

**AGENDA ITEM: 8**                      Pages 67 – 86

Meeting	Cabinet Resources Committee
Date	2 September 2010
<b>Subject</b>	<b>The Building (Local Authority Charges) Regulations 2010 – Proposed Charging Scheme</b>
Report of	Cabinet Member for Housing Planning and Regeneration
Summary	The Building (Local Authority Charges) Regulations 2010 came into force on 1 April 2010 and provide the legal framework for the setting of a new Building Regulations Charging Scheme. Local Authorities are authorised to set charges by means of a Charging Scheme and to recover their costs for carrying out their main Building Control functions. These new Regulations introduce more transparent and flexible charging arrangements whereby the charges set should relate to the costs of carrying out the Building Regulations chargeable service. The new Charging Scheme must come into effect by 1 October 2010.
Officer Contributors	Richard Morcom, Assistant Director (Building Control and Structures)
Status (public or exempt)	Public
Wards affected	All
Enclosures	Appendix 1 – The Building Act 1984 (as amended), The Building (Local Authority Charges) Regulations 2010, London Borough of Barnet Building Regulations Charging Scheme Number 1, 2010 Appendix 2 – Statutory Building Control Work for which there is no ability to raise a charge Appendix 3 – Sample comparison of proposed charges with current charges.
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not Applicable
Contact for further information	Richard Morcom, Assistant Director (Building Control & Structures), 020 8359 4646.

## **1. RECOMMENDATIONS**

- 1.1 That the Council's Building Regulations Charging Scheme 2010 be approved as outlined in Appendix 1, to come into effect 1 October 2010.**
- 1.2 That the Building Regulations Charging Scheme 2010 and any subsequent amendments to the Scheme be included in the Authority's annual schedule of fees and charges published on the Council's website and available at the Planning Public Reception.**
- 1.3 That the Director of Planning, Housing and Regeneration be given delegated authority to make minor in-year changes to the Building Regulations Charging Scheme.**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Cabinet Resources Committee, 8 December 2009, (Decision item 8) – approved the current Building Regulations charges.
- 2.2 Cabinet, 6 July 2009, (Decision item 5) – approved the Future Shape of the Council report which envisaged Building Control Services as part of Planning, Housing and Regeneration to be in Wave 1 of new service delivery models.
- 2.3 As part of the Future Shape Programme, Cabinet Resources Committee will consider a report on Revenue Income Optimisation which encapsulates Planning and Building Control income.

## **3. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 The Corporate Plan priority of 'A Successful London Suburb' is contributed to through the Building Regulations that exist principally to ensure the health, safety, welfare and convenience of people in and around buildings, and the water and energy efficiency of buildings thus providing high quality, sustainable buildings.
- 3.2 The Corporate Plan priority of 'Better Services with Less Money' is contributed to by ensuring the Building Control Service is efficient and customer focussed which is reflected in the proposed charges which aim to recover costs whilst being competitive with the private sector. With the new Regulations and locally set charging regime, this will be better achieved through greater charging flexibility and income optimisation.
- 3.3 Building Control is part of Development and Public Health Services which is in the first wave of the Future Shape project and by setting these charges aims, in particular to meet the Future Shape priority of 'A Relentless Drive for Efficiency' to remain competitive with the private sector as well as developing 'A New Relationship with Citizens.' The Building Control Service, as part of Planning, Housing and Regeneration Services, will be likely to be delivered in a very different form and potentially innovative delivery vehicle that maximizes financial and customer benefits to Barnet.

## **4. RISK MANAGEMENT ISSUES**

- 4.1 The Council is only authorised to meet the cost of providing the Building Regulation Service by its charges. Should the Council's auditors consider that the charges are in excess of that requirement, they could suggest that illegal taxation was taking place and require that money put against central re-charges be instead ring-fenced for the use of the Service.

If a significant surplus developed it could be necessary to increase investment in the Service, increase staffing levels or reduce charges. The Section 151 Officer is required to approve the Building Regulations Trading Account annually in line with the CIPFA guidance.

- 4.2 The Building Regulation Service is in competition with private sector Approved Inspectors carrying out a similar role. High charges need to be justified and may encourage the greater use of competitors with a consequential fall in work and revenue. Low charges need to be justified where income to the Council is not to be maximised and the service charges are artificially undercutting competition externally at the expense of customers and could result in claims against the Council if based on inadequate service. Currently, Approved Inspectors win approximately 16% of the number of applications received in Barnet and tend to look for the more profitable commercial and large new housing construction work. The flexibility introduced by the new charges should make it fairer and easier for the Council's Building Control Service to compete in the market.
- 4.3 Past charging schemes have enabled higher charges to be made for large commercial projects, effectively subsidising the charges for work carried out by Barnet householders on small scale projects. The new requirement for each job to reflect the actual costs of carrying out the Building Regulation work will lead to the charge for some domestic projects rising. There is a risk that either more use may be made of Approved Inspector competitors or that the work will be done illegally without notification and payment of charges thereby placing our residents at risk of health and safety breaches.

## **5. EQUALITIES AND DIVERSITY ISSUES**

- 5.1 Regulation 4 of the Building (Local Authority Charges) Regulations 2010 outlines the principles of the charging scheme in relation to building work solely required for disabled persons. No Building Regulation charge can be authorised in relation to providing means of access solely to an existing dwelling occupied as a permanent residence by a disabled person or for the provision of facilities and accommodation (including the provision or extension of a room in limited circumstances) designed to secure the greater health, safety, welfare or convenience of such a disabled person. Similarly, no Building Regulation charge can be authorised in relation to an existing building to which members of the public are admitted in similar circumstances as stated above.
- 5.2 A full Equality Impact Assessment (EIA) is not required for this proposal, which relates to the implementation of legislation. However, it is considered that the impact in equalities terms would be neutral.

## **6. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)**

### **6.1 Financial**

- 6.1.1 The Building (Local Authority Charges) Regulations 2010 introduce new flexible Building Regulations charges which seek to address the inflexibility and restrictions identified in the previous charges regulations made in 1998. A revised CIPFA guidance document (Local Authority Building Control Accounting Guidance for England and Wales, 2010 edition) gives guidance on how this is to be done.
- 6.1.2 The broad charging principles outlined in the new charges regulations give freedom to local authorities to decide whether to set fixed charges or adopt individually assessed charges, either way to ensure accurate recovery of costs. In Appendix 1 below it is suggested that fixed charges operate up to a value of works equal to £150,000 and that individual quotations be provided for work in excess of that amount.

- 6.1.3 Previous legislation required that Building Control fees be set in order that the Building Control Service recovered its costs of the fee-earning element of the Service over a three-year rolling period. The new legislation also requires cost recovery, albeit on a more accurate individual fee basis, so there should be no overall impact on the budget. The proposed fees are set out in Appendix 1 (attached) and have been calculated in accordance with the new CIPFA guidance on a cost recovery basis.
- 6.1.4 The Council's corporate review of fees and charges through the Revenue Income Optimisation workstream of the Future Shape Programme has included Building Control and Structures with Planning, Housing and Regeneration and makes a number of revenue income optimisation recommendations.

## **6.2 Value for Money**

Recent benchmarking carried out by a group of North London Boroughs (Barnet, Haringey, Enfield, Waltham Forest, Islington, Camden and Hackney) showed that the income per member of staff in Barnet was 56% higher than the next best borough in the group (Waltham Forest.) The new charges require that the fee earning part should no longer support the non-earning functions. At the moment where surveyors are deployed to do other non-fee earning functions no refund is given for not carrying out inspections. Under the new charges scheme if sufficient inspections to justify the charge are not carried out the applicant can obtain a refund.

## **6.3 Sustainability**

Building Regulations are at the heart of delivering sustainable energy efficient homes and buildings in the Borough. The Regulations include provision of insulation, low-energy lights, air-tightness of buildings, provision of boilers, water usage, recycling of water, use of grey water in the building, solar and photovoltaic panels, and Energy Performance Certificates. Plans are checked and visits made on site to ensure current Regulation standards are achieved. When some maintenance and other works are undertaken, the Building Regulations require the improvement of existing standards to reduce the carbon-footprint of existing buildings such as re-covering existing roofs which require additional insulation to be provided if the existing insulation is below a threshold value.

## **7. LEGAL ISSUES**

- 7.1 The Building (Local Authority Charges) Regulations 2010 came into force on 1 April 2010 and provide the legal framework for the setting of a new Building Regulations Charging Scheme. The Council is required to issue a new scheme of charges to comply with the new legislation between 1 April 2010 and 1 October 2010.

## **8. CONSTITUTIONAL POWERS**

- 8.1 The Council's Constitution, Part 3, Responsibility for Function, paragraph 3.6 authorises the Cabinet Resources Committee to approve income sources and charging policies.
- 8.2 Paragraph 3.8 of the Council's Financial Regulations requires that the Cabinet Resources Committee (CRC) approves changes to fees and charges that are significantly different from inflation.

## 9. BACKGROUND INFORMATION

- 9.1 The flexibility of the new charging regime and Regulations is very much in the spirit of the Future Shape Revenue Income Optimisation review to charge differential rates for different projects and thereby tailoring and personalisation for diverse commercial and domestic Barnet customers.
- 9.2 Local authorities have been authorised to set scales of fees for the performance of their Building Control functions since 1 April 1980. These early fees were made under section 62 (3) of the Health & Safety at Work etc. Act 1974. The original Building Regulation fees and subsequent amendments related to the passing or rejection of building plans and for the first inspection of building work, and were prescribed by Central Government.
- 9.3 Following the introduction of the Building Act 1984, and prescribed fee regulations from 1985 onwards, Building Regulation fees were extended to include building notice fees, regularisation fees and reversion fees (reversion from Approved Inspectors). Because the fees were prescribed by Central Government, this resulted in standardised fees for every local authority in England and Wales.
- 9.4 In 2009, the Government published a consultation paper *'Proposed Changes to the Local Authority Building Control Charging Regime'* which took into account the responses received to the previous consultation paper *'The Future of Building Control'*.
- 9.5 Following responses to the consultations, The Building (Local Authority Charges) Regulations 2010 were laid before parliament on 25 February 2010 and came into force on 1 April 2010. The Council is obliged to make a new charging scheme under the Regulations by 1 October 2010 at the latest.
- 9.6 The Building (Local Authority Charges) Regulations 2010 extend the devolution of Building Regulation charge setting to local authorities and introduce more flexibility and discretion to enable local authorities to relate their charges to the actual costs of carrying out their main Building Regulation functions.
- 9.7 A new overriding accounting objective requires local authorities to ensure that "taking one financial year with another" their charges income as nearly as possible equates to the costs incurred by the authority in carrying out their chargeable functions and providing chargeable advice, i.e. to break even and achieve full cost recovery.
- 9.8 The Regulations also provide that local authorities are required to set out the accounting treatment of income, costs and any surplus income or deficit in an annual financial statement to be approved by the appropriate Section 151 local authority officer prior to publication. Local authorities must calculate their charges by relating the average hourly rate of Building Control Officers to the time spent carrying out their Building Control services in relation to particular building work or building work of particular descriptions. The Regulations also provide for an increased number of factors, which local authorities can take into account in determining the estimated time to be spent on their Building Control services.
- 9.9 The Council has the power to determine standard Building Regulation charges or individually assessed Building Regulation charges. This is in line with the Future Shape and Revenue Income Optimisation approach towards income optimisation alongside differential charging and increasingly personalised and tailored Building Control services. A charge can now be made for the giving of chargeable Building Regulation advice after the first hour of an officer's time.

Where charges are made and the amount of work undertaken will be less than originally estimated, a refund will have to be made. Conversely, if more work is undertaken than originally estimated, a supplementary charge may be made.

- 9.10 An individual determination can be made in all cases where there is no standard charge or, where one or more standard charges apply to the work, with the agreement of the applicant.
- 9.11 Trading account arrangements are in place in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) guidelines. Under the current arrangement Building Control must break even on a three year rolling programme.
- 9.12 The Charges Regulations 2010 build upon the principle of devolving charge setting to local authorities in order to introduce flexibility and discretion by accurately relating their charges to the actual costs of carrying out Building Regulations plan checking and inspection work for individual building projects.
- 9.13 The stated intention of the new legislation is to introduce greater flexibility and transparency to avoid over or under charging and remove the possibility of significant surpluses or deficits arising. This is intended to further improve the competitive environment within which local authorities and Approved Inspectors compete and the standards within which they operate. In Barnet this is very much in line with the Future Shape objectives and direction of travel for place-based regulatory services in an increasingly competitive and commercial operating environment.
- 9.14 Trading account arrangements are in place in accordance with a new 2010 Chartered Institute of Public Finance and Accountancy (CIPFA) guidelines for Building Control accounting. Under the Guidance Building Control must not cross-subsidise Building Control activities for which there is no fee-earning ability as listed in Appendix 1 Annex B.
- 9.15 Appendix 1 shows the proposed Scheme for agreement.

## **10. LIST OF BACKGROUND PAPERS**

- 10.1 Chartered Institute of Public Finance Accounting (CIPFA)  
Local Authority Building Control Accounting Guidance for England and Wales  
Fully Revised Second Edition 2010.
- 10.2 The Building Act 1984
- 10.3 The Building (Local Authority Charges) Regulations 2010
- 10.4 LABC Model Charging Scheme 2010
- 10.5 Communities and Local Government Circular 01/2010 dated 25 February 2010
- 10.6 Any person wishing to inspect the background papers listed above should contact Richard Morcom on 020 8359 4646.

Legal – PR  
CFO – CM

## Appendix 1

### LONDON BOROUGH OF BARNET

#### The Building Act 1984 (as amended)

#### The Building (Local Authority Charges) Regulations 2010

#### London Borough of Barnet Building Regulations Charging Scheme No 1, 2010

1. This scheme may be cited as the London Borough of Barnet Building Regulations Charges Scheme No. 1, 2010 (the Charges Scheme) and comes into effect on 1 October 2010.
2. This Charging Scheme is made under the Building (Local Authority Charges) Regulations, 2010 (the Charges Regulations). The Charging Scheme includes the following clauses and definitions and tables of standard charges and advice on assessed charges, as set out in Annexes A and B respectively, which are an integral part of it. It is advisable to read this Charging Scheme in conjunction with the Charges Regulations.
3. The London Borough of Barnet is authorised, subject to and in accordance with the Charges Regulations, to fix such charges as it may determine from time to time by means of its Charging Scheme for or in connection with the performance of its functions relating to Building Regulations (subject to the exception for building work solely required for disabled persons) and to recover those charges from relevant persons as provided by the Charges Regulations.
4. The London Borough of Barnet Council is authorised, subject to and in accordance with the Charges Regulations, to amend, revoke or replace any scheme, which has been made by them in accordance with clause 2 above.
5. The following definitions apply to this Charging Scheme and should be read in conjunction with the other clauses and tables which constitute the Charging Scheme:

'building' means any permanent or temporary building but not any other kind of structure or erection, and a reference to a building includes a reference to part of a building.

'building notice' means a notice given in accordance with Regulations 12(2)(A)(a) and 13 of the Building Regulations 2000 (as amended).

'building work' means:

- (a) the erection or extension of a building;
- (b) the provision or extension of a controlled service or fitting in or in connection with a building;
- (c) the material alteration of a building, or a controlled service or fitting;
- (d) work required by Building Regulation 6 (requirements relating to material change of use);
- (e) the insertion of insulating material into the cavity wall of a building;
- (f) work involving the underpinning of a building;
- (g) work required by Building Regulation 4A (requirements relating to thermal elements);
- (h) work required by Building Regulation 4B (requirements relating to a change of energy status);

- (i) work required by Building Regulation 17D (consequential improvements to energy performance);

‘chargeable function’ means a function relating to the following:

- (a) the passing or rejection of plans of proposed building work which has been deposited with the London Borough of Barnet in accordance with section 16 of the Building Act 1984 (as amended).
- (b) the inspection of building work for which plans have been deposited with the London Borough of Barnet in accordance with the Building Regulations 2000 (as amended) and with section 16 of the Building Act 1984 (as amended)
- (c) the consideration of a building notice which has been given to the London Borough of Barnet in accordance with the Building Regulations 2000 (as amended)
- (d) the consideration of building work reverting to the London Borough of Barnet under the Building (Approved Inspectors etc.) Regulations 2000 (as amended)
- (e) the consideration of a regularisation application submitted to the London Borough of Barnet under regulation 21 of the Building Regulations 2000 (as amended).

‘chargeable advice’ is a charge made by the London Borough of Barnet in relation to a request for Building Regulation advice as regards any particular case where such a charge is made in anticipation of the future exercise of their chargeable functions in relation to that case, save that no charge is made for the first hour of time spent by an officer of the London Borough of Barnet in providing such chargeable advice.

‘cost’ does not include any professional fees paid to an architect, quantity surveyor or any other person.

‘dwelling’ includes a dwelling-house and a flat.

‘dwelling-house’ does not include a flat or a building containing a flat.

‘estimated cost’ in relation to the factors to be taken into account in estimating the time required by officers of the London Borough of Barnet for performing a chargeable function or chargeable advice means the amount accepted by the London Borough of Barnet as that which a person engaged in the business of carrying out building work would reasonably charge for carrying out the work in question, excluding value added tax and professional fees.

‘financial year’ is the period of 12 months beginning with 1 April.

‘flat’ means a separate and self-contained premises constructed or adapted for use for residential purposes and forming part of a building from some other part of which it is divided horizontally.

‘floor area of a building or extension’ is the total floor area calculated by reference to the finished internal faces of the walls enclosing the area, or, if at any point there is no enclosing wall, by reference to the outermost edge of the floor.

‘relevant person’ means:

- (a) in relation to a plan charge, inspection charge, reversion charge or building notice charge, the person who carries out the building work or on whose behalf the building work is carried out;
- (b) in relation to a regularisation charge, the owner of the building; and



- (c) in relation to chargeable advice, any person requesting advice for which a charge may be made pursuant to the definition of 'chargeable advice'

'total floor area of a building' is the total of the floor area of all the storeys which comprise that building.

'total floor area of an extension' is the total of the floor areas of all the storeys in the extension.

6. The London Borough of Barnet has not fixed by means of its scheme, nor intends to recover a charge in relation to an existing dwelling which is, or is to be, occupied by a disabled person as a permanent residence; and where the whole of the building work in question is solely-
- (a) for the purpose of providing means of access for the disabled person by way of entrance or exit to or from the dwelling or any part of it, or
  - (b) for the purpose of providing accommodation or facilities designed to secure the greater health, safety, welfare or convenience of the disabled person.
7. The London Borough of Barnet has not fixed by means of its scheme, nor intends to recover a charge for the purpose of providing accommodation or facilities designed to secure the greater health, safety, welfare or convenience of a disabled person in relation to an existing dwelling, which is, or is to be, occupied by that disabled person as a permanent residence and as outlined in clause 6 (b) above, where such work consists of-
- (a) the adaptation or extension of existing accommodation or an existing facility or the provision of alternative accommodation or an alternative facility where the existing accommodation or facility could not be used by the disabled person or could be used by the disabled person only with assistance; or
  - (b) the provision of extension of a room which is or will be used solely-
    - (i) for the carrying out for the benefit of the disabled person of medical treatment which cannot reasonably be carried out in any other room in the dwelling, or
    - (ii) for the storage of medical equipment for the use of the disabled person, or
    - (iii) to provide sleeping accommodation for a carer where the disabled person requires 24-hour care.
8. The London Borough of Barnet has not fixed by means of its scheme, nor intends to recover a charge in relation to an existing building to which members of the public are admitted (whether on payment or otherwise); and where the whole of the building work in question is solely-
- (a) for the purpose of providing means of access for disabled persons by way of entrance or exit to or from the building or any part of it; or
  - (b) for the provision of facilities designed to secure the greater health, safety, welfare or disabled persons.

*Note: 'disabled person' means a person who is within any of the descriptions of persons to whom Section 29(1) of the National Assistance Act 1948, as extended by virtue of Section 8(2) of the Mental Health Act 1959, applied but disregarding the amendments made by paragraph 11 of Schedule 13 to the Children Act 1989. The words in section 8(2) of the Mental Health Act 1959 which extend the meaning of disabled person in section 29(1) of the National Assistance Act 1948, are prospectively repealed by the National Health Service and Community Care Act 1990, section 66(2), Schedule 10, as from a day to be appointed.*

9. The London Borough of Barnet Council is authorised within its Charges Scheme and has determined:
- (a) plan charges for or in connection with the passing or rejection by the local authority of plans of proposed building work deposited with them in accordance with Section 16 of the Building Act 1984 (as amended) (referred to as a “plan charge”).
  - (b) inspection charges for or in connection with the inspection of building work for which plans have been deposited in accordance with the Building Regulations 2000 (as amended) and with Section 16 of the Building Act 1984 (as amended) (referred to as an “inspection charge”).
  - (c) building notice charges for or in connection with the consideration of a building notice, which has been given to the local authority in accordance with the Building Regulations 2000 (as amended) (referred to as a “building notice charge”).
  - (d) reversion charges for or in connection with the consideration of building work reverting to the London Borough of Barnet under the Building (Approved Inspectors etc.) Regulations 2000 (as amended) (referred to as a “reversion charge”).
  - (e) regularisation charges for or in connection with the consideration of an application under Building Regulation 21 (unauthorised building work) and the inspection of any building work to which the application relates (referred to as a “regularisation charge”).

Such charges within the London Borough of Barnet Charges Scheme are as set out in the attached tables in Annex A.

10. The London Borough of Barnet is also authorised within its Charging Scheme to make a charge in relation to a request for advice as regards any particular case where such a charge is made in anticipation of the future exercise of its chargeable functions in relation to that case (referred to as “chargeable advice”); save that no charge is to be made for the first hour of time spent by an officer of the Council in providing such chargeable advice.
11. The London Borough of Barnet Charging Scheme has been fixed such that its objective is to ensure that, taking one financial year with another, the income to be derived by the Council from performing chargeable functions and providing chargeable advice (referred to as “chargeable income”) as nearly as possible equates to the costs incurred by the Council in performing chargeable functions and providing chargeable advice (referred to as “chargeable costs”). At the end of the financial year within which the London Borough of Barnet first made this Charging Scheme and of each subsequent financial year, the Council will conduct a review of the level of charges set out under this Charging Scheme for the purpose of achieving the Charging Scheme’s objective above.
12. Immediately following the review of the level of charges, the London Borough of Barnet will prepare a “building control statement” setting out as regards the financial year to which it relates, the chargeable costs, the chargeable income and the amount of any surplus or deficit. Such “building control statement” will be approved by the London Borough of Barnet’s Director of Finance and will be published not more than six months after the end of the financial year to which the statement relates.
13. Each charge determined within the London Borough of Barnet Charging Scheme has been related to the costs of providing Building Regulation services in relation to particular building work or building work of particular descriptions having regard to the objective outlined in clause 11 above. Where this Charging Scheme is first made and takes effect at any time other than the beginning of a financial year, the London Borough of Barnet will have regard to any estimated surplus or deficit arising for that part of the financial year for which its existing scheme made under the Building (Local Authority Charges) Regulations 1998 continues to have effect.

14. The costs of providing London Borough of Barnet Building Regulation services in relation to chargeable functions or chargeable advice has been calculated using the hourly rate at which the time of its officers will be charged and the factors which have been taken into account in estimating the time required by its officers for performing a chargeable function or providing chargeable advice (in relation to particular building work or building work of particular descriptions).
15. The hourly rate of London Borough of Barnet Building Control Service is set out in the Annex B of Appendix 1 below.
16. Where the London Borough of Barnet considers it necessary to engage and incur the costs of a consultant to provide specialist advice or services in relation to a particular aspect of building work, those costs will be included in the determination of the charges referred to in this Charging Scheme.
17. In calculating the costs and in estimating the time required by its officers for performing a chargeable function or providing chargeable advice (in relation to particular building work or building work of particular descriptions), both in relation to standard and assessed charges, the London Borough of Barnet has taken some or all of the following factors into account:
  - (a) the existing use of a building, or the proposed use of the building after completion of the building work;
  - (b) the different kinds of building work described in regulation 3(1)(a) to (i) of the Building Regulations 2000 (as amended). (*see definition of 'building work' in clause 5 above*);
  - (c) the floor area of the building or extension. (*see definitions of 'floor area of a building or extension', 'total floor area of a building' and 'total floor area of an extension' in clause 5 above*);
  - (d) the estimated duration of the building work and the anticipated number of inspections to be carried out.
18. In calculating the costs and in estimating the time required by its officers for performing a chargeable function or providing chargeable advice (in relation to particular building work or building work of particular descriptions), in relation to assessed charges for individual projects, the London Borough of Barnet will take some or all of the following additional factors into account in assessing the charges:
  - (a) the estimated cost of the building work;
  - (b) the nature of the design of the building work and whether innovative or high risk construction techniques are to be used; and
  - (c) whether the person who intends to carry out part of the building work is a person named in a self-certification scheme or list of exemptions under schedule 2A of the Building Regulations 2000 (as amended); or is carrying out the descriptions of work where no building notice or deposit of full plans is required under schedule 2B of the Building Regulations 2000 (as amended) both as mentioned in Building Regulation 12(5), or is a person who is registered by the British Institute of Non-destructive Testing under regulation 20B(4) of the Building Regulations 2000 (as amended);
  - (d) whether in respect of the building work a notification has been made that design details approved by Robust Details Limited are to be used as outlined in regulation 20A(4) of the Building Regulations 2000 (as amended);
  - (e) whether an application or building notice is in respect of two or more buildings or building works all of which are substantially the same as each other;

- (f) whether an application or building notice is in respect of building work which is substantially the same as building work in respect of which plans have previously been deposited or building works inspected by the London Borough of Barnet;
  - (g) whether chargeable advice has been given which is likely to result in less time being taken by the London Borough of Barnet to perform the chargeable function; and
  - (h) whether it is necessary to engage and to incur the costs of a consultant to provide specialist advice or services in relation to a particular aspect of the building work.
19. On receipt of an application or notice relating to particular building work or building work of particular descriptions, the London Borough of Barnet in determining its Building Regulation charges by reference to a standard charge published in the scheme (see schedule of standard charges listed in Annex A), has taken into account the factors listed in clause 17 above.
20. On receipt of a request for advice, an application or notice relating to particular building work or building work of particular descriptions, the London Borough of Barnet in determining its Building Regulation charges by reference to an individual assessment of the charge to be made (see guidance on assessed charges in Annex B), will take into account the factors listed in clauses 17 and 18 above and such individually determined charges will be confirmed in writing specifying the amount of the charge and the factors which have been taken into account.
21. No charge will be made for the first hour of an officer's time in respect of chargeable Building Regulation advice given by such officer of the London Borough of Barnet at the Council's office currently North London Business Park, Oakleigh Road South, London N11 1NP.
22. Where in relation to a request from a relevant person, one or more standard charges would apply to the building work in question, the London Borough of Barnet may, with the consent of the relevant person, determine the charge otherwise than by applying the standard charge or (in the case of two or more standard charges) aggregating the amounts of the standard charges; and if it does so, it will give the relevant person notice in writing specifying the amount of the charge and the factors which have been taken into account as listed in clauses 17 and 18 above.
23. Any plan charge (excluding exception for disabled persons under clauses 6, 7 and 8 above) shall be payable when the plans of the building work are deposited with the London Borough of Barnet but see also clause 34 below.
24. Any inspection charge shall be payable on demand made after the London Borough of Barnet carries out the first inspection in respect of which the charge is payable.
25. Any building notice charge shall be payable when the building notice is given to the London Borough of Barnet but see also clause 34 below.
26. Any reversion charge shall be payable for building work in relation to a building-
- (i) which has been substantially completed before plans are first deposited with the London Borough of Barnet in accordance with regulation 20(2)(a)(i) of the Building (Approved Inspectors etc.) Regulations 2000 (as amended)
  - (ii) in respect of which plans for further building work have been deposited with the London Borough of Barnet in accordance with regulation 20(3) of the Building (Approved Inspectors etc.) Regulations 2000 (as amended) on the first occasion on which those plans have been deposited.

27. Any regularisation charge shall be payable at the time of the application to the London Borough of Barnet in accordance with regulation 21 (unauthorised building work) of the Building Regulations 2000 (as amended).
28. Any charge for chargeable advice shall be payable on demand after the London Borough of Barnet has given notice to the relevant person in writing specifying the amount to be charged and the factors which have been taken into account as listed in clauses 17 and 18 above.
29. Any plan charge, inspection charge, building notice charge, reversion charge, regularisation charge and charge for chargeable advice is to be payable by the relevant person (*see definition, clause 5 above*).
30. Any charge which is payable to the London Borough of Barnet shall be paid together with an amount equal to any value added tax payable in respect of that charge.
31. The building notice charge is equal to the plan charge plus the inspection charge for the corresponding building work using the tables of standard charges (Annex A).
32. The reversion charge is 20% greater than the plan charge plus the inspection charge for the corresponding building work using the tables of standard charges (Annex A). Where, however, it is determined that the cost of the reversion does not justify this charge, a refund may be agreed in line with paragraphs 43 and 45 below.
33. The regularisation charge is 20% greater than the plan charge plus the inspection charge for the corresponding building work using the tables of standard charges (Annex A).
34. Any charge which is payable to the London Borough of Barnet, for chargeable Building Regulation services or chargeable advice, may in a particular case, and with the agreement of the London Borough of Barnet be paid in instalments of such amounts payable on such dates as may be specified by the Council. No instalment of a plan charge, inspection charge, building notice charge, reversion charge, regularisation charge or charge for chargeable advice (other than in cases where directives are given following legal proceedings) shall be allowed for any work with a value of £100,000 or less and in no case shall the amount of any instalment be less than £500.00. All instalments must be paid to the London Borough of Barnet before the completion of building work.
35. There is no entitlement to a complete refund of any regularisation charge paid, if the London Borough of Barnet, after incurring costs, subsequently cannot determine what work is required to comply with the relevant requirements.
36. Where plans are deposited and no plan charge has been payable or agreed charges instalments have not been made, the plans are not considered as being deposited in accordance with Building Regulations for the purposes of section 16 of the Building Act, 1984 (as amended).
37. Where a building notice is given and no building notice charge has been payable or agreed charges instalments have not been made, the building notice is not considered as being valid in accordance with Building Regulations.

38. Where an individual assessment of a plan charge or building notice charge has been made, (other than a standard charge) any individually assessed plan charge or building notice charge shall not be payable until such plan charge or building notice charge has been specified by the London Borough of Barnet and confirmed in writing if such confirmation is provided later than the deposit of the plan or (as the case may be) the giving of the building notice.
39. The London Borough of Barnet is authorised to require the supply of any information where such information is necessary to determine any Building Regulation charge listed in clause 9 above.
40. The London Borough of Barnet operates, maintains and makes available on request, to any interested party, an appropriate complaints procedure regarding its Building Regulations services. If a person is dissatisfied with the decision made relating to the determination of charges for building work and wishes to make a complaint, such complaint will be dealt with within the Council's agreed complaints procedure. In the first instance, such complaints should be addressed at a local level to:  
The Assistant Director (Building Control and Structures)  
Bldg 2, North London Business Park, Oakleigh Road South, London N11 1NP  
Building.control@barnet.gov.uk  
Tel: 020 8359 4500
41. Where for any reason (except where the person by whom or on whose behalf plans were deposited fails to supply information necessary to meet the Council's duty under section 16 of the Building Act, 1984) the London Borough of Barnet does not give notice of passing or rejection of plans within the period required by Section 16 of the Building Act 1984 (as amended), any plan charge paid will be refunded.
42. No refund will be given by the London Borough of Barnet where the reason for not giving notice of passing or rejection of plans within the period required by section 16 of the Building Act, 1984 is due to the failure by the person by whom or on whose behalf the plans were deposited to supply information within a reasonable time, necessary to meet the Council's duty under that section.
43. Where the London Borough of Barnet has determined a charge in relation to a chargeable function or chargeable advice, payment of the charge has been made to the Council and the actual amount of work required of an officer of the Council is less than that which was originally assessed, the London Borough of Barnet (subject to clause 44 below) will make a refund in respect of the proportion of the charge relating to the excess payment.
44. Where the London Borough of Barnet has determined a charge in relation to a chargeable function or chargeable advice, payment of the charge has been made to the Council and the actual amount of work required of an officer of the Council is more than that which was originally estimated in the assessment, the London Borough of Barnet (subject to clause 45 below) will raise a supplementary charge in respect of any additional work carried out by its officer.
45. In relation to the assessment of a refund or supplementary charge, the London Borough of Barnet will discount one hour of an officer's time from the calculation of the refund or, as the case may be, the supplementary charge. A written statement setting out the basis for the refund/charge must accompany any request for a payment of a refund or request for a supplementary charge.

46. Where in respect of plans deposited with the London Borough of Barnet under section 16 of the Building Act, 1984, the plan charge and inspection charge are to be aggregated for the purposes of calculating any refund or supplementary charge.
47. The payment of any refund or request for a supplementary charge will be accompanied by a statement setting out the reason for the assessment and the calculation of the refund or supplementary charge.
48. Contravention of any of the Building (Local Authority Charges) Regulations 2010 and or the non- payment of any charge which becomes payable are not treated as offences under Section 35 of the Building Act 1984 (penalty for contravening Building Regulations) (as amended).
49. The Building (Local Authority Charges) Regulations 1998 are revoked by the Building (Local Authority Charges) Regulations 2010.
50. If before 1 October 2010 (when this Charging Scheme has to come into effect), this Charging Scheme has not been brought into effect, the London Borough of Barnet's current Building Regulations Charges Scheme made under the Building (Local Authority Charges) Regulations 1998, will continue to apply to building work within the London Borough of Barnet area for which plans were first deposited or a building notice or reversion notice, regularisation notice was given before the coming into operation of this Charging Scheme.
51. The current London Borough of Barnet Building Regulations Charges Scheme made under the Building (Local Authority Charges) Regulations 1998, will continue to apply to building work within the London Borough of Barnet area for which plans were first deposited or a building notice was given or a reversion charge became payable, or a regularisation certificate was made, before the commencement date of this Charging Scheme.
52. Further information and advice concerning Building Regulation charges and the London Borough of Barnet Charging Scheme, can be obtained from  
 Building Control, London Borough Barnet, Building 2, North London Business Park, Oakleigh Road South, London N11 1NP  
 Building.control@barnet.gov.uk Tel: 020 8359 4500

Signed.....  
 Assistant Director (Building Control and Structures)  
 (The officer appointed for this purpose).  
 Dated 1<sup>st</sup> October 2010

**Domestic Charges for Estimated Cost up to £150,000:****Annex A Page 1 of 2**

Building Notice Charge = Plan Charge + Inspection Charge. (40% Plan / 60% Inspection charge split).

Note all areas are calculated as internal floor areas. Illegal work Regularisations are charged at 20% more and do not attract VAT.

**All Cheques should be made payable to "LONDON BOROUGH OF BARNET"****For credit card payments please telephone 020 8359 4500**All charges shown in **red include 17.5% VAT**. Tick in **yellow boxes** to indicate works proposed. More than one may be required.**Extensions & loft conversions to single dwellings**

Extensions & loft conversions only including attached garage extensions (Total of combined internal floor areas)		Extensions & loft conversions – with, in addition, the following other work within the existing house	
Less than 40m <sup>2</sup>	£520.00 <b>£611.00</b>	Extra charge for new WC / shower / bath or basin within an existing room	£120.00 <b>£141.00</b>
Between 40m <sup>2</sup> & 60m <sup>2</sup>	£640.00 <b>£752.00</b>	No Extra charge for extension to include a kitchen sink or WC / Shower / or bath	£0:00 <b>£0:00</b>
More than 60m <sup>2</sup> -each additional 40m <sup>2</sup> or part	£120.00 <b>£141.00</b>	Extra charge for new side window next to extension including lintel	£120.00 <b>£141.00</b>
Basement extensions only (internal floor area)		Loft Conversion - dormer only to existing	
In addition to extension rate add	£320.00 <b>£376.00</b>	For each dormer Window or roof light	£240.00 <b>£282.00</b>

**Other domestic buildings**

Detached garage / carport / attached conservatory		Insulated detached building e.g. store/ gym / playroom	
As Extensions rate but minus	£120.00 <b>£141.00</b>	Same as rate for extensions of various area	See Extn. rate

**Other works to domestic buildings**

Installation of new WC / shower / bath or kitchen sink or basin within existing room	£160.00 <b>£188.00</b>
Formation of a new WC / shower room / Kitchen / bathroom in new room	£240.00 <b>£282.00</b>
Removal of chimney breast(s)	£240.00 <b>£282.00</b>
Formation of each simple structural opening in a wall. e.g. a simple through lounge	£240.00 <b>£282.00</b>
Formation of each structural opening in a wall requiring new foundations, piers, columns etc.	£320.00 <b>£376.00</b>
Replacement of roof weathering flat or pitched for each dwelling or block of flats including insulation	£240.00 <b>£282.00</b>
Underpinning for every 5 m run or part	£320.00 <b>£382.00</b>
Replacement of new windows for every 5 windows or part	£120.00 <b>£141.00</b>
Replacement or installation of insulated ground floor (for each 50m <sup>2</sup> or part)	£240.00 <b>£282.00</b>
Re-plastering or re-rendering to external wall of a room including insulation where more than 25% of surface	£160.00 <b>£188.00</b>
Electrical wiring up to 12 circuits (4 bed house typical) where electrician is not in competent person scheme	£240.00 <b>£282.00</b>
Any other building work not shown per £5,000 or part	£120.00 <b>£141.00</b>

**Conversion work up to an estimated cost of work of £150,000**

Conservatory or garage to habitable use	£320.00 <b>£376.00</b>	Conversion of one flat or building into two dwellings inclusive.	£600.00 <b>£705.00</b>
Conversion of building into one dwellings	£240.00 <b>£282.00</b>	Each additional dwelling within a building	£240.00 <b>£282.00</b>

**Erection of new houses & flats up to an estimated cost of work of £150,000**

1 new house	£800.00 <b>£940.00</b>	Erection of flats up to 2 flats	£960.00 <b>£1128.00</b>
Additional charge per extra house 2 to 5 new houses	£240.00 <b>£282.00</b>	Additional charge per flat 3 - 5 flats	£240.00 <b>£282.00</b>

Notes: For work in excess of an estimated cost of £150,000 please ask for a quotation (See Annex B)  
 Except where shown otherwise it is assumed that a registered Competent Person will be used for domestic electrical work.



<b>Non-Domestic Charges for Estimated Cost up to £150,000: Annex A Page 2 of 2</b>					
Building Notice Charge = Plan Charge + Inspection Charge. (40% Plan / 60% Inspection charge split). Note all areas are calculated as internal floor areas. Illegal work Regularisations are charged at 20% more and do not attract VAT.					
<b>All Cheques should be made payable to "LONDON BOROUGH OF BARNET"</b>					
<b>For credit card payments please telephone 020 8359 4500</b>					
Charges shown in <b>red include 17.5% VAT</b> . Tick in <b>yellow</b> boxes to indicate works proposed. More than one may be required.					
<b>Shops &amp; offices for estimated Costs up to £150,000</b>					
<b>Small extensions</b> (Internal floor areas) (Total of combined internal floor areas)			<b>Alterations to Shops</b>		
Less than 40m <sup>2</sup>	£520.00 <b>£611.00</b>		New shop front (up to 10m)	£240.00 <b>£282.00</b>	
Between 40m <sup>2</sup> & 60m <sup>2</sup>	£640.00 <b>£752.00</b>		Installation of ATM to existing shop front	£120.00 <b>£141.00</b>	
More than 60m <sup>2</sup> -each additional 40m <sup>2</sup> or part	£120.00 <b>£141.00</b>		Installation of new roof light / smoke vents to existing roof (up to 5)	£240.00 <b>£282.00</b>	
<b>Basement extensions - only</b> (internal floor area)			<b>Pre-fabricated Detached shed or covered yard</b>		
In addition to extension rate add	£320.00 <b>£376.00</b>		For floor area each 40m <sup>2</sup>	£120.00 <b>£141.00</b>	
<b>General Non-Domestic - Fitting out works to any existing Non-Domestic Building</b>					
New Partitions to form office / room(s) in existing building per 50m run or part			£160.00 <b>£188.00</b>		
Installation of new WC / shower / bath/ or sink or basin within existing room			£160.00 <b>£188.00</b>		
New suspended ceilings including cavity barriers for each 500m <sup>2</sup> of internal floor area or part			£120.00 <b>£141.00</b>		
New emergency lighting / smoke detection for each internal floor area of 500m <sup>2</sup> or part			£160.00 <b>£188.00</b>		
Formation of structural opening Charge for each opening			£240.00 <b>£282.00</b>		
Replacement fire doors to corridor or stairs for each 5 doors or part			£120.00 <b>£141.00</b>		
New Air-conditioning installation covering floor area of 500m <sup>2</sup> or part			£120.00 <b>£141.00</b>		
New commercial kitchen extract duct			£240.00 <b>£282.00</b>		
Window installation or replacement for every 5 windows / roof lights or part			£240.00 <b>£282.00</b>		
New mezzanine floor for each 500m <sup>2</sup> floor area or part			£320.00 <b>£376.00</b>		
Replacement roof covering (flat or pitched roof) for each 500m <sup>2</sup> or part			£240.00 <b>£282.00</b>		
Underpinning for each 5m run in wall length or part			£240.00 <b>£282.00</b>		
Alterations not described elsewhere (e.g. renovation of thermal elements) per £5,000 cost or part			£120.00 <b>£141.00</b>		
<b>Other Non-Domestic Use Extensions (not shop or Office) &amp; New Build up to £150,000 Est. cost.</b>					
Total of internal floor areas	Residential e.g. Hotel, Hostel, Institution, etc	Assembly and Recreation (Schools, Cinema, Hospital etc)	Industrial & Storage use (Factory & Warehouse)	All other use classes	
Up to 40m <sup>2</sup>	£680.00 <b>£799.00</b>	£800.00 <b>£940.00</b>	£640.00 <b>£752.00</b>	£680.00 <b>£799.00</b>	
41m <sup>2</sup> to 60m <sup>2</sup>	£800.00 <b>£940.00</b>	£960.00 <b>£1128.00</b>	£800.00 <b>£940.00</b>	£800.00 <b>£940.00</b>	
61m <sup>2</sup> to 100m <sup>2</sup>	£960.00 <b>£1128.00</b>	£1200.00 <b>£1410.00</b>	£960.00 <b>£1128.00</b>	£960.00 <b>£1128.00</b>	
Over 100sq.m but not exceeding cost of £150,000	£1200.00 <b>£1410.00</b>	£1360.00 <b>£1598.00</b>	£1120.00 <b>£1316.00</b>	£1200.00 <b>£1410.00</b>	

## **ANNEX B – ASSESSED CHARGES for estimated cost of work in excess of £150,000**

Individual assessment of Building Regulation charges, on a project by project basis when projects arise, are to be determined after full plans, inspections, building notices, reversion applications, and regularisation applications have been submitted to the Council. The charges determined will be specified and confirmed in writing taking into account the factors listed below. The charges may be increased or decreased depending on the assessment, which will be specified and confirmed in writing.

1. The existing use of a building, or the proposed use of the building after completion of the building work; the different kinds of building work described in regulation 3(1)(a) to (i) of the Building Regulations 2000 (as amended).
2. The floor area of the building or extension.
3. The estimated duration of the building work and the anticipated number of inspections to be carried out.
4. The estimated cost of the building work.
5. The nature of the design of the building work and whether innovative or high risk construction techniques are to be used; and
6. Whether the person who intends to carry out part of the building work is a person named in a self-certification scheme or list of exemptions under schedule 2A of the Building Regulations 2000 (as amended); or is carrying out the descriptions of work where no building notice or deposit of full plans is required under schedule 2B of the Building Regulations 2000 (as amended) both as mentioned in building regulation 12(5), or is a person who is registered by the British Institute of Non-destructive Testing under regulation 20B(4) of the Building Regulations 2000 (as amended);
7. whether in respect of the building work a notification has been made that design details approved by Robust Details Limited are to be used as outlined in regulation 20A(4) of the Building Regulations 2000 (as amended);
8. whether an application or building notice is in respect of two or more buildings or building works all of which are substantially the same as each other;
9. whether an application or building notice is in respect of building work which is substantially the same as building work in respect of which plans have previously been deposited or building works inspected by the London Borough of Barnet whether chargeable advice has been given which is likely to result in less time being taken by the London Borough of Barnet to perform the chargeable function; and
10. whether it is necessary to engage and to incur the costs of a consultant to provide specialist advice or services in relation to a particular aspect of the building work.

The charges may be increased or decreased depending on the assessment, which will be specified and confirmed in writing. The hourly rate of London Borough of Barnet Building Control Service is £79.63 per hour

**Notes: Where the London Borough of Barnet has determined a Building Regulation charge in Annex A and B above, and the actual amount of work required of an officer of the Council is more than that which was originally determined and for which payment has been made, the London Borough of Barnet may raise a supplementary charge in respect of any additional work carried out its officer. The request for any supplementary charge will be accompanied by a statement setting out the reason for the assessment and the calculation of the supplementary charge necessary. Similarly, where the amount of work required of an officer is less than that which was estimated, and where payment has been made and a completion or regularisation certificate issued, the Council will refund upon request an amount equal to the charge attributable to the work that was not required. In either case, one hour of an officer's time may be disregarded.**

VAT values in Annex A are for guidance only. The total charge is calculated initially and then VAT applied at the appropriate rate to determine the total charge payable.

## Appendix 2

### **Statutory Building Control work for which there is no ability to raise a charge**

- a. Enforce the Building Regulations when contraventions found.
- b. Respond to reported Dangerous Structures within 2 hours of the report, 24 hours a day, 7 days a week (only able to charge if necessary to call in a contractor to remove any imminent danger found).
- c. Maintain Statutory Register of submitted Initial Notices from Approved Inspectors, and administer the Approved Inspector Regulations. No charge allowed.
- d. Building Regulations Plan checks and site inspections for sole use of disabled people. No charge allowed.
- e. Maintain Register of works undertaken by competent persons under the Government 'Competent Person Scheme' for Electrical Wiring, Boilers, Windows and Cavity Wall Insulation. No charge allowed.
- f. Provide a Building Regulation advice service to residents and businesses. (No charge allowed for the first hour of advice in legislation).
- g. Enforce the Building Regulations, including visits to site to investigate neighbours' complaints.
- h. Work relating to notification of Demolitions.
- i. Work to satisfy expectations of Citizens Charter and administrative procedures required by statute of a Local Authority Service

### Appendix 3

#### Sample Comparison of Proposed Charges with Current Charges (Net figures)

Type of Work	Current Charge	Proposed Charge	% change
Domestic extension not exceeding 40m <sup>2</sup>	£485.00	£520.00	+7.2%
Domestic extension 40-60m <sup>2</sup>	£625.00	£640.00	+2.4%
Erection of 5 houses	£1440.00	£1760.00	+22%

Note: Other comparisons are not possible as most other work is currently charged on the estimated cost of the work however charges for that other work are expected to reduce. In the previous charges scheme, commercial projects effectively subsidised small domestic projects. This is no longer possible under the new Regulations, so it is necessary to increase the charges for domestic work.