

**Ryedale District Council** 

REPORT TO:North Yorkshire Building Control Partnership BoardDATE:29 September 2010REPORTING OFFICER:Les Chapman<br/>Head of Building ControlSUBJECT:Proposed Increase in Charges

#### 1.0 PURPOSE OF REPORT

**1.1** To approve a revision to the Building Regulation Charges scheme for the Building Control Partnership from 1 October 2010.

#### 2.0 **RECOMMENDATIONS**

The scale of charges as set out in Annex 1 is adopted with effect from 1 October 2010.

#### 3.0 REPORT

- **3.1** Members will be aware that a new scheme of charges was published in March 2010 to become operative from 1 April 2010. However, within the Regulations a six month lead-in period was granted to enable local authorities to review and amend their current charging regime in accordance with new CIPFA guidance and The Building (Local Authority Charges) Regulations 2010.
- **3.2** The new charging regime as set out in Annex 1 has to be based on an hourly charge to recover costs of the chargeable service. Any surpluses or deficits within the chargeable area of operations are to be held within a reserve. It is important to note that the Partnership should not build up excessive reserves and where these are foreseen the charging scheme should be amended accordingly. If a deficit occurs actions need to be taken to bring the budget back into line and to a "break even" point within an agreed time period. Due to operational needs of the Partnership it is viewed that the break even position is when the Partnership has

£150,000 in its reserves in accordance with the Partnership's legal agreement. This level of reserve will facilitate the Partnership's operational requirements as it is not practical to request capital expenditure from each of the Partners as and when required or to request monies to maintain the agreed level of operational reserve.

- **3.3** The scheme of charges as set out in Annex 1 has been established using the hourly rate times number of inspections and hours taken plan checking. Annex 2 shows the current scheme of charges. Should an applicant agree to pay the inspection charge at the same time as paying the deposit charge on a full plans application a 5% discount has been introduced as the costs associated with the application are reduced as there is no need for invoicing and debt recovery. These savings can be passed on to the applicant. This hopefully will encourage more people to submit full plans applications.
- **3.4** <u>Schedule 1.</u> The proposed new charge scheme has reduced the number of dwellings from 20 to 5 with a fixed cost per dwelling thereafter. There are potentially further discounts available to applicants with schemes in excess of 5 where there are similar house types etc.

<u>Schedule 2.</u> The current scheme of extensions with floor areas up to 10, 40, and 60 square metres has been revised on the basis of two types of extension under 60 square metres, single storey and two storey. This is based on the amount of time taken plan checking and the number of inspections required for the different types of development. Likewise, for extensions of either type in excess of 60 square metres an additional inspection and plan checking will be required. Within Schedule 2 it is proposed to introduce a standard fee for barn conversions for both single and two storey conversions where previously the fee was based on estimated cost of work. It is anticipated that this will simplify the process for applicants and agents. It is also proposed to introduce a standard rate for re-roofing of existing domestic properties and to standardise window replacements, alternative energy supplies and electrical installations where we undertake the inspections.

Schedule 3 This is based on the current £0 to £50,000 category and based on the estimated amount of time to be spent on each chargeable category. The first charge £0 to £1,000 has been increased by £60 with the £2,000 to £5,000 decreasing by £9.00. Subsequent categories vary slightly. Building costs in excess of £50,000 will require a charge to be built up based on the estimated hours taken to check and inspect the work, times the hourly charge.

## 4.0 POLICY CONTEXT

**4.1** This budget will have an effect delivery and implementation of the North Yorkshire Building Control Partnership's Business Plan.

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## 5 FINANCIAL IMPLICATIONS

**5.1** It is anticipated that by adopting these revised charges the overall impact on the agreed budget will not significantly change from that approved on 1 April 2010 and revised on the 29 September 2010.

# 6 LEGAL IMPLICATIONS

**6.1** The Board is required to publish a revised scheme of Building Control Charges by 1 October 2010.

## 7.0 RISK ASSESSMENT

**7.1** By not adopting the revised scheme of charges for implementation on 1 October the Partnership cannot charge for building control work from this date which will have a significant impact on the approved budget.

## 8.0 CONCLUSION

It is essential that the charges are set at an appropriate level and within the guidelines of the LGA Model Scheme of Charges to deliver locally accountable building control services, whilst remaining competitive against charges set by Approved Inspectors.

Background Papers: The Budget Report January and March2010.

#### **OFFICER CONTACT:**

Please contact Les Chapman, Head of Building Control if you require any further information on the contents of this report. The officer can be contacted on 01347 825760, or at les.chapman@nybcp.org.