

REPORT OF THE DEPUTY DIRECTOR (COMMERCIAL SERVICES)  
TO THE EXECUTIVE  
5 OCTOBER 2007

**BUILDING REGULATION CHARGES 2007-08**

**1.0 Introduction and Report Summary**

- 1.1 This report contains proposals to update this Council's Scheme of Charges for Building Regulations.
- 1.2 The changes are intended to ensure that the Charges:
- (a) do not fall below the "proper costs" of the service provided
  - (b) are maintained at competitive and reasonable levels
  - (c) are presented in a simple and logical format and
  - (d) continue represent best value and the provision of a quality service
- 1.3 The contact officer for this report is Richard Beel, Head of Building Control. Tel: 01235 540355.

**2.0 Recommendation**

- 2.1 *The Executive recommends to the Council that:  
The Council adopts the revised "Scheme for the Recovery of Building Regulation Costs and Associated Matters" as its formal scheme, made under the Building (Local Authority Charges) Regulations 1998, and to take effect from 1 October 2007.*

**3.0 Relationship with the Council's Vision, Strategies and Policies**

- 3.1 This report complies with the following Council's Vision and Aims:
- Provide and support high quality services which are effective, efficient and responsive to the needs of people within the Vale.
  - Protect and to improve our built and natural environment.
- 3.2 This report supports the Council's strategy for sound financial management.
- 3.3 This report does not directly conflict with any existing Council policies.

**4.1 Background**

- 4.2 Local Authority Building Control has been subject to competition since the inception of Approved Inspectors in 1985. The Building (Local Authority Charges) Regulations 1998 gave power to Local Authorities to set their own charges for Building Regulation work.
- 4.3 The Charges are intended to provide a flexible method of recovering the costs generated by Building Regulation work only, which is separate from the other additional responsibilities of local authority building control.

- 4.4 The Regulations require the Council to make a Scheme of Charges for their Building Control function. Local Authorities are required to fix and publicise their Charges each financial year. In addition, they must produce, within its annual accounts, a "Building Control Statement" in which the income and "proper costs" relating to Building Regulations are clearly set out.
- 4.5 Although the Regulations require the level of Charges to be not less than the "proper costs" there is an expectation that they should not be too great either. The former is to prevent the occurrence of "unfair competition" with private sector building control whilst the latter is to ensure best value to customers.
- 4.6 The Department for Community and Local Government has expressed its wish for local authorities to "balance" their accounts annually within a three-year rolling accounting period. The scheme is intended to be simple, self-regulating and accountable and such that this Council may follow accepted procedures laid down by CIPFA.
- 4.7 An increase in charges within Schedules 1 and 2 is proposed to take account of annual inflation costs. Schedule 3 remains unaltered as income will increase in line with construction costs. The Service Area continues to monitor its income and expenditure and expects its 2007-08 accounts to show a small surplus.
- 4.8 The Service Area continues to comply with the ODPM guidelines in setting Building Regulation Charges at appropriate levels ensuring that they are
- (a) in line generally with most other Councils policies and rates
  - (b) in accordance with local groups, such as the Oxfordshire Local Authority Building Control
  - (c) not set, over a 3-year period, lower than the proper costs
  - (d) not set too high and
  - (e) balanced, over a 3-year period, within a modest accounting margin

#### 5.0 **Future Actions and Timescales**

- 5.1 A fundamental review of the Building Control system in England and Wales is underway. Major procedural and technological changes in Building Regulations and Building Control continue to impact on resources. In order to maintain a viable trading position in the building control market and to meet statutory requirements this Council will need to continue to keep its Charges under review.
- 5.2 In reviewing the Service Area's Building Regulation Charging Account the Council is advised that proper consideration must be given to the levels of investment required to maintain and develop the quality service needed to successfully compete against private sector building control.
- 5.3 The Council will be advised of any future changes that would significantly affect the service and will be the subject of a separate report from the Deputy Director (Commercial Services).

#### 6.0 **Alternatives and Options**

- 6.1 The proposed Charges will continue to be in line with the majority of local authority building control bodies both nationally and locally.

6.2 If the Charges were to remain at the same levels the Service Area's quality of service and its ability to compete in a commercial market could be severely affected.

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