

## **NOTICE OF INDIVIDUAL EXECUTIVE MEMBER DECISION**

<b>ITEM NO.</b>	IMD 2015 - 14
<b>TITLE</b>	Building Control Shared Service Fees
<b>DECISION TO BE MADE BY</b>	Pauline Jorgensen, Executive Member for Resident Services
<b>DATE AND TIME OF DECISION</b>	Thursday 16 April 2015 at 5:00pm
<b>VENUE</b>	The David Hicks Meeting Room, Civic Offices, Shute End, Wokingham
<b>REPORT TO BE PUBLISHED ON</b>	Wednesday 9 April 2015

**INDIVIDUAL EXECUTIVE MEMBER DECISION  
REFERENCE IMD: 2015 - 14**

<b>TITLE</b>	Building Control Shared Service Fees
<b>FOR CONSIDERATION BY</b>	Pauline Jorgensen, Executive Member for Resident Services
<b>ON</b>	Thursday 16 April 2015
<b>TIME</b>	5:00pm
<b>WARD</b>	None specific
<b>DIRECTOR</b>	Heather Thwaites, Director of Environment

**OUTCOME / BENEFITS TO THE COMMUNITY**

The proposed fee schedule will provide a consistent fee regime for building control for the WBC and RBWM shared service that will commence on 1 April 2015. The fee regime has been calculated based on a true cost recovery basis and will cover the cost of providing the non statutory Building Control Service to local residents and businesses across both the administrative areas of WBC and RBWM. It will allow a cost effective service to be delivered on a cost recovery basis and will ensure that the council can continue to provide this service to its residents and customers.

**RECOMMENDATION**

To agree the proposed schedule of fees (See attached).

**SUMMARY OF REPORT**

The building control shared service between WBC and RBWM was agreed by the WBC Executive in November 2014 and will commence on 1 April 2015.

The building control service currently undertakes a number of statutory services (approximately 20% of current workload) funded by WBC and which will be jointly funded by WBC and RBWM under the shared service arrangement. The remaining workload is non statutory and these services are provided on a fee recovery basis.

At the moment, WBC and RBWM have different fee regimes. Wokingham Borough Council's fees are considerably out of date and do not reflect the true cost of providing the service. The proposed schedule of charges has been calculated on a true cost recovery basis. It will also enable a consistent fee regime to be applied across both WBC and RBWM while remaining competitive and offering good value for money to the council's customers.

## **Background**

A new shared service between WBC and RBWM was agreed by WBC Executive at its meeting on 27 November 2014 and will come into effect on 1 April 2015. The benefits of a shared service include:

- Greater service resilience
- Improved skills development
- Improved career development
- Improved recruitment & retention (especially compared to operating as a single authority service)
- Improved opportunity to generate additional business through more competitive fee structure, marketing and specialisations.
- Opportunities to diversify the business to provide additional services and generate income
- Greater economies of scale

Both Councils currently have slightly different charging schedules and WBC fees are out of date and do not reflect the true cost of providing the service. There is a need to harmonise the fees across the both boroughs and ensure a sufficient level of income is generated to cover the cost of the service, to retain and recruit staff whilst staying competitive and offering good value for money to the council's customers.

## **Analysis of Issues**

The current schedule of WBC building control charges was agreed in 2011. There has been no increase in building control fees in WBC for four years. RBWM and WBC have a slightly different charging schedule, both in the way the fees are calculated and the total amounts. There is a need to ensure that the service is offered to both authorities on a true cost recovery basis and to adopt a consistent approach to the fee regime in light of the new arrangement.

Both Councils currently process around 2500 building regulations each per year and generate around £650,000 of fee income each year. WBC currently has a market share of 70% of the Building Control work in the Borough whilst RBWM share has fallen to around 65%. As the service competes with the private sector, the remainder of the share is picked up by Approved Inspectors (AIs) and the NHBC. It is essential that any harmonised fee structure keeps fees as low as possible to remain competitive but at the same time ensuring that sufficient income is generated in order to offer sufficiently competitive salaries to recruit and retain staff to provide a high quality service.

Below is a comparison of existing fees (in RED) and proposed fees (in BLACK). These have been calculated by comparing current RBWM charges with current WBC charges, calculating the time/work involved for each category of work, and benchmarking the cost against the fees charged by other Berkshire authorities. Some charges have increased whereas others have reduced. The charges that have increased the most are those for a garages and garage conversions. This is because the existing WBC fees do not adequately cover the cost of the service for these developments and these fees would need to increase irrespective of the shared service agreement. Furthermore, the fees are less than they would be if the service was operated only by WBC alone rather than on a shared service basis.

The new fee charges proposed are representative of the work involved (i.e. the true cost of providing the service) whilst remaining competitive with both neighboring building control authorities and private sector approved inspectors. For example, Bracknell Forest Council fees are higher than those proposed below even for the two developments that will carry the greatest proposed fee increase (garages and garage conversions). The fees for garages at BFC are £406 compared to £280 proposed for the shared service. For garage conversions, the fee at BFC is £406 compared to £360 proposed. The shared service fees proposed are also sufficient to cover salary costs to enable the council to attract qualified high caliber surveyors.

The building control budget is ring fenced as the service is unable to make a profit. If at the end of the financial year the account is in surplus, funds will be either reinvested in the service to make it more effective and competitive or the fee regime will be revisited and fees reduced.

Comparison between existing and proposed fees. Current fee in **RED**. Proposed fee in **BLACK**.

Type of Work	Full Plans Plan Charge	Full Plans Inspection Charge	Building Notice Charge	Regularisation Charge (Please note: Regularisation is enforcement and vat is not payable)
	£	£	£	£
1. Erection or extension of a detached or attached building which consists <b>only</b> of a garage or carport or both having a floor area not exceeding 60m <sup>2</sup> in total and intended to be used in common with an existing building, and which is not an exempt building.	219.42 280.00	-	241.36 308.00	237.70 333.57
2. Garage conversion consisting of a garage to habitable accommodation	121.58 220.00	182.86 140.00	334.88 396.00	329.82 428.87
3. Any extension of a dwelling the total floor area of which does not exceed 10m <sup>2</sup> .	219.42 220.00	306.12 300.00	578.09 572.00	569.33 619.48
4. Any extension of a dwelling the total floor area of which exceeds 10m <sup>2</sup> , but does not exceed 40m <sup>2</sup> .	219.42 220.00	481.09 425.00	770.56 709.50	758.88 768.39
5. Any extension of a dwelling the total floor area of which exceeds 40m <sup>2</sup> , but does not exceed 100m <sup>2</sup> .	219.42 220.00	578.72 560.00	877.94 858.00	864.64 929.21
6. Loft conversion. Any extension or alteration of a dwelling consisting of the provision of one or more rooms in a roof space.	219.42 220.00	499.86 400.00	791.21 682.00	779.22 738.61
7. Window replacement where the installer is not registered under the FENSA scheme and there are no other building works involved.	-	-	90.83 132.00	98.28 142.96

<b>Charges Relating to New Houses and Flats up to Three Storeys High and Not Exceeding 300m<sup>2</sup></b>		
<b>Number of dwellings</b>	<b>Plan Charge £</b>	<b>Inspection Charge £</b>
1	269.78 270.00	646.01 645.00
2	368.70 370.00	893.98 890.00

**Cross-Council Implications** (how does this decision impact on other Council services, including property and priorities?)  
 No implications for other services.

<b>SUMMARY OF CONSULTATION RESPONSES</b>	
<b>Director - Resources</b>	No response received
<b>Monitoring Officer</b>	No comments on the report
<b>Leader of the Council</b>	This is another example of neighboring authorities working together to improve the service to their respective residents. I fully support the proposals

**List of Background Papers**  
 Executive report 27 November 2014

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