

Subject:	Building Control fees and charges		
Date of Meeting:	22nd June 2018		
Report of:	Executive Director Economy, Environment & Culture		
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The fees and charges for services are reviewed annually in line with the Corporate Fees & Charges Policy. As a minimum, all fees and charges were previously increased by the corporate rate of inflation which has been set at 2.0%. This is the same percentage by which income budgets will be increased. For 2018/19, all services have been asked to identify if and where fees and charges can be increased by a minimum of 3.5%.
- 1.2 The Council's Financial Regulations require that any proposed increases in fees and charges over and above inflation are agreed by the Council. They also state that it is good practice to report on fees and charges that are rising by inflation only.
- 1.3 This report presents the proposed Fees and Charges for June 2018 for the Building Control Service and includes the results of a comprehensive exercise which has:
 - Explored the potential to conduct a full review of all fees and charges
 - Benchmarked current fees and charges with other authorities
 - Identified the true costs of all products in the service to ensure charges recover costs, including central and local overheads and capital financing.
 - Examined potential new sources of income, particularly charging for discretionary services under the Local Government Act 2003.

2. RECOMMENDATIONS:

- 2.1 That the Committee approve the proposed fees and charges increases for Building Control from 1 June 2018 outlined in Appendix 1.
- 2.2 That the Committee approve the proposed fee and charges for Building Control Specialist Advice from 1 June 2018 outlined in Appendix 2.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 As part of the Building Control Modernisation Programme, an initial review in November 2017 identified that there appeared to be a considerable variation between Brighton and Hove City Council and other Local Authorities Building Control fees across a majority of products.
- 3.2 All Building Control Fees and Charges were increased by 3.5% from 1st January 2018 as an interim solution.
- 3.3 It was agreed that a more in depth analysis of the current Building Control Fees and Charges needed to be completed to fully understand the costs associated with providing this service. The purpose of the review was to make recommendations and proposals to increase our fees where possible, without conflicting with current CIPFA guidance that requires the Local Authority to cover its costs and not make a surplus.
- 3.4 This review was scheduled to be completed by April 2018 and reported back to Tourism, Development & Culture Committee in June 2018 to agree on any revised fees.
- 3.5 The review has involved mapping the process to review all officer time and costs, including Corporate Support service costs, benchmarking has also been completed to understand how our costs compare to neighbouring Authorities where relevant.
- 3.6 The results of this exercise are presented throughout this report and clearly laid out in the appendices. The fees have been rounded for ease of administration.

BUILDING CONTROL

- 3.7 A detailed review has been carried out for all costs relating to all Building Control products. Each product was analysed and the process reviewed:-
- Process steps and times analysed for officer time
 - Related staff and Support Service charges calculated
 - Overall costs per product obtained
- 3.8 Current fees as at 1st January 2018 were compared to the costs per product to ascertain if the fees covered the cost of providing the service for each product. It was noted that the current fees do not cover the cost of providing the service in all instances.
- 3.9 Building Control current fees were benchmarked with other comparable Local Authorities for all fee sections - Plan, Inspection, Building Notice and Regularisation charges. All of the variances were reviewed and compared to current fees as well as the cost of providing the product. The process is detailed in Appendix 3.

3.10 The proposed fees and charges are detailed in Appendix 1. Conversations with the Service Manager suggest that these increases should not have an adverse impact on demand for the service. Anecdotally private sector providers appear to charge higher fees but are not constrained by CIPFA requirements.

It is not possible to quantify what impact any increase greater than 2% will have on the services current market share.

3.11 The overall summary of proposed fee increases are as below:-

	Description	Proposed increase
	Flats	5% Plan and Inspection
	Houses	5% Plan and Inspection
	Conversions	10% Plan and Inspection
	Extensions	10% Plan and Inspection
	Other domestic work	10% Plan and Inspection
	Small domestic works	5%
	Cost of work	From 10% lower to 3.5% higher
	Non Domestic	10%

3.12 Brighton and Hove City Council currently provides specialist advice for Building Control services without charging for this complex and bespoke information. Therefore, it is proposed that charges are introduced to cover the costs associated with providing advice to:

- Advice on Building Control issues prior to application:
Work is often proposed that requires pre application advice. It is our intention to seek to charge for this advice on the basis of our time spent providing this input.
- Inspections after 3 years on buildings not yet inspected:
It is the case that a number of projects will not complete. Often during a property sale we will be asked to inspect projects where our involvement ceased some years ago. The proposal would be to make a charge for any additional time spent on any project where we have not inspected and more than 3 years have elapsed.

3.13 It is proposed a new fee of £60 per hour is introduced to cover officer costs and overheads. The fee will include the cost of the report produced following the meeting. This is detailed in Appendix 2.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The proposed fees and charges in this report have been prepared in accordance with the Council's Fees and Charges Policy and form part of the proposed budget strategy. Consideration has been given to other factors such as cost recovery and prices charged by other Local Authorities.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 A comprehensive consultation was undertaken in 2015 as part of the introduction of Pre Application Advice and Planning Performance Agreements. It was not considered necessary to undertake a further consultation as part of this review.

6. CONCLUSION

6.1 Fees and charges are considered to be an important source of income in enabling services to be provided in a sustainable manner. The overall budget strategy aims to ensure that fees and charges are maintained or increased as a proportion of gross expenditure through identifying income generating opportunities. In addition, charges for discretionary services should cover costs, and ensure that fees and charges keep pace with price inflation and/or other Local Authorities

6.2 The fees and charges for Building Control are assumed to increase by the % detailed in Appendix 1.

6.3 The charges for Building Control Specialist Advice are assumed to be introduced as detailed in Appendix 2.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1

Finance Officer Consulted: Rob Allen

Date: dd/mm/yy

Legal Implications:

[Address legal implications, including power to carry out the proposals and any legislation that affects the proposals. This section must be completed/approved by the relevant lawyer] see [Report Writing Guide](#)

7.2

Lawyer Consulted:

Hilary Woodward

Date: dd/mm/yy

[Contact the Democratic Services Officer responsible for the committee for advice.](#)

Equalities Implications:

7.5 Equalities issues have been a key consideration of the review of fees and charges and appropriate measures introduced. It is still the case that any work solely for the benefit of providing facilities for people with mobility difficulties will not be charged for or where they form part of other work reductions will be given.

Sustainability Implications:

7.6 In order to assist with the long-term sustainability and efficiency of the Planning & Building Control Service and to continue providing a quality service, it is necessary that the charges be set at an appropriate level.

Any Other Significant Implications:

- 7.7 There are no other significant implications arising from the recommendation in this report.

SUPPORTING DOCUMENTATION

Appendices:

1. Appendix 1: Building Control fees and charges
2. Appendix 2: Specialist advice fees and charges
3. Appendix 3: Review Process