



Development Control Committee	Thursday, 28 July 2016	Matter for Information
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Title: **Review of Scale of Fees and Charges (Building Control)**

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1. Introduction

Members will be aware that the Council operate a full Building Control regulation service. Although the service undertake a number of “non-earning” services and activities, its financial objective is to break even over any short period of years. I.e., it is not a profit or surplus generating service. In recent years, partly as a result of commercial competition and the recent downturn in local building activity, the service has been run at a consistent “loss”. This has hampered both the level and quality of service that can be sustained over time.

The current scheme of fees and charges has not been reviewed since January 2011. In recent years there also appears to have been some reticence about increasing the Council’s current scale of charges, for fear of becoming uncompetitive with locally operating commercial “A I”s and, due to fear of becoming significantly uncompetitive with nearby or comparable local authorities.

In maintaining and reforming the current very high level of service, the commitment and dedication of the Council’s current Building Control Surveyor should also be recognised.

2. Recommendations

- 2.1. That the appended Revised Scale of Fees and Charges be approved as an amendment to those previously operated (also appended).
- 2.2. That those revised fees and charges be operated with immediate effect.
- 2.3. That relevant officers continue their efforts to achieve an equitable “cost-recovery” when charging or re-charging each case.

3. Information

- 3.1. In a recent Internal Audit of the Council’s Building Control Service, two key recommendations were made by auditors:

“Management should review the basis for calculating and allocating costs within the various Building Control budgets to ensure these accurately reflect the service and its chargeable and non-chargeable work”.

and

“The Scheme of Charges should be reviewed to ensure it accurately reflects the service and ensures charges fully recover (as far as practical) the chargeable costs of the service and are at an optimal, but competitive, level”.

- 3.2. The extent of work engaged by each type of application and the amount of staff time spent in each “typical” fee earning case has now been re-examined and

reapportioned. Furthermore, the equivalent fee or charge made by each other local authority in Leicestershire has been established to act as a benchmark for OWBC's proposed scale of charges.

- 3.3. If the appended scale of fees and charges were adopted then OWBC would remain at or about the cheapest local authority Building Control service within Leicestershire. (To some extent this reflects the compact size of Oadby and Wigston and so the modest amount of time spent travelling from job to job).
- 3.4. Building Control officers are often required to allocate additional time to a Building Notice and Regularisation application as OWBC rarely receive any details of the project and are often expected to project manage the work on site. Therefore an increase of 17% to bring the charges in line with the neighbouring authorities plus an additional 10% to recover the cost of time spent on site etc.

4. Predicted Income Based on the Proposed Fee Increase

2015/2016 Approximate	Increase (%)	2016/2017 Estimated	Building Regs Application
£13,227.	17%	£15,475	Plan charge
£25,836.	17%	£30,228	Inspection fee
£26,455.	27%	£33,598	Building Notice
£1,652.	27%	£2,098	Regularisation
£67,170.	-	£81,399	Total

5. Conclusion

Therefore, a potential increase of income in the order of £14,229. This assumes that the current year is a close repletion of the last financial year – and will make good modest losses from the last two years.

Background Documents:-

Internal Audit Annual Report 2015/16

Policy, Finance and Development Committee on Tuesday 19 July 2016

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Implications	
Financial (CR)	It is important that the Council maximises all its income streams, particularly in the current funding climate.
Legal (AC)	No significant implications.
Risk (TB)	No significant implications.
Equalities (TB)	No significant implications.
	Equality Assessment:- <input type="checkbox"/> Initial Screening <input type="checkbox"/> Full Assessment <input checked="" type="checkbox"/> Not Applicable