

RIBBLE VALLEY BOROUGH COUNCIL

REPORT TO PLANNING AND DEVELOPMENT COMMITTEE

Agenda Item No 6

meeting date: 1 NOVEMBER 2018
title: REVIEW OF FEES AND CHARGES
submitted by: DIRECTOR OF RESOURCES
principal author: VAL TAYLOR

1 PURPOSE

- 1.1 To seek member approval on proposals to increase this committee's fees and charges with effect from 1 April 2019.

2 BACKGROUND

- 2.1 The council's fees and charges are reviewed on an annual basis as part of the budget setting process. These proposals are the first stage in the review of this committee's budget for the forthcoming 2019/20 financial year.
- 2.2 The council's latest budget forecast allows for a 2% inflationary increase in the level of income raised from fees and charges. The review aims to increase budgeted income for 2019/20 by this amount as a minimum.
- 2.3 Planning application fees are currently set by the Ministry of Housing, Communities and Local Government. Pre-application fees are however set by ourselves as the relevant Local Planning Authority.
- 2.4 This report requests that members consider the proposals for increases to the fees and charges for which this committee is responsible for reviewing at a local level.

3 ADVICE OF BUDGET WORKING GROUP

- 3.1 In September 2018, the Budget Working Group considered the overall three-year Budget Forecast. In summary the forecast shows a potential budget deficit for 2019/20 of £101k after taking £250k from general fund balances.
- 3.2 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.
- 3.3 The current budgeted income to be received from fees and charges which are set by this committee is £40,430. A 2% increase on this total would therefore generate £810.

4 PLANNING APPLICATION FEES

- 4.1 As previously stated planning application fees are set nationally by the Government.
- 4.2 On 21 February 2017 the Government wrote to all planning authorities with an offer to increase planning fees by 20% with the proviso that the increased income raised should be invested in their planning departments. We accepted the Government's offer and are currently using these increased charges, with the extra income used to fund the new director's post.
- 4.3 There are no further increases anticipated for 2019/20.

5 BUILDING REGULATION FEES AND CHARGES

5.1 There is a national requirement within the Building (Local Authority Charges) Regulations 2010 which states that the charges should be based on achieving a full cost recovery.

5.2 Work on calculating the building regulation fees and charges will be done as part of the budget process and the proposed fees for 2019/20 will be brought to a future meeting.

6 REVIEW OF FEES AND CHARGES

6.1 The review of fees and charges is coordinated by financial services, working together with heads of service and budget holders.

6.2 The following process was taken:

- Budget holders are provided with an indication of the fees and charges factoring in a 2% increase.
- A discussion meeting is then held between budget holder and financial services to enable the budget holder to propose a set of fees and charges for their services. This may depend on where there is a national requirement or service specific reason for setting a fee or charge different from a 2% increase.

6.3 Following discussions a **proposed** set of fees and charges for implementation from 1 April 2019 has been produced for this committee and is shown at Annex 1. This annex provides details of:

- the current charge for 2018/19
- an estimate of the level of 2018/19 income raised by each charge (Net of VAT)
- the proposed charges for implementation from 1 April 2019
- an indication of the potential income that may be achieved in 2019/20, should the proposals be agreed (Net of VAT)
- the resulting percentage increase from 2018/19 to 2019/20
- Date that each charge was last increased (They are all reviewed annually, but may not necessarily be increased)

6.4 The indication of potential income which is shown throughout Annex 1 is provided for guidance purposes only and is based on past and current activity levels. No account is taken of any change in service use which may be influenced by a change in charge levels.

6.4 Work is still underway on forecasting income budget levels for 2019/20 and such budget proposals will be reported back to this committee in January 2019 for approval.

6.5 If you agree the recommended charges shown in Annex 1, the estimated extra income raised based on **current budgeted demand levels** is £4,990, an overall increase of 12.34%.

7 REVISED FEE STRUCTURE FOR PRE-APPLICATION ADVICE CHARGES

7.1 At their meeting in June 2018 Personnel Committee resolved to approve a proposed change to the establishment post of Pre-Application Advice Officer from 22.5hrs per week to 37hrs per week, resulting in extra salary costs of £13,020 for a full year.

7.2 Subsequently, Policy and Finance Committee considered a further report in June 2018 that requested they consider a reference from Personnel Committee for the subsequent supplementary estimate of £13,020 resulting from increased costs over and above that already budgeted for in respect of a full financial year. It was resolved

That Committee approve the request for the supplementary estimate of £13,020 for a full year with the full amount to be financed from increases in pre-application planning fees.

7.3 It is anticipated by the Planning service that the establishment of a full-time pre-application post will result in a more efficient service that in itself will generate an increase in the usage of the pre-application advice service.

7.4 Furthermore the establishment of a new Directorate with both Policy and Development Management will also allow more effective resource allocation and an ability to prioritise the service. The importance of pre-application has been reinforced in the National Planning Policy Framework (NPPF 18) which would also hopefully promote the use of the pre-application service.

7.5 It is also proposed to introduce a new fast track pre-application advice service from April 2019. This fast track service would have a premium charge of 50% and there would be a commitment to have a meeting scheduled within 7 working days and a decision date of 2 weeks quicker than the normal service. Although difficult to predict at this stage the planning department anticipate that 10% of developers would wish to make use of the service.

7.6 It is estimated that the possible future increases in demand for the pre-application service along with the proposed increase in charges for current pre-application services and the new fast track service will, if approved, result in an increase in income above that indicated for 2019/20 in annex 1, which does not factor in the impact of future demand levels given their difficulty to predict with certainty.

8 RISK ASSESSMENT

8.1 The approval of this report may have the following implications:

- Resources – Fees and Charges provide a key income source for the Council. Fees and charges also provide a mechanism to target concessions, and also to charge service users directly rather than allowing the financial burden of certain service provision to fall on the council tax.
- Technical, Environmental and Legal – The Local Government Acts of 2000 and 2003 extended authorities' powers to charge for discretionary services.
- Political – none
- Reputation – Substantial increases to charges can generate adverse publicity.
- Equality and Diversity – One of the aims of the fees and charges mechanism on many services is to pass on service concession in order to increase inclusivity.

9 CONCLUSION

- 9.1 Work has been undertaken by financial services, heads of service and budget holders in reviewing the fees and charges operated by this committee. This review has now been completed as part of the budget process, for implementation from 1 April, should the proposals be approved.
- 9.2 The Budget Working Group recommends that all service committees seek to increase their fees and charges overall by 2.0%. If you agree with the increase in charges, this committee will meet the target required.

10 RECOMMENDATION THAT COMMITTEE

- 10.1 Approve the proposed fees and charges as set out in Annex 1.

TEMPORARY SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PD9-18/VT/AC
22 OCTOBER 2018

For further information please ask for Valerie Taylor extension 4433

PLANNING AND DEVELOPMENT COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2019

BUILDING CONTROL – BLDGC	Ledger Code	VAT	Date of last change	Current Charge 2018/19	Budgeted Income Net of VAT for 2018/19	Proposed Charges for 2019/20	Indication of Potential Income Net of VAT for 2019/20	Percentage Increase in Charge
				£	£	£	£	%
Building Control Decision Notices	BCNON/8231m	Non Vatable	01-Apr-18	21.00	1,040.00	21.50	1,060.00	2.38

PLANNING - PLANG	Ledger Code	VAT	Date of last change	Current Charge 2018/19	Budgeted Income Net of VAT for 2018/19	Proposed Charges for 2019/20	Indication of Potential Income Net of VAT for 2019/20	Percentage Increase in Charge
				£	£	£	£	%
Planning Decision Notices	PLANG/8231m	Non Vatable	01-Apr-18	21.00	2,970.00	21.50	3,040.00	2.38

Pre-Application Advice	Minor Developments	PLANG/8495n	VAT Inclusive	01-Apr-18	225.00	9,650.00	250.00	10,720.00	11.11
	- additional meeting	PLANG/8495n	VAT Inclusive	01-Apr-18	112.00	-	125.00	-	11.61
	- fast track service	PLANG/8495n	VAT Inclusive	new charge	-	-	375.00	-	-
	Intermediate Developments	PLANG/8495n	VAT Inclusive	01-Apr-18	449.00	9,800.00	475.00	10,370.00	5.79
	- additional meeting	PLANG/8495n	VAT Inclusive	01-Apr-18	225.00	-	237.00	-	5.33
	- fast track service	PLANG/8495n	VAT Inclusive	new charge	-	-	712.50	-	-

PLANNING AND DEVELOPMENT COMMITTEE – PROPOSED FEES AND CHARGES FOR IMPLEMENTATION FROM 1 APRIL 2019

PLANNING - PLANG		Ledger Code	VAT	Date of last change	Current Charge 2018/19	Budgeted Income Net of VAT for 2018/19	Proposed Charges for 2019/20	Indication of Potential Income Net of VAT for 2019/20	Percentage Increase in Charge
					£	£	£	£	%
Pre-Application Advice	Major Developments - up to two meetings	PLANG/8495n	VAT Inclusive	01-Apr-18	898.00	9,880.00	1,000.00	11,000.00	11.36
	- additional meeting	PLANG/8495n	VAT Inclusive	01-Apr-18	449.00	-	500.00	-	11.36
	- fast track service	PLANG/8495n	VAT Inclusive	new charge	-	-	1,500.00	-	-
	Large Scale Major Developments - up to two meetings	PLANG/8495n	VAT Inclusive	01-Apr-18	1,020.00	4,050.00	1,500.00	5,960.00	47.06
	- additional meeting	PLANG/8495n	VAT Inclusive	01-Apr-18	510.00	-	750.00	0.00	47.06
	- fast track service	PLANG/8495n	VAT Inclusive	new charge	-	-	2,250.00	-	-
	Discharge of Conditions Meeting	PLANG/8495n	VAT Inclusive	01-Apr-18	102.00	80.00	105.00	80.00	2.94
	Householders - Without Meeting	PLANG/8495n	VAT Inclusive	01-Apr-18	51.00	610.00	55.00	660.00	7.84
	- With Meeting	PLANG/8495n	VAT Inclusive	01-Apr-18	102.00	2,350.00	110.00	2,530.00	7.84
	- additional meeting	PLANG/8495n	VAT Inclusive	01-Apr-18	51.00	-	55.00	-	7.84
	High Hedge or Tree Issues	PLANG/8495n	VAT Inclusive	01-Apr-18	62.00	-	65.00	-	4.84
	Listed building or work in conservation areas	PLANG/8495n	VAT Inclusive	01-Apr-16	100.00	-	100.00	-	0.00
	Advertisement Advice	PLANG/8495n	VAT Inclusive	01-Apr-18	62.00	-	65.00	-	4.84

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PLANNING - PLANG		Ledger Code	VAT	Date of last change	Current Charge 2018/19	Budgeted Income Net of VAT for 2018/19	Proposed Charges for 2019/20	Indication of Potential Income Net of VAT for 2019/20	Percentage Increase in Charge
					£	£	£	£	%
Pre-Application Advice	Prior Notification Telecommunications	PLANG/8495n	VAT Inclusive	01-Apr-18	112.00	-	115.00	-	2.68
	Prior Notification all other enquiries	PLANG/8495n	VAT Inclusive	01-Apr-18	153.00	-	160.00	-	4.58

HIGH HEDGES - HIGHH		Ledger Code	VAT	Date of last change	Current Charge 2018/19	Budgeted Income Net of VAT for 2018/19	Proposed Charges for 2019/20	Indication of Potential Income Net of VAT for 2019/20	Percentage Increase in Charge
					£	£	£	£	%
Submission of High Hedges Complaint		HIGHH/8460u	Non Vatable	01-Apr-18	577.00	-	590.00	0	2.25

Total Income from fees and charges set by this committee						40,430.00		45,420.00	12.34%
Overall extra income generated								4,990.00	

No service usage impacts on the budget of the increases and changes to the Pre-Application Advice fees has been factored in to the tables above. See Section 7 of the main report