

TITLE	Building Control Charges
FOR CONSIDERATION BY	The Executive on Thursday, 18 February 2021
WARD	None Specific;
LEAD OFFICER	Director, Place and Growth - Chris Trill
LEAD MEMBER	Executive Member for Environment and Leisure - Parry Batth

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

To agree new building control charges to ensure that the service is delivered on a cost recovery basis to meet the statutory obligations of the Council.

RECOMMENDATION

That the Executive agree to the setting of Building Control Charges from 1st April 2021, as set out in Appendix A to the report.

EXECUTIVE SUMMARY

The Building Control Shared Service between WBC, RBWM and West Berkshire Councils commenced on 1 July 2016.

The statutory building control service undertakes a number of 'non-trading' statutory services (approximately 17% of current total workload) funded by the local authority and jointly funded by WBC, RBWM and West Berkshire under the shared service arrangement. Where possible, the costs of delivering a number of these 'non-trading' statutory services are recovered on a fee recovery basis through charges which were reviewed and approved by the Executive for 2020/21.

The remaining statutory trading workload and services are provided on a cost recovery basis; set against competition from private sector Building Control Bodies.

Charges for the statutory trading account were last reviewed and increased in May 2020. The report sets out the proposed charges for the statutory trading account to increase by 1.6% in line with CPI index and to take effect from 1st April 2021.

BACKGROUND

BCS operates within two separate budget accounts: a trading account and a non-trading account.

The trading account refers to activities which provide the statutory building regulation function within a competitive environment. Although the service must compete with private sector providers; it must also deliver this service as a statutory function and must do so whilst remaining self-financing. Partner councils to the shared service cannot refuse to accept a building regulation submission to BCS; except under the statutory provisions of the Building Act and Building Regulations.

The non-trading account refers to the 'public protection' activities such as the enforcement of the Building Regulations, maintenance of registers of Initial Notices and Competent Persons Schemes, Dangerous Structures and Demolition incidents. This is funded by the partner councils in the provision of their statutory roles; but also, from additional income from charges, mainly applied for the handling of solicitor enquiries and demolition notices.

BUSINESS CASE

The current schedule of building control charges was agreed in May 2020. There is a need to ensure that the service is offered to all local authorities on a true cost recovery basis.

It is essential that the service keeps charges as low as possible to remain competitive, but at the same time ensuring that sufficient income is generated. This is in order to offer sufficiently competitive salaries to recruit and retain staff to provide a high-quality service.

Appendix A shows a comparison between existing charges and their respective proposed charges in line with an increase of 1.6% in line with CPI index.

The proposed charges are representative of the work involved (i.e., re-covering the overall cost of providing the service) whilst remaining competitive with both neighbouring building control authorities. Approved Inspectors do not have the same legal requirements placed on them to advertise their charges. This presents a difficulty trying to benchmark with such competitors. The shared service charges 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 charges regime will be revisited, and charges reduced.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£0	Yes Funding is from within the service budget	Revenue
Next Financial Year (Year 2)	£0	Yes Funding is from within the service budget	Revenue
Following Financial Year (Year 3)	£0	Yes Funding is from within the service budget	Revenue

Other Financial Information
None

Stakeholder Considerations and Consultation
None

Public Sector Equality Duty
Due regard to the Public Sector Equality Duty has been taken

Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i>
Continued ability of the service to secure national building control sustainability requirement on a cost neutral basis

List of Background Papers
Appendix A – Building Control Charges

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