RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING & DEVELOPMENT COMMITTEE

Agenda Item No. 11

meeting date:THURSDAY, 11 JANUARY 2018title:APPROVAL OF INCREASE TO BUILDING CONTROL FEES 2018/19submitted by:MARSHAL SCOTT – CHIEF EXECUTIVEprincipal author:HEATHER BARTON – HEAD OF ENVIRONMENTAL HEALTH SERVICES

1 PURPOSE

- 1.1 To approve increased fees and charges in relation to Building Control Services.
- 1.2 Relevance to the Council's ambitions and priorities:
 - Council Ambitions To help make people's lives safer and healthier.
 - Community Objectives To support health, environmental, economic and social wellbeing of people who live, work and visit Ribble Valley.
 - Corporate Priorities To enable the delivery of effective and efficient services.
 - Other Considerations None.

2 BACKGROUND

- 2.1 In accordance with Government policy, Local Authorities have been empowered to charge for carrying out main Building Control functions relating to building regulations, based on the principle of full cost recovery since the late 1970's. Initially charges were prescribed fees set by Government but have been devolved to Local Authorities since the introduction of The Building (Local Authority) Charges Regulations 2010.
- 2.2 The Council's Building Control fees are reviewed in line with fees and charges applied by other Building Control Services in Lancashire. The previous increase was September 2016. Charges are kept competitive due to direct competition from the private sector (Approved Inspectors) who are often preferred and used by larger house builders and persons wishing to avoid the Local Authority. Currently Local Authorities have 65 75% of the Building Control market.

3 ISSUES

- 3.1 The new Ribble Valley Scheme of Charges has been based on the LABC model scheme in setting out standard charges for the majority of projects applicable in Ribble Valley. The scheme is similar to schemes in Pendle, Rossendale, Hyndburn Council and Pennine Lancashire.
- 3.2 The principles of the scheme are that the user pays for the service provided. The new scheme of charges has been formulated using many years of national and local experience. Local Authorities are reminded in the CIPFA accountancy guide that they should not use building regulation charges to offset other Building Control functions or any other function of the Council.
- 3.3 As in previous years, applications to provide access or facilities for disabled persons to existing dwellings and disabled adaptations to buildings to which the public have access are exempt from Building Regulation charges. The cost of the Building Control Service for such projects being met from Council funds.

- 3.4 Nationally continuing competition from private 'Approved Inspectors' has resulted in approximately 25 35% of work being undertaken by the private sector. In order for Local Authorities to remain competitive, building regulation charges must be set at a reasonable level, be fair and equitable relative to the degree of involvement by Building Control.
- 3.5 The appendix sets out the new Ribble Valley Scheme of Building Regulation Charges. Overall the proposed changes would result in an overall 2 2.5% increase in charges. The full scheme will be made available on the internet, a simplified version being available for day to day use.
- 3.6 Examples of the changes are:

	Present scheme	New Scheme
	£ (ex vat)	£ (ex vat)
New Single dwelling	720.00	750.00
Extension >6m ² <40m ²	491.60	500.00
Loft conversion with dormer	478.30	487.50
Work estimated cost £15,000	375.00	391.67
Work estimated cost £70,000	851.67	875.00
Work estimated cost £95,000	1016.67	1037.50

- 3.7 Minor alterations have been made to the wording in Table C to provide clarity.
- 3.8 Building Regulation charges are subject to competition. They must be competitive and fair whilst still maintaining cost recovery for the service. Several charges have been reduced to reflect the relatively low input from our service. Other charges have been rounded to keep the charges easier to understand.
- 3.9 In August 2017, the Budget Working Group considered the overall three-year Budget Forecast. In summary the forecast shows a potential budget deficit for 2018/19 of £774k after taking £250k from general fund balances.
- 3.10 The key messages from Budget Working Group to officers and also for Committees to bear in mind when reviewing the fees and charges are:
 - Any charges should look to meet the costs of providing the services being used.
 - As an **absolute minimum** all fees and charges should be increased by 2%.
 - Where possible comparisons should be made to the charges being made by our neighbours in Lancashire – or wider if appropriate.
 - We should thoroughly review our services for areas where we are not charging but where a charge may be made/be appropriate.
 - As part of the review, we should be looking at innovative ways of charging.
- 3.11 The forecast includes an overall increase in income from fees and charges of 2%. Service committees are requested to review their fees and charges in order to achieve this targeted income.
- 3.12 The proposed increase in charges should result in an additional income of £5,000 a year. The current deficit in Building Control for 2016/2017 was £43,832.
- 4 RISK ASSESSMENT
- 4.1 The approval of this report may have the following implications:

- Resources The report has the financial implications as set out above.
- Technical, Environmental and Legal Ensure appropriate levels of fees and charges are applied in relation to services delivered.
- Political To enable the delivery of effective and efficient services.
- Reputation Substantial increase to charges can generate adverse publicity.
- Equality & Diversity No implications identified.

5 **RECOMMENDED THAT COMMITTEE**

5.1 Approve the recommended increased fees and charges in relation to Building Control Services as set out in the Appendix to this report.

HEATHER BARTON HEAD OF ENVIRONMENTAL HEALTH SERVICES MARSHAL SCOTT CHIEF EXECUTIVE

For further information please ask for Geoff Lawson, extension 4508.



RIBBLE VALLEY BOROUGH COUNCIL **BUILDING REGULATION CHARGES** The Building (Local Authority Charges) Regulations 2010 Charges with effect from 1st February 2018 (VAT rate of 20.00%)



Explanatory Notes

1. Before you build, extend or convert, you or your agent must advise your local authority either by submitting Full Plans or a Building Notice. 6. 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 7.

If you have difficulties calculating the charges ring Building Control on 01200 414508.

Charges are payable as follows: 2.

2.1 Should you submit Full Plans you will pay a plan charge at the and also excluding land acquisition costs. time of submission to cover their passing or rejection.

With Full Plans submissions, for most types of work, an inspection measured 2 metres above floor level. 2.2 charge covering all necessary site visits will normally be payable 9. following the first inspection. You will be invoiced for this charge.

Should you submit a Building Notice, the appropriate Building 2.3 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 application and all inspections. assess the charge.

3. Table A: Charges for small domestic buildings e.g., certain new 10. 700m² and the building has no more than three storeys, each basement invoice is sent. level being counted as one storey. In any other case, Table E applies.

4. 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. If applies (subject to a minimum plan charge).

- Table C: Charges for certain alterations to dwellings. 5.
- Table D: Charges for extension and new buildings other than dwellings.

Table E: Applicable to all other building work not covered by Table A, B, be used in conjunction with the current scheme to calculate the charges. 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.,

> 8 Floor area is measured as gross internal area on a horizontal plane

Exemptions/reduction in charges:

9.1 Where plans have been either approved or rejected no further charge is payable on resubmission for substantially the same work.

9.2 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 unauthorised building work, commenced on or after 11 November 1985, within any of the descriptions of persons to whom section 29(1) of the you will pay a regularisation charge to cover the cost of assessing your National Assistance Act 1948 applied, as that section was extended by virtue The Local Authority will individually 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.

With the exception of the regularisation charge, all local authority dwelling houses and flats. Applicable where the total internal floor area Building Regulation charges are subject to VAT at the rate applicable at the of each dwelling, excluding any garage or carport does not exceed time the application is deposited and for the inspection charge when the

> 11. For work exceeding an estimated cost £200,000 or for complex work the Building Regulation charge will be individually assessed. Please tel. 01200 414508 or email building.control@ribblevalley.gov.uk

the extension(s) exceed 80m² or three storeys in height then Table E 12. A full copy of the Ribble Valley Borough Council Scheme of Charges is available on request or may be viewed on www.ribblevalley.gov.uk

TABLE A STANDARD CHARGES FOR NEW HOUSING (up to 300m² floor area including flats and maisonettes but not conversions)

No of Dwellings	Plan Charge	Vat	Total	Inspect Charge	Vat	Total	Building Notice Charge	Vat	Total
1	250.00	50.00	300.00	500.00	100.00	600.00	816.67	163.33	980.00
2	360.00	72.00	432.00	800.00	160.00	960.00	1316.67	263.33	1580.00
3	440.00	88.00	528.00	900.00	180.00	1080.00	1579.17	315.83	1895.00
4	508.33	101.67	610.00	1000.00	200.00	1200.00	1775.00	355.00	2130.00
5	558.33	111.67	670.00	1133.33	266.67	1360.00	2025.00	405.00	2430.00

Notes

- For more than 5 dwellings or flats over three storeys, the charge will be individually determined. 1 (See table below for dwellings over $300m^2$)
- 2 The amount of the plan charge is based on the number of dwellings contained in the application.
- 3 The inspection charge is based on the total units in the project.
- 4 Unless otherwise agreed, schemes exceeding twelve months in duration may be subject to an additional charge.
- 5 For larger building projects the Council may agree to fees being paid by instalments.

STANDARD CHARGES FOR NEW HOUSING (floor area between 301m² and 700m²)

	Plan Charge	Vat	Total	Inspect Charge	Vat	Total	Building Notice Charge	Vat	Total
Single Dwelling with floor area between 301m ² and 500m ²	250.00	50.00	300.00	716.67	143.33	860.00	1083.33	216.67	1300.00
Single Dwelling with floor area between 501m ² and 700m ²	250.00	50.00	300.00	950.00	190.00	1140.00	1370.83	274.17	1645.00

If the floor area of the dwelling exceeds 700m² the charge is individually determined.

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 may apply.

TABLE B

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

CHARGES FOR CERTAIN SMALL BUILDINGS, EXTENSIONS AND DOMESTIC ALTERATIONS											
Proposal	Plan Fee	VAT	Total	Insp. Fee	VAT	Total	Building Notice Charge	VAT	Total		
CATEGORY 1. Extensions to dwellings											
Extension(s):- Internal floor area not exceeding 6m ²	337.50	67.50	405.00	Inc	Inc	Inc	404.17	80.83	485.00		
Internal floor area over 6m ² but not exceeding 40m ²	208.33	41.67	250.00	291.67	58.33	350.00	575.00	115.00	690.00		
Internal floor area over 40m² but not exceeding 60m²	208.33	41.67	250.00	420.83	84.17	505.00	729.17	145.83	875.00		
Internal floor are over 60m² but not exceeding 80m²	208.33	41.67	250.00	516.67	103.33	620.00	854.17	170.83	1025.00		
CATEGORY 2. <u>Garages and Carports</u> <u>Erection or extension of a detached or atta</u> which consists of a garage, external store,	iched build	<u>ing or an</u>	<u>extensior</u>	<u>n to a dwe</u>	<u>lling:</u>		I	1	1		
carport having a floor area not exceeding $40m^2$ in total and is intended to be used in common with an existing building or the conversion of an attached garage into a habitable room.	266.67	53.33	320.00	Inc.	Inc.	Inc.	316.67	63.33	380.00		
Where the garage/store exceeds a floor area of 40m² but does not exceed 60m²	383.33	76.67	460.00	Inc.	Inc.	Inc.	458.33	91.67	550.00		
CATEGORY 3. <u>Loft Conversions and Dormers</u> Formation of a room in a roof space, including means of access thereto. Fees for lofts greater than 40m ² are to be based on the cost of work.											
Without a dormer but not exceeding 40m ² in floor area*	354.16	70.83	425.00	Inc.	Inc.	Inc.	425.00	85.00	510.00		
With a dormer but not exceeding 40m ² in floor area*	208.33	41.67	250.00	279.17	55.83	335.00	585.00	117.00	702.00		

WHERE THE EXTENSION TO THE DWELLING EXCEEDS 80M² IN FLOOR AREA, THE CHARGE IS BASED ON THE ESTIMATED COST IN TABLE E, SUBJECT TO THE SUM OF THE PLAN CHARGE AND INSPECTION CHARGE BEING NOT LESS THAN £875.00 (nett of Vat). THE TOTAL ESTIMATED COST OF THE WORK MUST THEREFORE BE AT LEAST £50,001.

Note: 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 may apply.



TABLE C

STANDARD CHARGES FOR ALTERATIONS TO DWELLINGS

Proposal	Plan Fee	VAT	Total	Insp. Fee	VAT	Total	Building Notice Fee	VAT	Total
<u>1. Installation of replacement</u> <u>windows and doors</u> * in a dwelling where the number of windows / doors does not exceed 20.	83.33	16.67	100.00	Inc.	Inc.	Inc.	83.33	16.67	100.00
<u>2. Underpinning</u> with a cost not exceeding \pounds 30,000.	275.00	55.00	330.00	Inc.	Inc.	Inc.	275.00	55.00	330.00
<u>3. Controlled Electrical work</u> * to a single dwelling (not carried out in conjunction with work being undertaken that falls within Table B)	183.33	36.67	220.00	Inc.	Inc.	Inc.	183.33	36.67	220.00
4. Renovation of a thermal element (excluding cavity wall insulation) i.e. work involving recovering of a roof or renovation of an external wall to which Regulation L1b applies	108.33	21.67	130.00	Inc.	Inc	Inc	108.33	21.67	130.00
5. Formation of a single en suite bathroom/shower room or cloakroom within an existing dwelling (excluding electrical work)	225.00	45.00	270.00	Inc	Inc	Inc	225.00	45.00	270.00
<u>6. Removal or partial removal of</u> <u>chimney breast</u>	225.00	45.00	270.00	Inc	Inc	Inc	225.00	45.00	270.00
7 Removal of wall and insertion of beam(s) maximum span 4metres(If more than one opening formed use schedule E)	166.67	33.33	200.00	Inc	Inc	Inc	166.67	33.33	200.00
8 Converting two existing dwellings into a single dwelling where no alterations are necessary)	304.17	60.83	365.0	Inc	Inc	Inc	304.17	60.83	365.00
9. Heating Appliance Installation Installation of a multi fuel heating appliance including associated flue to a single dwelling by a person not registered under a Competent Persons Scheme. <i>(Where new chimney use schedule E)</i>	166.67	33.33	200.00	Inc.	Inc.	Inc.	166.67	33.33	200.00

* Not carried out under a Competent Person Scheme

Where it is intended to carry out additional work internally within a dwelling at the same time as undertaking alterations as defined in Table B then the charge for all of the internal work (including work as defined in table C) may be assessed using the total estimated cost of work as set out in table E). All other work within dwellings will be charged as set out in table E.



TABLE D EXTENSIONS AND NEW BUILD – OTHER THAN TO DWELLINGS

(i.e. shops, offices, industrial, hotels, storage, assembly etc.)

Note - must be submitted as a full plans application (other than application for replacement windows)

Category of Work	Proposal	Plan Fee	VAT	Total	Insp. Fee	VAT	Total
1	Internal floor area not exceeding 6m2	395.83	79.17	475.00	Inc	Inc	Inc
2	Internal floor area over 6m² but not exceeding 40m²	208.33	41.67	250.00	291.67	58.33	350.00
3	Internal floor are over 40m ² but not exceeding 80m ²	208.33	41.67	250.00	466.67	93.33	560.00
4	Shop fit out not exceeding a value of £50,000	391.67	78.33	470.00	Inc	Inc	Inc
5	Replacement windows						
	a - not exceeding 10 windows	129.17	25.83	155.00	Inc	Inc	Inc
	b – between 11 – 20 windows	220.83	44.17	265.00	Inc	Inc	Inc

TABLE E

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

Estimated	l Cost		- ` -					Building		
From	То	Plan Fee	VAT	Total	Insp. Fee	VAT	Total	Notice Fee	VAT	Total
0	1,000	133.33	26.67	160.00	Inc	Inc	Inc	166.67	33.33	200.00
1,001	2,000	225.00	45.00	270.00	Inc	Inc	Inc	270.83	54.17	325.00
2,001	5,000	258.33	51.67	310.00	Inc	Inc	Inc	304.17	60.83	365.00
5,001	7,000	283.33	56.67	340.00	Inc	Inc	Inc	333.33	66.67	400.00
7,001	10,000	325.00	65.00	390.00	Inc	Inc	Inc	387.50	77.50	465.00
10,001	20,000	391.67	78.33	470.00	Inc	Inc	Inc	462.50	92.50	555.00
20,001	30,000	504.17	100.83	605.00	Inc	Inc	Inc	608.33	121.67	730.00
30,001	40,000	300.00	60.00	360.00	350.00	70.00	420.00	708.33	141.67	850.00
40,001	50,000	325.00	65.00	390.00	412.50	82.50	495.00	816.67	163.33	980.00
50,001	75,000	375.00	75.00	450.00	500.00	100.00	600.00	937.50	187.50	1125.00
75,001	100,000	408.33	81.67	490.00	629.17	125.83	755.00	1145.83	229.17	1375.00
100.001	150,000	466.67	93.33	560.00	716.67	143.33	860.00	1275.00	255.00	1530.00
150.001	200,000	512.50	102.50	615.00	833.33	166.67	1000.00	1533.33	306.67	1840.00

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 E) shall be discounted by 50% subject to a maximum estimated cost of less than £30,000

Note: In respect of domestic work 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 may apply.

Where the estimated cost of work exceeds £200,000 Ribble Valley Borough Council will individually assess the charge.



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