

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Portfolio Holders Meeting 14.05.2008
AUTHOR/S: Executive Director / Corporate Manager (Planning and Sustainable Communities) / Acting Building Control manager

BUILDING CONTROL CHARGES FOR ADDITIONAL SERVICES

Purpose

1. To propose that Building Control charge for additional services required by our customers that fall outside the Building Control Charges Scheme. This is to better reflect the costs incurred by these additional services that are neither statutory nor required to be provided as part of the Building Control Service.
2. To provide as an additional service, a late Completion scheme to assist customers in the sale of their properties.

Executive Summary

3. Building Control carries out a number of functions that are outside the core business and it is proposed that this is paid for by the introduction of charges to cover the administrative cost.
4. This is non-statutory work and can result in a financial burden on the Building Control budget. It is proposed that charges are introduced that reflect these costs

(a) It is proposed that these charges are introduced as soon as practicable to prevent further erosion of the service.

Background

5. Building Control bodies are required to charge fees for Building Regulation submissions under "The Building (Local Authority Charges) Regulations 1998". These charges are required to be set at a level that reflects the cost of providing the service and maintains a level of service that achieves Nationally agreed performance standards.
6. Local Authority Building Control is often requested for information, letters of comfort and additional inspections and or services such as private searches that are not covered by the above fee scheme as they fall outside the Charges Regulations.
7. This represents a cost to the Local Authority that is to be funded from either the Building Control Income or Council Tax payers.
8. The Charges Regulations prohibit the charging of additional fees over and above the fees required by the charges scheme for work for which a building regulation submission has been made and inspected.

Considerations

9. Currently the Building Control service is providing services outside the specific requirements of the Building Control function. These are services where we provide information and explanatory letters concerning works that have been carried out historically and due to time that has elapsed we are unable to issue completion certificates or no certificates were issued at the time.
10. The Building Control function is under pressure due to the changes that have taken place in the housing market. The introduction of Housing Information Packs and the introduction of Energy Performance Certificates for dwellings and other residential accommodation will increase requests for this information resulting in additional work.
11. The Building Control function is required to be non-profit making across the chargeable function and this additional work affects this as we are attempting to provide a service that is competitive with private building control and any cost increase reduces this ability.
12. Where the service makes a loss or service levels reduce do to resource problems or increases in legislation it may be necessary to increase the fees charged to enable the service to break even. This should not occur just to fund these additional calls on our service.
13. It is important that funding of the non-chargeable aspects of the Building Control service as a statutory function are set at a level that adequately reflects the costs as this can have a detrimental effect on the quality of the service provided equally the provision of these additional services should not be funded by the council tax payer
14. Not to provide these services does not accord with the Council's Corporate objectives and does not provide a quality service to the customer. However not to charge for these services will have the same effect on those customers who do not require or use these services.
15. Any proposed charges would need to be published and made clear to anyone requiring these additional services.

Options

16. To Charge for additional services currently provided free of charge that are not specific to the Building Control function
 - (a) This will enable the Building Control service to maintain current levels of staff and adapt to the revised legislation and varying workload.
 - (b) It will provide additional resources to assist in the development and improved efficiencies of the service to meet the current requirements.
 - (c) It will also provide funding for areas of work that are currently a drain on resources.
 - (d) This will also ensure that the Building Control service can afford to carry out this work in an efficient way that provides our customers with a more rounded service that accords with the corporate priorities.
17. Not to charge for the additional services –
 - (a) The effect of not charging may result in a reduction in service
 - (b) An inability for Building Control to meet recognised national standards
 - (c) Place an unnecessary burden on Building Control resources.

18. It will become increasingly difficult to provide a consistent service for this type of work, as the Statutory Building Control function will take precedent over this service resulting in customer dissatisfaction.

Implications

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| 19. Financial | The introduction of these charges will provide additional income for the Building Control service reducing the costs of the service to the Council. The revenue produced will be dependant on the number of people using these services once we start to charge this should result in an income of at least £5000 per annum |
| Legal | The authority to charge fees for Building Regulations is given under Building (Local Authority Charges) Regulations 1998. These proposed charges fall outside this authority and are for services complimentary to the Building Control Building Regulation and are designed to cover the administrative cost and not as a profit making enterprise. There is a requirement for these charges to be published and clear to our customers at the outset |
| Staffing | It is likely that without additional income to resource this additional work it will have implications on the current staffing level, which is already at a critical level. |
| Risk Management | Under funding of any aspect of the service will increase the likelihood of failures within the service provision. |
| Equal Opportunities | None |

Consultations

20. Discussions with adjoining Local Authorities indicate that the majority of services charge for letters, private searches and other documentation required by customers to assist in their house sales.

Effect on Annual Priorities and Corporate Objectives

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| 21. | Work in partnership to manage growth to benefit everyone in South Cambridgeshire now and in the future |
| | Nothing specific |
| | Deliver high quality services that represent best value and are accessible to all our community |
| | Will improve the service provided and ensure adequate funding for additional services |
| | Enhance quality of life and build a sustainable South Cambridgeshire where everyone is proud to live and work |
| | More sustainable service |

Conclusions

22. It is in the interest of the Council to ensure that our services represent good value for money and the services provided do not place an undue burden on Council Tax payers and any decision to charge additional fees for work not part of our legal obligations needs to be judged against the cost implication and the possible savings that could be made.

Recommendations

23. It is recommended that a scale of fees be introduced to adequately reflect the cost to the Building Control service of these additional works and to enable this service to be suitably funded.

Background Papers: the following background papers were used in the preparation of this report:

Proposed scheme of fees
Adjoining authority fee schemes

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