

# **SOUTH THAMES GATEWAY BUILDING CONTROL JOINT COMMITTEE**

**19 JUNE 2018**

## **CHARGING FOR DEMOLITIONS**

Report from: Tony Van Veghel, Director, South Thames Gateway  
Building Control Partnership

### **Summary**

This report seeks Members approval to charge applicants for the processing of demolition applications which are submitted under Sections 80-82 of the Building Act 1984.

### **1. Budget and Policy Framework**

- 1.1 The Constitution for the STG Building Control Joint Committee specifies that the Committee will consider any other activities in accordance with the general scope of responsibility, provided it continues to promote, develop or secure the role of the Joint Committee in building control services procurement, implementation and management to the benefit of residents and business for the joint area.

### **2. Background**

- 2.1 Consideration for charging for processing for demolitions has been undertaken by a number of authorities so that the burden of cost of processing is borne by the developer of the site rather than the general fund.

### **3. Director's comments**

- 3.1 During our discussions with Canterbury in respect of them joining the Partnership we were made aware that they charged for processing of demolition applications. Currently the partnership does not charge for this service as it is paid for out of the contributions from the partner authorities under Part B (the discretionary services) within the Memorandum of Agreement.
- 3.2 We have taken advice from Legal Services at both Canterbury and from the Shared Legal Service for Medway and Gravesham and that advice has indicated that the imposition of charges is permissible under

the relevant legislation. This position is supported by the fact that a number of other authorities as detail below also charge for this service.

- 3.3 The basis for the argument is that the burden on cost should not be met from the public purse. In addition to the legal advice received, we have researched a number of other authorities that charge for this service including: the London Boroughs of Barnet and Enfield, St Albans City & District Council and Hertfordshire Building Control.
- 3.4 The latter of these is a building control partnership of seven authorities in Hertfordshire who visited us on a number of occasions during the formation of their partnership.
- 3.5 Following this legal advice it would appear there are no provisions to prevent charging for this service and there is a valid argument questioning why the public purse is being used to meet the cost.
- 3.6 The average total number of demolitions over the four authorities in the last three years is around 75 and the average costs that we have been able to view charged by other authorities range from £200 to £280. We have determined that the average cost to the Partnership for demolitions would equate to £250 excluding VAT.
- 3.7 Assuming the average number of demolitions, at a cost of £250, would realise an income of £18,750. As this is a further income stream to the partnership it could be used in the first year as a sum of money to mitigate any pressures on the zero balanced budget. In the following years the first call on this income should be to balance the budget, should that not be required it could be used to meet the requirements of the Delivery Plan on further IT development or at Members' discretion paid back to the authorities in the agreed percentages.

#### **4. Financial Implications**

- 4.1 The income generated from charging for demolitions could be used to mitigate any pressures on the building control budget, repaid, in accordance with the agree percentages, to the partner authorities should the balance budget not be met or reinvested into the partnerships IT development.

#### **5. Legal Implications**

- 5.1 Following legal advice there are no provisions which prohibit the recovery of a processing charge for demolition applications.

#### **6. Risk Management**

- 6.1 There are no risks associated with this report.

## **7. Recommendation**

7.1 The Joint Committee is asked to adopt the charging for demolitions at a rate of £250 plus VAT per application and agree the distribution of any additional income generated through the process using the following priority of options:

- a) Mitigate budget pressures
- b) Reinvestment into the service in accordance with Delivery Plan objectives
- c) Repaid to partners in the agreed percentages

## **8. Suggested Reasons for Decisions**

8.1 The Joint Committee has a duty under the Memorandum of Agreement to consider the implementation and management of services to the benefit of residents and business to the joint area.

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### **Appendices**

None

### **Background papers**

None