock	359.00	239.68	359.48	479.24	119.80	124.20	72.45	10-40m2 359.48 40-60m2 463.04 or On est
Uttlesford	540.00	230.00	400.00	520.00	120.00	100.00	On est	On est
Suffolk (Babergh)	485.00	260.00	365.00	470.00	155.00	100.0	70.00	On est – min 300.00
Suffolk	Minor alteration work with an extension	£0-2000 value 55.00	£2001- £5000 value 70.00					