

**REDDITCH BOROUGH COUNCIL**

**EXECUTIVE  
COMMITTEE**

8th September 2010

**BUILDING CONTROL – NEW SUPPLEMENTARY CHARGES**

Relevant Portfolio Holder	Cllr J Pearce
Relevant Head of Service	Mrs. Ruth Bamford
Non-Key Decision	

**1. SUMMARY OF PROPOSALS**

The purpose of this report is to report on the requirement to publish Building Control Charges, to set out the case for introducing additional service charges and seek approval for levying such charges.

**2. RECOMMENDATIONS**

**The Committee is asked to RECOMMEND that**

**implementation of additional charges for building control services be approved as follows:**

- 1) for retrospective Completion Certificates for archived applications as detailed in Appendix 1;**
- 2) for processing the withdrawal of applications as detailed in Appendix 1; and**
- 3) for processing the transfer of obligations to a third party including the re-direction of inspection fees and issue of copy documents as detailed in Appendix 1.**

**3. BACKGROUND**

- 3.1 The Building Control Section faces an increasing demand from prospective buyers and sellers for information and documentation relating to building work.
- 3.2 The legal right to a completion certificate was introduced into the Building Regulations on 1st July 2002. In July 2002, the Law Society and Local Authorities revised the General Enquiries (Con 29) Form to include Building Regulation matters. The Con 29 form is designed to give relevant supplementary information that a Local Authority holds on a property as part of a request to search the Local Land Charges Register. This generates an increase in the number of requests from sellers and purchasers of property for completion certificates.

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- 3.3 In response, the Council's Building Control service intends to introduce processes to systematically monitor controlled work under construction and implement a practice of raising awareness with property owners on the importance of notifying the Council when building work is completed and obtaining a completion certificate after final inspection.
- 3.4 However, this process applies only to controlled work started after 1st January 2001 and some applications remain open for which a completion certificate could be requested. A significant number of projects are completed without due notification to the Council. This represents a substantial, potential future demand on Building Control for which a charge can and should be made, but which is not covered by the existing scale of fees and charges. Having regard to the likely staff time required to render these additional services, the proposed level of charges for administration and individual site inspections is considered to be reasonable and fair based on current costs.
- 3.5 Legal entitlement to a completion certificate under the Building Regulations is subject to criteria set out in Regulation 17 (Completion Certificates) of the Building Regulations 2000. Where the Council does not receive notification within specified timescales that the building work had been completed, or that the building had been occupied before completion, the Council is not required by law to provide a Completion Certificate. On that basis, it is recommended that a new charge is introduced for the provision of this service as set out in Recommendation 2.1 a) above.
- 3.6 For those who do not wish to make use of this service, an option exists for vendors to purchase an indemnity agreement from insurance companies, protecting them from subsequent claims arising from not having obtained a completion certificate.
- 3.7 In addition to the demand for completion certificates, the number of requests to withdraw a Building Regulation Application and refund fees paid has steadily increased in recent times and there is currently no formally approved charging structure to cover the cost of administering these requests. The Building (Local Authority Charges) Regulations 1998 make no provision for the refund of fees when withdrawing applications deposited under the Building Regulations.
- 3.8 Therefore, there is no legal bar to the levying of a fee for the withdrawal of applications and the refunding of fees and it is recommended that Members approve this proposal for a new charge as set out in Recommendation 2.1 b) above.

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- 3.9 Another area which has seen an increase in demand is that of requests to redirect inspection fee invoices. The Building (Prescribed Fees Regulations) 1994 makes the person who carries out the work, or the person on who's behalf the work is carried out, legally responsible for payment of building control charges. This person must be identified at the time the application is deposited with the Local Authority and no provision is made for any subsequent transfer of obligation to a third party. On a practical level, who ultimately pays need not concern the Council, so long as it does not stand the cost of re-directing invoices. Accordingly, it is recommended that a new service charge be introduced to cover these costs as set out in Recommendation 2.1 c) above.

**4. KEY ISSUES**

In the light of these growing requests for documentation relating to building work, the Building Control service is proposing to introduce new charges for this additional work and the new scale of Building Control charges is to be publicised.

**5. FINANCIAL IMPLICATIONS**

- 5.1 The financial pressures on the non-fee earning work of the Council's Building Control Service are steadily increasing. In this light, it is right and proper to make appropriate charges where possible for any work not subject to the requirement of the fee earning aspects of Building Control to be non-profit making or undertaken as a statutory duty on a non-chargeable basis.
- 5.2 The cost of delivering these services will be met within existing resources

**6. LEGAL IMPLICATIONS**

- 6.1 The Provision of a Building Control Service is statutory under The Building Act 1984. The ability to charge fees for the service is given under The Building (Prescribed Fees) Regulations 1994.
- 6.2 The provision of supplementary fees is not covered by the above instruments and is a matter of discretion for the Council.

**7. POLICY IMPLICATIONS**

- 7.1 The provision of a Building Control Service is linked to the Council's primary aim of the customer communication procedures. This additional fee

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charging structure is proposed to be introduced to promote the improvement in statutory inspections on building projects.

7.2 The raising of additional fee income is secondary.

### **8. COUNCIL OBJECTIVES**

8.1 The provision of a Building Control Service is closely linked to the Council Priorities of Enterprising Community, Safe, Clean and Green underpinned by A Well Managed Organisation. The introduction of this additional fee charging structure will promote the improvement in statutory inspections on building projects and will comply with the Council's priorities for an enterprising community and well managed organisation.

8.2 The raising of additional fee income is secondary.

### **9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS**

9.1 The main risks associated with the details included in this report are:

- a) Potential customer complaints
- b) Potential claims of invalid charging of fees

9.2 These risks will be managed as follows:

- a) Customer Complaints These risks will be avoided by a series of clear written communications with customer requesting action on their part and communications to include notice of potential supplementary fee with the adoption of a uniform archiving policy within service.
- b) Potential claims of invalid charging of fees These risks will be avoided by the formal publication of new fees alongside current fee structure and the issue of new fees with all application forms alongside existing fee structure.

9.3 Currently the risks identified in both of the points are not addressed by any risk register and will be added to the Planning and Building Control Services risk register as follows:

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*Action a) Produce clear set of standard documents for the presentation to affected parties relating to outstanding statutory inspections and potential resultant fee charges. Document use of same within Uni-form IT system.*

*Action b) Publish enhanced fees structures on council website and other outgoing media.*

**10. CUSTOMER IMPLICATIONS**

10.1 The introduction of potential supplementary fees is designed to promote the increase in statutory inspections. It is considered that a rise in the number of completion inspections carried out under potential levy of further fees will have a significant benefit to the customer by virtue of increased checking of works on site. Many customers are unaware of the need to allow completion inspection by the Building Control Service.

10.2 Customers will be notified of the new supplementary fees via publication on the website and by inclusion of the new fees in the hardcopy fee and application form packs currently issued. Customer satisfaction may potentially improve due to issuance of more Certificates of completion and comprehensive fee information

**11. EQUALITIES AND DIVERSITY IMPLICATIONS**

There are no direct equality or diversity implications.

**12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT**

12.1 Customer satisfaction may potentially improve due to issuance of more Certificates of completion.

12.2 A new procedure would be introduced under the existing Building Control procedures.

12.3 No further VFM implications arise.

**13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY**

There are no direct equality or diversity implications.

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**14. HUMAN RESOURCES IMPLICATIONS**

There are no human resources implications.

**15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS**

There are no direct governance/performance implications.

**16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF  
CRIME AND DISORDER ACT 1998**

There are no direct community safety implications.

**17. HEALTH INEQUALITIES IMPLICATIONS**

There are no direct health inequalities implications.

**18. LESSONS LEARNT**

There are no direct lessons learnt.

**19. COMMUNITY AND STAKEHOLDER ENGAGEMENT**

There are is no direct community and stakeholder engagements.

**20. OTHERS CONSULTED ON THE REPORT**

Portfolio Holder	Yes
Chief Executive	No
Executive Director (S151 Officer)	No
Executive Director – Leisure, Cultural, Environmental and Community Services	No
Executive Director – Planning & Regeneration, Regulatory and Housing Services	No
Director of Policy, Performance and Partnerships	No

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Head of Service	Yes
Head of Resources	Yes
Head of Legal, Equalities & Democratic Services	Yes
Corporate Procurement Team	No

**21. WARDS AFFECTED**

All Wards.

**22. APPENDICES**

Appendix 1 - Schedule of Proposed Supplementary Fees.

**23. BACKGROUND PAPERS**

There are no background papers.

**24. KEY**

There is no key to the abbreviations or terms used in the report.

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