



<b>Subject:</b>	<b>Building Regulation Fees for Applications including Insulation</b>
<b>Date:</b>	18th November, 2022
<b>Reporting Officer:</b>	Kate Bentley, Director of Planning and Building Control
<b>Contact Officer:</b>	Ian Harper, Building Control Manager

<b>Restricted Reports</b>	
<b>Is this report restricted?</b>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>If Yes, when will the report become unrestricted?</b>	
<b>After Committee Decision</b>	<input type="checkbox"/>
<b>After Council Decision</b>	<input type="checkbox"/>
<b>Sometime in the future</b>	<input type="checkbox"/>
<b>Never</b>	<input type="checkbox"/>

<b>Call-in</b>	
<b>Is the decision eligible for Call-in?</b>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

<b>1.0</b>	<b>Purpose of Report/Summary of Main Issues</b>
1.1	At the People and Communities Committee meeting on 22nd September, it was requested that a report be brought back regarding the potential to waive Building Regulation inspection fees for applications which included the provision of insulation. A report was taken to that Committee on 8th November and was deferred for consideration by the Strategic Policy and Resources Committee.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to consider the report and the potential to waive fees.
<b>3.0</b>	<b>Main Report</b>
3.1	<u>Key Issues</u> The installation of loft insulation under the Northern Ireland Building Regulations is considered a controlled element and, therefore, requires a Building Regulations application. As such, there is typically a £60 chargeable fee for each application.

3.2	<p>Cavity wall insulation is also a controlled element and requires a Building Regulations application but is specifically exempt from fees under the Building Regulations fees legislation. These are statutory fees set by the Department of Finance and collected by local councils to cover the cost of administration and facilitating the enforcement of Building Regulations</p>
3.3	<p>The processes involved in the administration and enforcement of Building Regulations involves processing applications and also the carrying out of Inspections to ascertain compliance with regulations. In reality fees collected for these types of works do not currently cover the costs involved in these processes.</p>
3.4	<p>In relation to both loft and cavity wall insulation, inspections are carried out by the Building Control Service to ascertain compliance with the regulations. For example, to ensure that there is adequate ventilation to the roof void to prevent condensation issues.</p>
3.5	<p>The Service has carried out some general analysis of the applications received over a four-year period (01/04/2018 - 31/03/2022) to include those which are solely for or include loft insulation as part of a range of measures. Over this period, it is estimated that on average approximately 1350 applications have been received per year which have included works and fees for loft insulation. Based upon the £60 fee due for these applications, this would equate to an annual fee income of £81,000.</p>
3.6	<p>Much of the works being carried out to insulate properties is done as part of government funded schemes. For example, the Department for Communities (DfC) Affordable Warmth Scheme involves BCC working in partnership with the Northern Ireland Housing Executive (NIHE) to provide efficiency measures based upon referral criteria. For this scheme, the Building Regulation fees are covered within the grant funding provided, so the homeowner or tenant is not out of pocket. The same would apply to other schemes and where maintenance contracts are in place.</p>
3.7	<p>Having analysed the applications received over the four-year period, it is estimated that over 90% of the applications relating to loft insulation are carried out within funded schemes or contracts.</p>
3.8	<p>As such, it is understood that in these circumstances the burden of paying the Building Regulations fees is not borne by the homeowner and they would not benefit from waiving the fee. Rather, they would be retained within the scheme or contract. Given that these operate across the 11 council areas, there would be no guarantee that fees that are waived would</p>

	<p>be ringfenced for additional applications and measures to be installed in properties within Belfast.</p>
3.9	<p>The Service has discussed the waiving of Building Regulation fees with Legal Services who have advised that fees can be waived, but one of the conditions would be that any exemption from fees agreed should be time bound.</p> <p><u>Financial and Resource Implications</u></p>
3.10	<p>Based upon the analysis carried out for the four-year period it is estimated that on average £81,000 of fees have been paid per year in relation to loft insulation. If fees were to be waived for a determined period, the loss in fee income could be assumed to be a pro rata value of this annual estimate.</p>
3.11	<p>Any reduction in income has not been factored into the current year-end projections or the 2023-2024 revenue estimates and rates setting process.</p>
3.12	<p>Administering applications and carrying out Inspections of the works will still be required to fulfil the statutory duties outlined. The Service are currently experiencing difficulty in recruitment and retention of Building Control Surveyors with competition from private and public sector and reducing income for areas of work not considered rate borne activity may impact on Service delivery.</p>
3.13	<p>Equality or Good Relations Implications/Rural Needs Assessment</p> <p>There are no direct Equality, Good Relations or Rural Needs implications.</p>
<b>4.0</b>	<b>Documents Attached</b>
	None