

Notice of KEY Executive Decision

Subject Heading:	Planning and Building Control – New Fees and Fee Increases
Decision Maker:	Councillor Graham Williamson, Cabinet Member for Planning and Regeneration
Cabinet Member:	Councillor Graham Williamson
SLT Lead:	Barry Francis, Director of Neighbourhoods
Report Author and contact details:	Simon Thelwell Simon.thelwell@havering.gov.uk
Policy context:	<p>As part of the Havering Plan within the Resources Theme:</p> <p>The Council is financially resilient and provides value for money services to residents ensuring it is monitored fairly and transparently.</p> <p>Diversify and maximising income ensuring full cost recovery</p>
Financial summary:	<p>Introducing new fees should result in increased income. The level of income increase is difficult to forecast. For instance, the fee for submitting invalid applications may change behaviours.</p> <p>It is recommended that the fee changes are brought in as soon as possible to monitor impact and assist forecasting.</p>

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Reason decision is Key	Significant effect on two or more Wards
Date notice given of intended decision:	17th November 2022
Relevant OSC:	Places
Is it an urgent decision?	No
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

- People - Things that matter for residents
- Place - A great place to live, work and enjoy
- Resources - A well run Council that delivers for People and Place.

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This report seeks approval to introduce new fees in relation to Planning and Building Control applications as well as increase to some existing fees in year.

A) It is recommended that approval be given to allow the following fees be introduced in year:

Fee for submission of Invalid Planning Application:

Full Application - £120

Householder Application - £60

Fee for Fast Track Building Regulation Full Plans Check:

Detached non-habitable building having a floor area not exceeding 40m² in total - £651.00

Garage conversions where the total floor area does not exceed 30m² including means of access and work in connection with that extension - £651.00

Any extension of loft conversion where the total floor area of which does not exceed 30m² including means of access and work in connection with that extension - £830.00

Any extension or loft conversion where the total floor area of which exceeds 30m², but does not exceed 60m² including means of access and work in connection with that extension - £1,143.00

Any extension or loft conversion where the total floor area of which exceeds 60m², but does not exceed 100m² including means of access and work in connection with that extension - £1,358.00

B) It is recommended that approval be given to allow the following fees be increased in year:

Pre- Application Advice:

Householder/Small Business Face-Face – Increase from £61 to £120

Householder/Small Business – Written Response – Increase from £97 to £200

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3, section 2.2, para (x) of the Constitution, allows the relevant Cabinet Member to approve all in year changes to both fees and charges.

STATEMENT OF THE REASONS FOR THE DECISION

As part of the ongoing process of monitoring and forecasting costs/income in the Planning Service, a review of opportunities for introducing fees for work undertaken where currently no fee is charged and for increasing fees where the work undertaken does not cover the fee has been undertaken.

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It should be noted that for statutory functions, which is the majority of the work undertaken by the Service, the fee is either nationally set by legislation with no changes allowed (planning application fees) or legislation sets out that fees should be set on a cost-recovery basis (building regulations applications and local land charges enquiries).

Section 73 of the Local Government Act 2003 allows Councils to make charges for discretionary services, with the proviso that income from such charges does not exceed the costs of providing the service. The Planning Service uses these provisions to charge fees for a number of services including pre-application advice, provision of documents and confirmation of compliance with regulations/notices.

Opportunities to introduce new fees where currently no fee is charged are:

Charge for Invalid Planning Applications:- At present, a significant proportion (currently 76%) of planning applications received do not include all the necessary information required at time of receipt and the application cannot be progressed. Where an application is invalid, there is additional work involved in informing the applicant or agent what is required and placing the application on hold. If the application is not subsequently made valid, the application fee has to be returned. The Council adopted a new local validation list in September 2022 that clearly sets out the requirements for planning applications. Ensuring that an application is valid should be the responsibility of the applicant or their agent. It is proposed to introduce an administration charge for applications that are not valid in order to encourage a change in behaviour and reduce the very high rate. The charge will also cover the extra administration charges (currently levied on the Council by Terraquest who undertake the validation process) where invalid applications are received. In the short-term, the measure would likely result in additional income which will reduce the validation service costs currently contributing to financial pressures within the service. It is proposed that the intention to introduce the charge is publicised in advance, including notification to existing planning agents and notices on the Council's website.

Fast-track plan checking for Building Regulation applications:- This is a new service that would allow applicant to pay a premium (approximately 10% additional charge) to ensure that decisions on plans submitted are made within 10 working days. The additional cost will help to fund a specialist plan checker, enabling the building control surveyors to concentrate on site inspections as the main part of their work. It is not known whether there would be significant uptake, but introducing the fee would allow promotion/publicity and monitoring to assess uptake and value.

Opportunities to increase fees:

Pre-application planning advice to householders/small business:- The fee currently charged is not reflective of the work undertaken including research prior to the meeting and providing a response. A comparison with the fees charged by other LPA's is below:

Authority	Fee for Phone Advice	Fee for Written Advice
Havering	£61	£97
Waltham Forest	£200	£200
Redbridge	£114	£210
Barking & Dagenham	£192	N/A
Bexley	£132	£285
Enfield	£120	£302

It is considered that the fee should be doubled to ensure that income levels are closer to expenditure. In most cases, those seeking advice are seeking to spend significant sums of

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improving their homes/business premises and the costs of pre-application advice should be only a small proportion of the overall cost. Further reviews of pre-application fees and the service offered are planned in the coming months.

OTHER OPTIONS CONSIDERED AND REJECTED

The other option is not to introduce/raise fees, or to wait until the annual round of fee setting in April 2023. As part of the continuing issue of under-achievement of income in the Planning Service, the opportunity to increase/maximise income has been looked at and it is considered that the early introduction of the above recommendations would increase the opportunity to increase income in-year and also allow a period to monitor the effect of the new/increased fees to inform further review of fees.

PRE-DECISION CONSULTATION

None

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Simon Thelwell

Designation: Head of Strategic Development

Signature: 

Date: 8th December 2022

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Section 73 of the Local Government Act 2003 allows Councils to make charges for discretionary services, with the proviso that income from such charges does not exceed the costs of providing the service. The invalid application fee and pre-application fees outlined are not for statutory services and would be able to be levied on a cost recovery basis.

The Building (Local Authority Charges) Regulations 2010 sets out that charges should be set on a cost recovery basis. Given that a dedicated surveyor would carry out the proposed fast-track plan checking, the charge would meet the criteria.

Part 3, section 2.2, para (x) of the Constitution, allows the relevant Cabinet Member to approve all in year changes to both fees and charges.

FINANCIAL IMPLICATIONS AND RISKS

In respect of pre-application service fees, there is a risk that increasing fees may result in less uptake of the discretionary service and lower income overall. Monitoring of uptake and fee income should be undertaken.

The other fee proposals outlined are new fees and there is limited financial risk in their introduction.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

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The fees levied are likely to be a very minor part of the overall cost of the project and it is not envisaged that any person or group would be impacted by the recommendations set out in this report. It is not considered that an Equalities Impact Assessment is required.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Given the general national anxiety about the current cost of living crisis, any increase in fees at this time could add to worry and may result in likely risk of lower planning applications resulting in reduced level of building or developments in the borough. In turn, this may negatively impact job opportunities within the industry, which in turn, is linked to health and wellbeing.

In light of the above, the level of the new fee and increases has been set to reflect that the cost of invalidity, pre-application advice or building regulations would likely be a small component of the overall project costs. Pre-application planning advice and approval of plans at building regulation stage would likely save costs associated with any re-design work and provide greater comfort/less worry over building projects.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

Where relevant the appropriate Planning Policies and Building Regulations requirements are highlighted as part of the planning pre-application and building regulation process.

In regard to planning application validation, relevant applications require an energy statement to be validated and a fee for invalid applications would lead to all the required information being received at the outset.

BACKGROUND PAPERS

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None

APPENDICIES

None

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

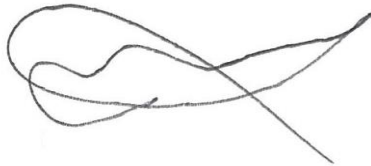
Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker



Signed

Name: GRAHAM WILLIAMSON

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date: 3/1/23

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

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Signed _____