

REPORT OF THE DEPUTY DIRECTOR (COMMERCIAL SERVICES)
TO THE EXECUTIVE 6 JUNE 2008

NEW CHARGES FOR
BUILDING REGULATIONS, the DSO and ADDRESS MANAGEMENT
(Commencing 17 July 2008)

1.0 Introduction and Report Summary

1.1 This report contains proposals to update this Council's Scheme of Charges relating to:

- Building Regulations
- Direct Services Organisation (DSO) and
- Address Management.

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 and
- (c) continue represent best value and the provision of a quality service

1.3 The contact officer for this report is Bill Farrar, Deputy Director (Commercial Services). Tel: 01235 540356, email address: bill.farrar@whitehorsedc.gov.uk

2.0 Recommendations

2.1 *that the Executive recommends that the Council sets revised Charges, effective from 17 July 2008, for*

- (i) *Building Regulations and it 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.*
- (ii) *the recovery of DSO and Address Management costs.*

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

3.1 This report complies with the following Council's Vision and objectives. It does not conflict with any Council Strategies and supports the following Corporate Priorities:

- *Creating a cleaner, greener, safer and healthier community and environment*

- *Improving and modernising access to our services.*

Building Regulations

- 4.1 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.
- 4.2 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.
- 4.3 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.
- 4.4 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.
- 4.5 The Department for Community and Local Government (CLG) 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.
- 4.6 An increase in charges within the Schedules is proposed to take account of annual inflation costs and projected workload. Additional work categories have been added to Schedule 2 and alterations to the layout of Schedule 3 in line with customer feedback. The Service Area continues to monitor its income and expenditure and expects its 2008-09 accounts to show a small surplus.
- 4.7 The Service Area continues to comply with the CLG guidelines in setting Building Regulation Charges at appropriate levels ensuring that they:
 - (a) are in line generally with most other Councils' policies and rates
 - (b) in accordance with local groups, such as the Oxfordshire Local Authority Building Control and
 - (c) over a 3-year period, are not lower than the proper costs, not too high and are balanced within a modest accounting margin

5.0 **DSO and Address Management**

- 5.1 The DSO and Address Management set their own Charges for the discretionary services they provide in competition with the private sector.

- 5.2 The Charges are intended to provide a flexible method of recovering costs incurred by performing these functions involving various minor building and drainage-related work and naming and numbering of streets and properties.
- 5.3 The level of Charges are intended to be not less than the “proper costs” but not too great either. The former is to prevent the occurrence of “unfair competition” with the private sector whilst the latter is to ensure best value to customers.
- 5.4 The schemes are simple, self-regulating and accountable and such that this Council may follow accepted procedures laid down by CIPFA.
- 5.5 The proposed increase in charges is to take account of annual inflation costs and projected workload.

6.0 **Future Actions and Timescales**

Building Regulations

- 6.1 A consultation paper on the Future of the current Building Control system in England and Wales ends on the 10 June 2008. Major procedural and technological changes will impact on how Building Control is both perceived and delivered in the future. In order to maintain a viable trading position in the building control market, meet statutory requirements and these challenges this Council will need to continue to keep its Charges under review.
- 6.2 In reviewing the Service Area’s Building Regulation Charges 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.

DSO and Address Management

- 6.3 In order to maintain a viable commercial position and to provide an acceptable standard of service the Council will need to continue to keep these Charges under review.
- 6.4 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.
- 6.5 The Council will be advised of any future changes that would significantly affect the services and will be the subject of a separate report from the Deputy Director (Commercial Services)

7.0 **Alternatives and Options**

Building Regulations

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

7.2 If the Charges were to remain at the same levels the Service Area's quality of service, government expectation for a modern building control service and its ability to compete in a commercial market could be affected.

DSO and Address Management

7.3 The proposed Charges will continue to be in line with the other local authorities within the region.

7.4 If the Charges were to remain at the same levels the DSO and Address Management quality of service and its ability to compete in a commercial market could be affected.

8.0 Additional Information

8.1 Details of the proposed Charges for the DSO are set out in Appendix A to this report.

8.2 Details of the proposed Charges for Address Management are set out in Appendix A to this report.

8.3 Details of the proposed Charges for Building Regulations are set out in Appendix C to this report.

BILL FARRAR
DEPUTY DIRECTOR (COMMERCIAL SERVICES)

STEVE BISHOP
STRATEGIC DIRECTOR

Appendix A

DSO (Direct Services Organisation)

DRAINAGE AND GENERAL WORKS CHARGES

Effective From 17 July 2008

	New Charges	<i>Previous Charges</i>
ATTENDANCE FEE		
Within normal working	£45.00	<i>£42.00</i>
Out of hours	£70.00	<i>£60.00</i>
<i>(Separate attendance fee not applicable if actual work carried out)</i>		
BLOCKAGES		
Blockage clearance	£79.00	<i>£75.00</i>
Subsequent hours or part	£65.00	<i>£60.00</i>
Out of Hours min charge	£85.00	<i>£80.00</i>
Out of Hours (subsequent hours)	£75.00	<i>£70.00</i>
SEPTIC TANKS		
First 5,000 Litres (1,100 galls)	£81.00	<i>£78.00</i>
Subsequent per 500 Litres (110 Galls)	£11.00	<i>£10.00</i>
Emergency call out surcharge	<i>Price on request</i>	
CCTV SURVEYS		
Half day minimum charge	£270.00	<i>£260.00</i>
Labour subsequent hour or part	£35.00	<i>£30.00</i>
Unit subsequent hour or part	£27.00	<i>£25.00</i>

Appendix B

**Scheme of Charges for Street Naming and Numbering Property
Effective from 17 July 2008**

Charges - Street Naming and Numbering, etc. of Property				
Type of Work		Charge (£)	VAT (£)	Total (£)
New Properties				
Numbering or naming of new properties	1-2 units	60	10.50	70.50
	3-10 units	180	31.50	211.50
	11-20 units	360	63.00	423.00
	20 or more	480	84.00	564.00
Additional charge where this involves naming of a street		150	26.25	176.25
Additional charge where this involves naming of a building (eg. block of flats)		150	26.25	176.25
Existing Properties				
Change house name or property address		40	7.00	47.00
Changing a street name where requested by residents		250	43.75	293.75
<u>Plus</u> additional charge per property/unit		30	5.25	35.25
Enquiries – confirming information, i.e. legal searches, conveyancing, ancestral		120	21.00	141.00

**Scheme of Charges for Street Naming and Numbering Property
Effective from 1 January 2007**

Charges - Street Naming and Numbering, etc. of Property				
Type of Work		Charge (£)	VAT (£)	Total (£)
New Properties				
Numbering or naming of new properties	1-2 units	50	8.75	58.75
	3-10 units	150	26.25	176.25
	11-20 units	300	52.50	352.50
	20 or more	400	70.00	470.00
Additional charge where this involves naming of a street		100	17.50	117.50
Additional charge where this involves naming of a building (eg. block of flats)		100	17.50	117.50
Existing Properties				
Change house name or property address		30	5.25	35.25
Changing a street name where requested by residents		200	35.00	235.00
<u>Plus</u> additional charge per property/unit		20	3.50	23.50
Enquiries – confirming information, i.e. legal searches, conveyancing, ancestral		100	17.50	117.50