

**To:** City Executive Board  
**Date:** 15 September 2016  
**Report of:** Head of Planning and Regulatory Service  
**Title of Report:** Changes to charging for Building Control application fees

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To set new Building Control application fees and to introduce one new charge.
<b>Key decision:</b>	Yes
<b>Executive Board Member:</b>	Cllr Alex Hollingsworth, Planning and Regulatory Services
<b>Corporate Priority:</b>	Vibrant and sustainable economy, efficient and effective council, strong and active communities
<b>Policy Framework:</b>	None
<b>Recommendation:</b> That the City Executive Board resolves to:	
1. <b>Approve</b> the proposed Building Control application fees and charges to take effect from 30 September 2016 and that a strategic review of the service will be undertaken by December 2016.	

<b>Appendices</b>	
Appendix 1	Building Control - Existing and proposed fees
Appendix 2	Risk register.
Appendix 3	Equalities Impact Assessment.

## Introduction and background

1. Building Control application fees were last amended by Oxford City Council in 2010/11 as a result of a change in legislation and the fees have remained the same since January 2011. The Local Authority (LA) Building Control function has been under scrutiny for several years and it is proposed to undertake a strategic review of the service by December 2016. As part of the review it is now considered appropriate to increase fees and charges to continue to ensure full cost recovery. The Council has a statutory responsibility to administer the Building Regulations but operates the service in a competitive environment where fee income is ring-fenced outside of the general fund and operates on a cost recovery basis.

## **Alterations to existing fees**

2. There are two types of Building Regulation applications submitted to LA Building Control relating to new building work. These are Full Plans and Building Notice applications, both attract the same fee level under the existing 2011 fee tables published by Oxford City Council. With regard to retrospective and unauthorised building work a Regularisation application can be submitted to the LA Building Control.
3. The proposal is to apply a 10% increase to the majority of the application fees as shown in the existing and proposed tables in Appendix 1. This reflects the increase in costs in providing these services and ensures that the Council recovers its costs. There is a proposal for Oxford City Council Building Control to provide bespoke, application fee quotations for building work such as the construction of 3 dwellings or more, large extensions and underpinning works in future. This will ensure cost recovery is achieved.
4. There is a proposal for a significant fee increase for the conversion of garages into habitable rooms. The existing fee is £250.00 including VAT. However, this building work and Building Control activity is more in line with the service delivered for residential extensions and as a result, this particular application requires the same inspections to be carried out by Building Control. Therefore, the proposal is to increase the existing fee in line with the building Control work carried out for a domestic extension, being a minimum of £500.00 including VAT, subject to total floor area.
5. Where building work is delayed or halted several months or years after the Building Regulations application has been submitted to the Council this may result in Building Control work that often exceeds the application fee charged. In these circumstances the Council is allowed to charge a supplementary fee to recover these additional costs and from now on will do so.

## **Legal Issues**

6. The proposed fee increases by Oxford City Council, Building Control are in accordance with The Building (Local Authority Charges) Regulations 2010 (SI 2010/404). These Regulations authorise 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.
7. The regulations require the charging scheme to set out the hourly rate used to calculate the charges and the factors taken into account in estimating how much time the charged for services will require. These are set out in Schedule 4 of the recommended charging schedule.
8. Where the LA determines a charge other than a standard charge the LA shall give the relevant person notice in writing specifying the charge and the factors taken into account in determining the charge.
9. In accordance with Regulation 10, Oxford City Council, Building Control has provision within the charging scheme for the handling and consideration of complaints relating to the determination of any charge. Complaints and considerations can be submitted using the Council's 3C's webform.
10. Regulation 12 requires a LA to publicise amendments to their charging schemes for at least 7 days before the date on which the changes come into effect. It is

recommended that the proposed increases to existing fees and charges take effect from 30 September 2016.

### **Financial implications**

11. The Building Control income targets are set on a cost recovery basis. Administrative procedures are already in place with regard to obtaining fees arising from charging an increased fee for all Building Control applications and supplementary charges.
12. The fee increase proposals will deliver cost recovery where the Building Control service is exposed to risk as a result of insufficient information being submitted and poor quality builders providing sub-standard workmanship and materials. The proposed fee increase and supplementary charges will address existing financial risks to the Building Control service and reflect the increased costs in the five years since the fees were amended. Currently the costs to the Council of providing the service are higher than the fee income and in 2015/16 there was a charging account deficit of £38,700. The additional Building Control income estimated for 2016/17 is £19,000, rising to £38,000 in 2017/18 and each full financial year thereafter. The strategic review of the service will take into account remaining financial pressures and seek to provide a solution to develop a sustainable Building Control Service.

### **Level of risk**

13. A risk register is included in Appendix 2. The risks are considered manageable, and to be outweighed by the benefits of the proposals offered.
14. To summarise, it is important Building Control application fees ensure full cost recovery, while at the same time remaining competitive in view of the increasing challenge from Approved Inspectors. The proposed application fee increases and supplementary charges will provide an improved Building Control service, allowing the team to further increase their focus on customer service delivery, improved reputation and securing more projects.

### **Equalities impact**

15. No adverse impacts were identified and there is no potential for discrimination from the proposed fees and charges. In addition, Regulation 4 of the Building (Local Authority Charges) Regulations 2010, states that Building Control fees cannot be charged for certified, disabled adaptation applications.

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**Background Papers:** None

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