

# Hinckley & Bosworth Borough Council

#### FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

COUNCIL 12 June 2018

WARDS AFFECTED: ALL WARDS

#### **BUILDING CONTROL CHARGES**

## **Report of Director (Environment and Planning)**

- PURPOSE OF REPORT
- 1.1.1 To review the Building Control charges as required by the Building (Local Authority Charges) Regulations 2010.
- 2. RECOMMENDATION
- 2.1 That Members approve the level of Building Control charges detailed in Appendix 1 with effect from June 2018.
- 3. BACKGROUND TO THE REPORT
- 3.1 The Building Control Service has two distinct elements to its income stream which are described as fee earning and non-fee earning work. The Building Regulation aspect of the service is income generating (hence called fee earning) and is delivered in accordance with The Building (Local Authority Charges) Regulations 2010 and CIPFA accounting requirements. This covers work including processing Full Plan applications, Building Notice applications and Regularisation applications for unauthorised work. The non-fee earning part of the service includes dangerous structures, enforcement, demolitions, work associated with disabled facilities applications, consultancy services to other services and councils and costs associated administrating and managing the service including processing Initial Notices, competent persons' registers and dealing with Freedom of Information requests and EIRs. The non-fee earning services activities lie solely with the local authority and fall to the general fund.
- 3.2 Since the introduction of The Building (Local Authority charges) Regulations 2010 Building Control have to operate on a cost recovery basis and as such each application charge should reflect the amount of work involved. Building Control are also required to review their level of charges at the end of every financial year

ensuring that our chargeable income equates to the costs incurred by the Authority for the previous financial year. The costs for Building control service in 2017/18 have therefore been reviewed and it is recommended that for the fee earning element the hourly charge from June 2018 is £46.50 plus VAT. The schedule of charges is shown in Appendix 1

- 4. <u>EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION</u> PROCEDURE RULES
- 4.1 None
- 5. <u>FINANCIAL IMPLICATIONS [DW]</u>
- A review of the hourly rate has been conducted in light of changes to the staffing assumptions made since the original hourly rate was considered as part of the annual fees and charges review presented to Council in February 2018.
- 5.2 The revised costs taking into account these changes are estimated to be £186,410 and the proposed hourly rate of £46.50 will enable these costs to be recovered.
- 6. <u>LEGAL IMPLICATIONS [MR]</u>
- 6.1 The key principle of requiring local authorities to estimate and fix their charges with the aim of fully recovering the costs of carrying out their chargeable building control services remains unchanged in the 2010 Regulations, but there were some fundamental changes to the way local authorities should achieve the full costs recovery requirement.
- 6.2 Under the 2010 Regulations local authorities are required to set their charges with the aim of achieving the overriding objective of ensuring that "taking one financial year with another" their income from their charges "as nearly as possible equates to the costs incurred" of carrying out their chargeable functions (and providing chargeable advice related to those functions) ie year on year they should always aim to 'break even'.
- 6.3 Local Authorities are also required to review their charges at the end of each financial year for the purpose of achieving the overall objective. When setting their charges for a particular financial year local authorities must take account of surpluses and deficits made in earlier years and to offset these against income received for that year and subsequent years and projected future costs thereby resulting in reduced or increased charges, as appropriate, so that over a reasonable period income matches costs.

## 7. CORPORATE PLAN IMPLICATIONS

7.1 The proposal will contribute to the delivery of the Corporate Plan priority of boosting economic growth and regeneration

# 8. CONSULTATION

8.1 No groups or organisations have been consulted

## 9. RISK IMPLICATIONS

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks			
Risk Description	Mitigating actions	Owner	
Inaccurate hourly rate could lead to under recovery of service costs.	Accurate accounting of expenditure and hourly rate resulting in more accurate fees.	Stephen Meynell	
Excess costs lead to higher hourly rate making fees uncompetitive	Accurate accounting over relevant fee earning costs	Stephen Meynell	

## 10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 This report does not result in direct implications for Equalities, Rural Communities, and Environmental.

# 11. CORPORATE IMPLICATIONS

- 11.1 By submitting this report, the report author has taken the following into account:
  - Community Safety implications
  - Environmental implications
  - ICT implications
  - Asset Management implications
  - Procurement implications
  - Human Resources implications
  - Planning implications
  - Data Protection implications
  - Voluntary Sector

Background papers: None

Contact Officer: Stephen Meynell, Planning Manager (Major Projects)

Executive Member: Cllr. Miriam Surtees

Appendix 1

Appendix 1	April 2017	April 2018	Proposed modified
Description	published rate	published rate	June 2018 rate
Building regulation application charges - please ring 01455 255850	Individually determined	Individually determined	Individually determined
Building control hourly rate	£40.00	£41.60	£55.80
Written confirmation of works exempt from building regulations	£20.00	£20.80	£27.90
Written confirmation of non-existence of building regulations record	£20.00	£20.80	£27.90
Written confirmation of completion of work to which building regulations applied	£20.00	£20.80	£27.90
Extensive search of building control history for site or premises (per hour)	£40.00	£41.60	£55.80
Completion application for a closed application (reactivativation of application and 1 inspection)	£56.00	£58.20	£78.12
Additional inspections on a reactivated application (per inspection)	£40.00	£41.60	£55.80
Building control surveyor attendance at emergency incident/enforcement (per			
hour)	£40.00	£41.60	£55.80
Building control surveyor attendance at emergency incident out of hours (per hour)	£75.00	£77.95	£77.95
Preparation and posting of documentation in relation to an emergency/enforcement incident or dangerous structure (per			
document)	£40.00	£41.60	£55.80