

## TONBRIDGE & MALLING BOROUGH COUNCIL

## FINANCE, INNOVATION and PROPERTY ADVISORY BOARD

08 January 2020

### Report of the Director of Planning, Housing and Environmental Health

#### Part 1- Public

#### Matters for Recommendation to Cabinet - Key Decision

#### 1 REVIEW OF BUILDING CONTROL PARTNERSHIP FEES FOR 2020/21

##### 1.1 Background

- 1.1.1 The Building Control Service is provided through a partnership arrangement with Sevenoaks District Council, overseen by a Management Board. The purpose of this report is to confirm that a fee increase will not be applied for 2020/21 Building Control Partnership standard charges due to the surpluses accrued in 2017/18 & 2018/19 and to date 2019/20.

##### 1.1.2 Performance to date

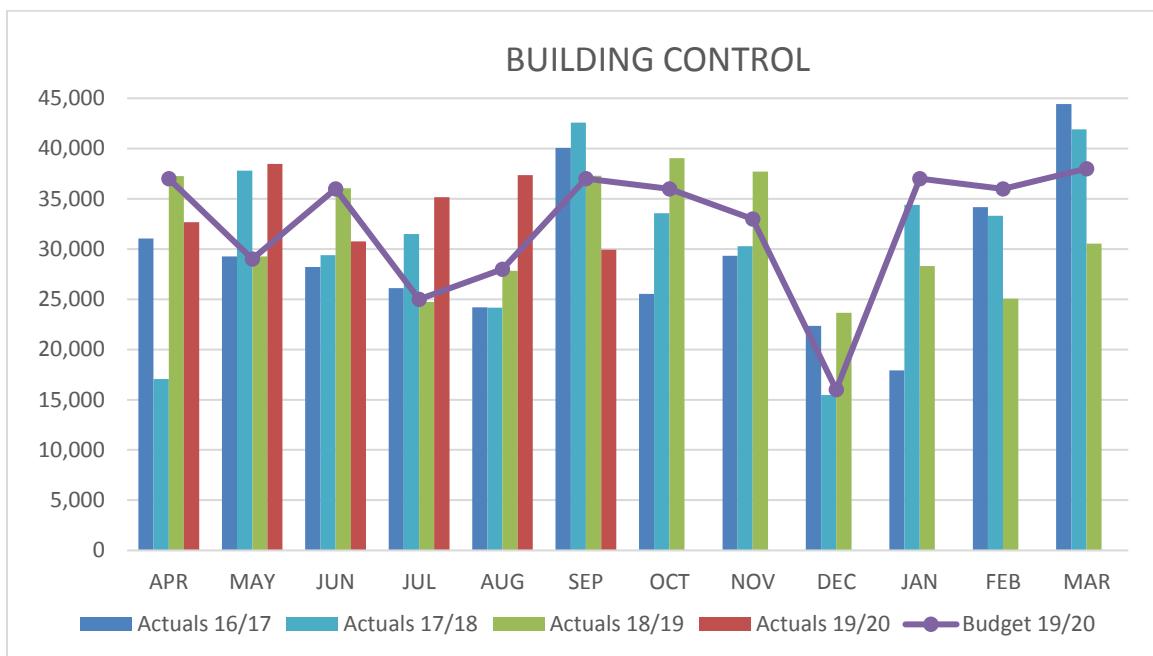


Figure 1 - TMBC monthly Building Control income

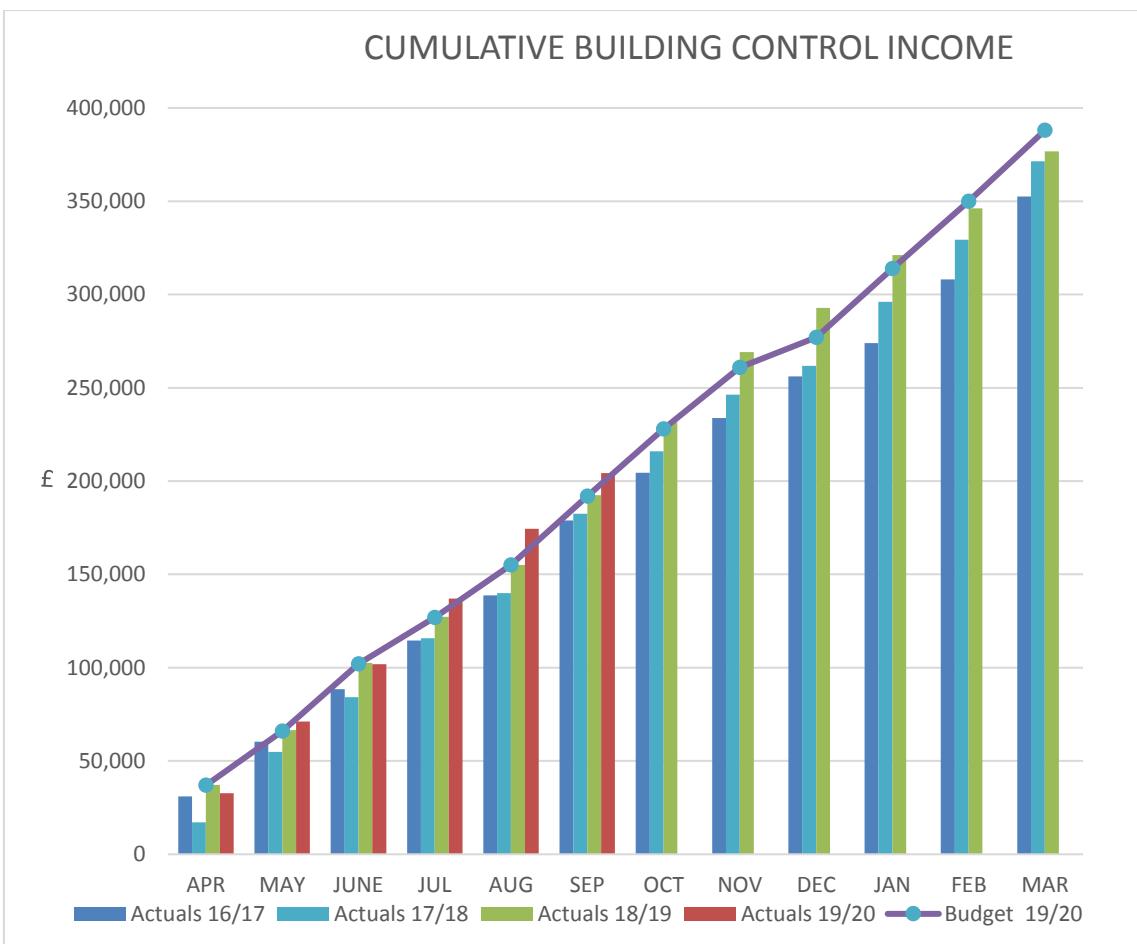


Figure 2 - TMBC cumulative Building Control income

## 1.2 Building Control Fees

- 1.2.1 The Building (Local Authority Charges) Regulations 2010 require local authorities to ensure that the prices charged by the service is an accurate reflection of the costs of carrying out the chargeable building control functions and for giving chargeable advice relating to the Building Regulations.
- 1.2.2 The Regulations require authorities to achieve full cost recovery on their building regulation chargeable work. However, charges should not be increased above the level of the costs of providing a service under the Building Regulations. The Regulations identify standard and individual charges that, in turn, should reflect the cost of the service on individual building projects in accordance with the ‘user pays’ principle.
- 1.2.3 Authorities can set standard charges and individually determined charges at a local level. The use of standard charges should be limited to the types of building work where it is possible to estimate the amount of Building Control input required for a particular type of Building Regulation application. Quotes are provided to clients for individually determined charges, which are calculated on a scheme-by-scheme basis.

- 1.2.4 Building Control charges can be challenged by clients, therefore it is important that the evidence base that sits behind the charges schedule is robust relates to the actual costs of carrying out the main building regulation function.
- 1.2.5 The overriding objective in the Charges Regulations requires local authorities to achieve full cost recovery in the setting of their charges. Income derived by the local authority from performing their 'chargeable functions' should equate as far as possible, to the costs incurred by the authority in providing these services.

### **1.3 Review of chargeable services**

- 1.3.1 As part of the 2020/21 business plan for Building Control, there will be a review of building control services to ensure that the correct percentage split is being applied to between chargeable services and non-chargeable services (such as dangerous structures inspections). This review will provide an evidence base to inform changes to fees in future financial years to ensure charges achieve full cost recovery and users only pay for the service they receive.
- 1.3.2 The review will be carried out by the Building Control Partnership Board and then reported back to Members.

### **1.4 Legal Implications**

- 1.4.1 The Building (Local Authority Charges) Regulations 2010 (S.I. 2010/404) makes provision for local authorities in England and Wales to fix their own charges in a schedule, based on the full recovery of their costs for carrying out their main Building Control functions relating to the Building Regulations.

### **1.5 Financial and Value for Money Considerations**

- 1.5.1 The Building Control Standard Charges are reviewed every year and the evidence base updated. This ensures that the service is responsive to the needs of the customer and that the charging schedule is fairly applied.
- 1.5.2 Retaining the same charging levels as in 2019/20 does not preclude an increase in income projection, which will be reflected in the budget for 2020/21. The service continues to work to maintain market share and increase fee income.

### **1.6 Risk Assessment**

- 1.6.1 The 'break even' position should be assessed each year to ensure that income, as nearly as possible, equates to costs and is based on up to date evidence.
- 1.6.2 Local Authority Building Control is in competition with private sector building control and increased fees could result on clients opting to use private Approved Inspectors (instead of the local authority) for their building projects. It is therefore important to ensure that the Building Control Service operates efficiently to maintain a competitive fee structure and provide value for money for the customer.

## **1.7 Equality Impact Assessment**

- 1.7.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act.

## **1.8 Policy Considerations**

- 1.8.1 There are no policy implications arising from this report.

## **1.9 Recommendations**

- 1.9.1 Members are **RECOMMENDED** to **AGREE** charges from the 1 April 2020 as per the list of Building Control fees attached at Annex 1.

Background papers:

Nil

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