



SOUTH HOLLAND DISTRICT COUNCIL

TO: Portfolio Holder for Building Control, Cllr Henry Bingham

REPORT OF: Christian Allen, Assistant Director Regulatory

REPORT AUTHOR: Pauline Lyon, Group Manager Building Control

SUBJECT: Building Control Charges

PURPOSE: To agree revised charges for Building Regulations

KEY DECISION: NO

WARDS AFFECTED: ALL

EXEMPT REPORT: NO

SUMMARY

A review of the current charges for Building Regulations has been carried out. The charges haven't been reviewed since 2019 and it is recommended that these are increased in line with the proposal from 1st December 2023.

RECOMMENDATIONS

- 1) That the new Charges and hourly rate are approved and adopted from 1 December 2023.

REASONS FOR RECOMMENDATIONS

Increasing charges ensures that the full cost of all Building Regulations fee earning work is recovered and not subsidised by the Council.

OTHER OPTIONS CONSIDERED

Do nothing.

This would mean that full cost recovery would not be achieved.

Or,

Choose an alternative level of charges.

1.0 BACKGROUND

- 1.1 The Building (Local Authority Charges) Regulations 2010 make provision for local authorities (LAs) in England and Wales to fix their own charges in a scheme, based on the full recovery of their costs, for carrying out their main building control functions relating to building regulations.
- 1.2 LAs can amend, revoke or replace any charging scheme they make under the 2010 Regulations at any time (subject to a 7-day notice period).
- 1.3 This report seeks to increase the Building Regulations charges and associated hourly rate, to ensure full cost recovery for all fee earning Building Regulations work.

2.0 REPORT

- 2.1 The 2010 Regulations authorise LAs to charge for carrying out the five main building control functions relating to building regulations - i.e. checking plans, carrying out inspections of building work in connection with plans, and checking and inspecting work covered by building notices, reversion and regularisation applications. These are referred to as “the chargeable functions”.
- 2.2 Government policy continues to be that LAs should charge for carrying out these functions based on the principle that the user pays the cost of the service that they receive.
- 2.3 Under the 2010 Regulations, LAs 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, i.e. year on year they should always aim to ‘break-even’.
- 2.4 Under the Regulations, LAs are required to calculate their charges by relating the hourly rate of their building control officers to the time spent carrying out their chargeable functions.
- 2.5 Building Regulation charges at South Holland District Council have not been reviewed since 2019. Additionally, there aren’t any pre-fixed “standard” charges in place, each application is considered on an individual basis.
- 2.6 This report seeks to implement a pre-fixed “standard” set of charges as proposed (Appendix 1) for all domestic schemes, whilst all commercial schemes will be quoted on an individual basis, calculated at the hourly rate.
- 2.7 Applying the cost recovery calculation, it is proposed that the hourly rate is increased from £60.45 to £65.00.

2.8 The charges and associated hourly rate will come into force on 1 December 2023.

3.0 CONCLUSION

3.1 Building Regulation charges haven't been reviewed since 2019.

3.2 The pre-fixed "standard" charges should be introduced in line with the table in Appendix 1 and the hourly rate increased to £65.00.

4.0 EXPECTED BENEFITS TO THE PARTNERSHIP

4.1 Because the Building Regulation Charges are set on a cost recovery basis, there will be fluctuation between each sovereign Council, however where possible they have been harmonised. This provides consistency and transparency to the customers who may use the service at each Council area.

5.0 IMPLICATIONS

5.1 South and East Lincolnshire Councils Partnership

5.1.1 None

5.2 Corporate Priorities

5.2.1 This report supports the priority of "Our Council: Continue to strengthen our commercial approach which will secure our financial position by identifying income generation opportunities and efficiencies through trading and sharing".

5.3 Staffing

5.3.1 No staffing implications.

5.4 Constitution & Legal

5.4.1 Consulted with s151 Officer.

5.5 Data Protection

5.5.1 No issues arising.

5.6 Financial

5.6.1 The review of charges will ensure full cost recovery of all Building Regulation fee earning activities. A review will be carried out each year to ensure taking one financial year with another" the income from charges "as nearly as possible equates to the costs incurred" of carrying out their chargeable functions.

5.6.2 The proposal is to increase the hourly rate to £65.00, an 8% uplift on the previous hourly rate.

5.7 Risk Management

5.7.1 None

5.8 Stakeholder/Consultation/Timescales

5.8.1 Consulted with Portfolio Holder for Assets and Strategic Planning.

5.8.2 LAs are able to amend, revoke or replace any charging scheme they make under the 2010 Regulations at any time (subject to the 7 day notice period).

5.9 Reputation

5.9.1 The reputation of the Council could be negatively impacted if it does not ensure the cost of fee earning work is fully recovered.

5.10 Contracts

5.10.1 None

5.11 Crime and Disorder

5.11.1 There are no implications arising from this report.

5.12 Equality and Diversity/ Human Rights/ Safeguarding

5.12.1 There are no new implications arising from this report.

5.13 Health and Well Being

5.13.1 There are no implications arising from this report.

5.14 Climate Change and Environmental Implications

5.14.1 There are no implications arising from this report.

APPENDICES

Revised charges table

Background Papers:-

The Building (Local Authority Charges) Regulations 2010 [The Building \(Local Authority Charges\) Regulations 2010 \(legislation.gov.uk\)](http://www.legislation.gov.uk)

Chronological History of this Report

REPORT APPROVAL

Report author:	Pauline Lyon, Group Manager Building Control
Signed off by:	Cllr Henry Bingham
Approved for publication:	