

BUILDING CONTROL CHARGEABLE ACCOUNTS

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|---|--|
| Head of Service: | Viv Evans, Head of Planning |
| Wards affected: | (All Wards); |
| Urgent Decision?(yes/no) | No |
| If yes, reason urgent decision required: | N/A |
| Appendices (attached): | Appendix 1: Financial report for year ending 31 March 2021 |

Summary

This report summarises the Building Control chargeable account for 2020/21.

Recommendation (s)

The Committee is asked to:

- (1) receive the review of the Building Control chargeable account following the end of the 2020/21 financial year as provided within this report.**

1 Reason for Recommendation

- 1.1 Part of the Building Control business is the need to ensure that the costs for delivering the Service is covered in the fee charging schedule. This report relates to the fee charging schedule for the delivery of this service.

2 Background

- 2.1 Applications for Building Regulations approval attract charges to cover the cost of checking plans and inspecting work on site to verify compliance.
- 2.2 The principles of the charges' regulations require authorities to ensure that the price charged is an accurate reflection of the costs of carrying out the chargeable Building Control functions and for giving chargeable advice relating to Building Regulations. Authorities should not increase their charges above the level of their costs. The principles in the charges' regulations require authorities to achieve full cost recovery on their Building Regulation chargeable work and determine standard and individual charges that reflect the cost of the service on individual building projects.

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- 2.3 The Building (Local Authority Charges) Regulations 2010 provide that a review of the level of charges is undertaken at the end of the financial year and that a statement is prepared which outlines the chargeable costs, the chargeable income and the amount of any surplus or deficit.

3 The Chargeable Account

- 3.1 The purpose of reviewing the level of charges is to both reflect the actual cost of undertaking the work and to ensure that the service can respond to Building Regulations applications.
- 3.2 The end of financial year review of the Building Regulations chargeable account for 2020/21 (Appendix 1) indicates a deficit of £38k for the year. The non-chargeable element was a cost of £93k, resulting in a total cost of the service to the Council of £131k. The previous year saw a deficit on the chargeable account of £7k, and a cost of £104k for the non-chargeable element, resulting in a total cost of the service to the Council of £111k.
- 3.3 Building Control charges have been increased annually over the past two years and the deficit is not attributed to charges being set too low. The service had seen falling income levels prior to the pandemic due to the difficulty in competing with other providers in the sector. The service has also been impacted by both the pandemic and a regional lack of suitable staff resulting in several vacancies in the team, both of which have impacted income levels.
- 3.4 As a result of the recruitment issues and decline in income, Members agreed at Strategy & Resources Committee in September 2021 to pursue an alternative option for the delivery of the Building Control service in the future.

4 Risk Assessment

Legal or other duties

4.1 Impact Assessment

4.1.1 None.

4.2 Crime & Disorder

4.2.1 None.

4.3 Safeguarding

4.3.1 None.

4.4 Dependencies

4.4.1 None.

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4.5 Other

4.5.1 None.

5 Financial Implications

5.1 **Section 151 Officer's comments:** The chargeable account was reviewed by the S151 Officer ahead of the statutory deadline of 30 September 2021.

6 Legal Implications

6.1 The Council needs to review its charging scheme. For any charging scheme the Council will need to fix their charges based on the 2020/21 accounts.

6.2 **Legal Officer's comments:** This recommendation concerns the accounting and administration requirement under the 2010 Regs for year end 2020/21 and the statement was properly approved.

7 Policies, Plans & Partnerships

7.1 **Council's Key Priorities:** The following Key Priorities are engaged: Effective Council; Safe & Well.

7.2 **Service Plans:** The matter is included within the current Service Delivery Plan.

7.3 **Climate & Environmental Impact of recommendations:** Building Control is integral to ensuring modern regulations relating to environmentally friendly building practices are adhered to.

7.4 **Sustainability Policy & Community Safety Implications:** None.

7.5 **Partnerships:** None.

8 Background papers

8.1 The documents referred to in compiling this report are as follows:

Other papers:

- Future of the Building Control Service to S&R Committee on 21 September 2021.