

Standards for Building Control

1. POLICY

Every BCB shall adopt, publish and make available on request, a formal policy for the provision of its building control service in a manner that meets its legal duties and is effective in helping to achieve the compliance of building work with the Building Regulations.

2. RESOURCES

The BCB shall deploy sufficient experienced and qualified staff, appropriate to the type of building control work undertaken.

In the light of current and forecast workloads, sufficient resources should be allocated by the BCB to enable it to discharge its duties with reasonable skill and care and to comply with these Standards. A formal review of resources and staffing shall be regularly undertaken, to address fluctuations in workload, and the results should be documented and made available for audit.

3. CONSULTATION

The BCB shall undertake all statutory consultations in a timely manner and the observations of consultees should be forwarded to clients. It shall consider the possible desirability of undertaking additional consultations. It shall where appropriate co-operate as far as possible in an integrated approach to development consents.

4. ASSESSMENT OF PLANS

Where assessment of plans is undertaken, clear information shall be communicated to the client regarding:

- non-compliance with the Building Regulations
- views of statutory consultees
- conditions pertaining to the approval or passing of plans
- remedies available in the event of a dispute over compliance.

Records of the plans assessment process: records shall be kept of the design assessment philosophy, and any statutory and/or discretionary consultations, for future reference and continuity of control.

5. SITE INSPECTION

Site inspection regime: the BCB shall adopt an appropriate site inspection regime which takes full account of relevant factors such as:

- the degree of detail in the design assessment process
- the nature of the work
- experience of the builder
- complexity and rate of build
- unusual or high risk features
- notification arrangements
- key construction stages.

Relevant factors should be assessed at the outset and regularly reviewed so that effective control is maintained for the duration of each project, with adequate site inspections and records, sufficient to demonstrate the application of reasonable skill and care.

Site inspection records: records of each inspection shall be maintained, which identify the work inspected and any non-compliance. Where plans are not available for the work, these records will necessarily be more detailed.

Contraventions: non-compliant work (contraventions) should be communicated promptly and clearly to the responsible person, identifying the contravention(s) and indicating any measure(s) believed to be necessary to remedy the situation. Any mechanisms for appealing against or disputing a decision of the BCB shall be clearly made known to the responsible person.

Notification of consultees: During the inspection phase, the BCB shall ensure that all statutory consultees are notified of any significant departures from plans.

6. CERTIFICATES AT COMPLETION

Upon satisfactory completion of the relevant work the BCB shall give an appropriate certificate to the direct client and any other appropriate person(s).

7. ARCHIVING OF RECORDS

All records relating to the building control service provided to individual projects shall be retained by the BCB for a minimum period of 15 years. Arrangements shall be made for their transfer into safe keeping in the event of a BCB ceasing to trade.

8. CONTINUING PROFESSIONAL DEVELOPMENT

The BCB shall ensure that suitable arrangements exist for Continuing Professional Development and in-service training of its technical staff.

9. REVIEW OF PERFORMANCE

A BCB shall have methods of collecting and monitoring evidence of its performance, in terms of service delivery and compliance or non-compliance of building work with the Building Regulations. It shall have procedures in place to learn from its findings as a part of a process of continuous improvement. It shall also facilitate the sharing of any information which would be of benefit to BCBs in recognising general areas of difficulty (or failure) in achieving compliance.

10. MANAGEMENT SYSTEMS

Every BCB shall incorporate a formal documented system for consistency of service delivery and continuous improvement, which can demonstrate that the above standards are being addressed.

11. BUSINESS ETHICS

Every BCB shall observe the normal professional standards and business ethics expected of service providers. A BCB shall not attempt to supplant a competitor, or win work, on the basis of interpretation of the regulations. The principle of the building control function being independent shall not be compromised.

12. COMPLAINTS PROCEDURE

A BCB should operate, maintain and make available, on request, to any interested party an appropriate complaints procedure. If a person is dissatisfied with the Building Control service they receive they should be able to complain to the provider in a manner that can be independently audited.

Building Control Performance Indicators

MAIN OBJECTIVES

The seven indicators summarised below will:

- assist building control bodies to assess their own service quality in pursuance of Standard 9; and
- give those with a central responsibility or concern for the quality of building control a means of identifying building control bodies whose service characteristics appeared unusually good or poor.

Summary of Building Control Indicators

BC1 – Score against a checklist of best practice for building control services.

BC2 – Fire Authority perceptions of the value added by Building Control.

BC3 – Qualified or experienced staff as a percentage of the total staff employed by the Building Control Service.

BC4 – Average number of hours of training provided per annum by the Building Control Body a) per qualified or experienced member of staff b) per non-qualified member of staff.

BC5 – Average number of hours on-site a) planned and b) completed, for each category of residential and non-domestic work.

BC6 – Percentage of projects reaching a satisfactory conclusion measured for local authorities as the percentage of certificates issued as a proportion of projects started, and for approved inspectors as the percentage of projects started which reach satisfactory completion in that they do not revert back to the local authority.

BC7 – Percentage of a) residential customers and b) non-domestic customers who are satisfied with the service they received from the Building Control body in terms of:

- Added value to the finished product
- Being helpful and responsive to needs
- Applying the Building Regulations professionally
- The overall service

SOUTH THAMES GATEWAY PARTNERSHIP

BUILDING CONTROL - SCHEDULE OF CHARGES

SCHEDULE 1

**CHARGES FOR ONE OR MORE SMALL DOMESTIC BUILDINGS AND
CONNECTED WORK**

1. Plan Charge

Where a plan charge is payable in respect of the erection of one or more small domestic buildings shown on the deposited plan, the plan charge payable for that building or those buildings or for those works is the total of the sums shown in, or calculated by reference to columns (2) and (3) of Table 1 in this Schedule as relevant for the number of dwellings in that building or those buildings.

2. Inspection Charge

The inspection charge payable in respect of the erection of one or more small domestic buildings or connected works is the total of the sums shown in, or calculated by reference to, columns (4) and (5) of Table 1 in this Schedule.

3. Building Notice Charge

The building notice charge payable in respect of the erection of one or more small domestic buildings is the total of the plan charge and the inspection charge which would be payable in accordance with Table 1 in this Schedule if plans for the carrying out of that work had been deposited in accordance with the Principal Regulations.

4. Reversion Charge

The reversion charge payable in respect of the erection of one or more small domestic buildings is the amount of building notice charge which would be payable under these Regulations if a building notice in relation to the carrying out of that work had been given in accordance with the Principal Regulations at the time the reversion charge is payable.

5. Regularisation Charge

The regularisation charge payable in respect of the erection of one or more small domestic buildings is an amount equal to 120 percent of the total of the building notice charge which would be payable in accordance with Table 1 in this Schedule if a building notice for the carrying out of that work has been deposited at the time of the application for regularisation in accordance with the Principal Regulations.

6. Interpretation of the Schedule

For the purposes of Table 1, the reference in the heading to column (1) is a reference to the number of dwellings in the building or buildings referred to in paragraph 1 above. The charges indicated in columns (2) and (4) represent a discounted rate assuming competent persons registered with the Government approved scheme are to be used for any electrical installations to which Part P applies *.

Note:

Charges for Schedule 1 are to include works of drainage in connection with the erection of a building or buildings, even where those works are commenced in advance of the plans for the building(s) being deposited.

* Where applicants are not entitled to the discounted rate (e.g. a non CPS registered electrician is used) A fee currently £170.22 + vat per dwelling is payable in addition to those fees indicated below.

CHARGES FOR SMALL DOMESTIC BUILDINGS TABLE 1

| | Plan Charge | | Inspection Charge | |
|---------------------|-------------------|---|-------------------|---|
| Number of Dwellings | Basic Charge £ | Additional charge for each dwelling above the minimum number in the band in column (1) £ | Basic Charge £ | Additional charge for each dwelling above the minimum number in the band in column (1) £ |
| (1) | (2) | (3) | (4) | (5) |
| 1 | 150.00 | - | 429.00 | - |
| 2 | 205.00 | - | 625.00 | - |
| 3 | 270.00 | - | 776.00 | - |
| 4 | 335.00 | - | 920.00 | - |
| 5 | 400.00 | - | 1060.00 | - |
| 6 | 450.00 | - | 1200.00 | - |
| 7 | 495.00 | - | 1335.00 | - |
| 8 | 535.00 | - | 1470.00 | - |
| 9 | 565.00 | - | 1600.00 | - |
| 10 | 580.00 | - | 1728.00 | - |
| 11 | 595.00 | - | 1856.00 | - |
| 12 | 610.00 | - | 1984.00 | - |
| 13 | 625.00 | - | 2112.00 | - |
| 14 | 640.00 | - | 2240.00 | - |
| 15 | 655.00 | - | 2368.00 | - |
| 16 | 670.00 | - | 2496.00 | - |
| 17 | 685.00 | - | 2624.00 | - |
| 18 | 700.00 | - | 2752.00 | - |
| 19 | 715.00 | - | 2880.00 | - |
| 20 | 730.00 | - | 3008.00 | - |
| 21 | 745.00 | - | 3133.00 | - |
| 22 | 760.00 | - | 3258.00 | - |
| 23 | 775.00 | - | 3383.00 | - |
| 24 | 790.00 | - | 3508.00 | - |
| 25 | 805.00 | - | 3633.00 | - |
| 26 | 820.00 | - | 3758.00 | - |
| 27 | 835.00 | - | 3883.00 | - |
| 28 | 850.00 | - | 4008.00 | - |
| 29 | 865.00 | - | 4133.00 | - |
| 30 | 880.00 | - | 4258.00 | - |
| 31 and over | 890.00 | 10 | 4363.00 | 105 |

The charges published above are without VAT and assume electrical installations will be carried out by an Electrician registered with the Government Approved Competent Persons Scheme. (See above notes)

SCHEDULE 2

CHARGES FOR CERTAIN SMALL BUILDINGS, EXTENSIONS AND ALTERATIONS

1. Charges

For work specified in column (1) of Table 2:

- (a) the plan charge payable is the amount, if any, shown in column (2) of Table 2 in relation to that work;
- (b) the inspection charge payable is the amount, if any, shown in column (3) of Table 2 in relation to that work;
- (c) the building notice charge payable is the amount shown in column (4) of Table 2 in relation to that work;
- (d) the reversion charge payable is the amount shown in column (4) of Table 2 in relation to that work;
- (e) the regularisation charge payable is the amount shown in column (5) of Table 2 in relation to that work;
- (f) where a "person" not registered with a government approved self certification scheme, carries out an "electrical installation" and the work is not work described in Schedule 2B of the Principal Regulations, an additional charge of £170.22 plus VAT is payable for checking and testing an "electrical installation" in connection with a work type shown in column (1) of Table 2

2. Interpretation of Schedule

- (1) Where the work in question comprises or includes the erection of more than one extension to a building used or intended to be used for the purposes of a single private dwelling, the total floor areas of all such extensions may, be aggregated in determining the charge payable in accordance with Table 2.
- (2) In Table 2:
 - (a) a reference to an "extension" is a reference to an extension which has no more than three-storeys, each basement level counting as one storey; and
 - (b) a reference to a "dwelling" is a reference also to a building consisting of a garage or carport or both which is occupied in common with a house or with a building consisting of flats or maisonettes or both.
 - (c) a reference to an "electrical installation" means fixed electrical cables or fixed electrical equipment located on the consumer's side of the electricity supply meter;"

TABLE 2
CHARGES FOR CERTAIN SMALL BUILDINGS, EXTENSIONS AND ALTERATIONS

| Type of Work (1) | Amount of Plan Charge (2) £ | Amount of Inspection Charge (3) £ | Amount of Building Notice Charge Or Reversion Charge (4) £ | Amount of Regularisation Charge (5) £ |
|--|---|---|---|---|
| 1. Erection or extension of a detached or attached building which consists of a garage or carport or both having a floor area not exceeding 40m ² in total and intended to be used in common with an existing building, and which is not an exempt building. | 160.00 | - | 160.00 | 192.00 |
| 2. Erection or extension of a detached or attached building which consists of a garage or carport or both having a floor area exceeding 40m ² but does not exceed 60m ² in total and intended to be used in common with an existing building, and which is not an exempt building. | 116.17 | 139.65 | 255.32 | 306.38 |
| 3. Any extension of a dwelling the total floor area of which does not exceed 10m ² , including means of access and work in connection with that extension. | 116.17 | 139.65 | 255.32 | 306.38 |
| 4. Any extension of a dwelling the total floor area of which exceeds 10m ² , but does not exceed 40m ² , including means of access and work in connection with that extension. | 116.17 | 253.62 | 369.79 | 443.75 |
| 5. Any extension of a dwelling the total floor area of which exceeds 40m ² , but does not exceed 60m ² , including means of access and work in connection with that extension. | 116.17 | 375.75 | 491.92 | 590.30 |
| 6. The provision of one or more room(s) in the roof space of a | 116.17 | 253.62 | 369.79 | 443.75 |

| | | | | |
|---|--------|--------|--------|--------|
| dwelling the total floor area of which does not exceed 40m ² . | | | | |
| 7. The provision of one or more room(s) in the roof space of a dwelling the total floor area of which exceeds 40m ² , but does not exceed 60m ² . | 116.17 | 375.75 | 491.92 | 590.30 |
| 8. Any extension and/or one or more room(s) in the roof space of a dwelling the total floor area of which exceeds 60m ² , the charge will be based on the estimated cost of the work (see Schedule 3) subject to the following minimum charge. | 116.17 | 375.75 | 491.92 | 590.30 |
| 9. Electrical installations to the above types of work, which are installed by a "person" not registered with a government, approved self-certification scheme, and to which requirements of part P apply. | 170.22 | - | 170.22 | 204.26 |

Notes:

- Charges for works contained within rows (1) to (8) are the discounted fee assuming that a registered Competent Person is appointed to install electric installations to which part P applies. They are also the fees payable where schedule 2 works are undertaken which do not include critical locations or installations to which Part P makes requirements.
- Vat is to be added to charges (currently 17.5 %) with the exception of a Reversion Charge or Regularisation charge.
- Where the total or the aggregation of the floor area of one or more extensions referred to above exceeds 60m² the charge should be calculated by reference to Schedule 3.
- For charges relating to other works and controlled services e.g. windows or electrical installations not in connection with the above types of work please refer to Schedule 3.

SCHEDULE 3

WORK OTHER THAN WORK TO WHICH SCHEDULES 1 AND 2 APPLY

1. **Building Notice Charge and Reversion Charge**

- (a) Subject to (b) below the amount of the building notice charge or reversion charge for any work shall be that shown in Table 3, in relation to the estimated costs of that work.
- (b) Where different charges have been set to take account of the type of work or building usage in Table 4, the building notice charge or reversion charge will be the figure set in Table 3; a discount based on estimated costs and determined by Managing Surveyors may then be applied within the limits stated in Table 4.

2. **Plan Charge**

- (a) The amount of the plan charge for any work the estimated cost of which is £5,000 or less shall be the amount of the building notice charge which would by virtue of paragraph 1 be payable in respect of that work.
- (b) The amount of the plan charge for any work the estimated cost of which is more than £5,000 is variable and should be confirmed prior to depositing plans with the Council.

3. **Inspection Charge**

- (a) No inspection charge is payable in respect of any work the estimated cost of which is £5,000 or less, notwithstanding that an inspection is carried out.
- (b) The amount of the inspection charge for any work the estimated cost of which is more than £5,000 shall be the building notice charge less the plan charge paid under 2. (b) above.

4. **Regularisation Charge**

The amount of the regularisation charge for any work shall be 120 percent of the building notice charge which would by virtue of paragraph 1 be payable in respect of that work.

5. **Minimum Charge**

In the case of an extension to a dwelling, or the provision of one or more rooms in an existing roof space of a dwelling where the total or aggregation of the floor area exceeds 60m² the charge payable should not be less than £486.26.

A minimum charge for Electrical installations to which Part P applies of £170.22 plus vat is payable where the Competent Person Scheme is not followed.

6. **Part P (Electrical Safety)**

Where a "person" not registered with a government approved self certification scheme, carries out an "electrical installation" and the work is not work in connection with Schedule 2 types of work or, described in Schedule 2B of the Principal Regulations, a minimum charge of £170.22 plus VAT per dwelling will be payable in addition to charges detailed within this schedule. Charges represented below indicate a discounted rate assuming a registered Competent Person has carried out the electrical installation.

TABLE 3
CALCULATIONS OF CHARGES FOR ALL OTHER BUILDING WORK

| | | |
|--|--|------------|
| Where the estimated cost is £2,000 or less | | £110.00 |
| the sum of | | £110.00 |
| Where the estimated cost exceeds £2,000, but does not exceed £5,000 | | £181.50 |
| the sum of | | £181.50 |
| (a) Where the estimated cost exceeds £5,000, but does not exceed £20,000 | | £181.50 |
| the sum of | | £181.50 |
| together with | | |
| (b) For every £1,000 (or part thereof) by which the cost exceeds £5,000 | | £9.90 |
| the sum of | | £9.90 |
| (a) Where the estimated cost exceeds £20,000, but does not exceed £100,000 | | £330.00 |
| the sum of | | £330.00 |
| together with | | |
| (b) For every £1,000 (or part thereof) by which the cost exceeds £20,000 | | £8.80 |
| the sum of | | £8.80 |
| (a) Where the estimated cost exceeds £100,000, but does not exceed £1,000,000 | | £1034.00 |
| the sum of | | £1034.00 |
| together with | | |
| (b) For every £1,000 (or part thereof) by which the cost exceeds £100,000 | | £3.39 |
| the sum of | | £3.39 |
| (a) Where the estimated cost exceeds £1,000,000, but does not exceed £10,000,000 | | £4,090.00 |
| the sum of | | £4,090.00 |
| together with | | |
| (b) For every £1,000 (or part thereof) by which the cost exceeds £1,000,000 | | £2.75 |
| the sum of | | £2.75 |
| (a) Where the estimated cost exceeds £10,000,000 | | £28,840.00 |
| the sum of | | £28,840.00 |
| together with | | |
| (b) For every £1,000 (or part thereof) by which the cost exceeds £10,000,00 | | £2.00 |
| the sum of | | £2.00 |

TABLE 4

DIFFERENTIAL MATRIX FOR ALL OTHER WORK

| Cost of Work | Domestic buildings of more than 3 storeys and/or with a floor area greater than 300m ² [1A, B, C] | Residential Dwellings [1A, B, C] Residential Other [2A, B] | <i>Windows Building work that consists of the provision or replacement or extension of a window, rooflight, roof window or door in an existing building.</i> | (1)Certain Minor Works Charges for building work and material alterations (including associated minor works) consisting of the installation or alteration of the fixtures, fittings or services listed in note 3 below: | Office shop Commercial [3] [4] | Assembly Recreation [5] | Industrial [6] | Storage [7A] | Other Non Residential [7b] | All Other Work |
|---|--|---|--|--|--------------------------------|-------------------------|----------------|--------------|----------------------------|----------------|
| Where the estimated cost is £2,000 or less | 1 | 1 | Refer to next cost band & discount | 35% | 1 | 1 | 1 | 1 | 1 | 1 |
| Where the estimated cost exceeds £2,000 but does not exceed £5,000 | 1 | 1 | Refer to next cost band & discount | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Where the estimated cost exceeds £5,000 but does not exceed £20,000 | 1 | 1 | Refer to next cost band & discount | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Where the estimated cost exceeds £20,000 but does not exceed £100,000 | 1 | 1 | 75% | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Where the estimated cost exceeds £100,000 | Please Contact South Thames Gateway Partnership Building Control | | | | | | | | | |

| | | | | | | | | | | |
|--|-----------------|-----------------|---|---|-----------|-----------|-----------|-----------|-----------|---|
| Where the estimated cost exceeds £100,000 but does not exceed £250,000 | up to 30% ** | up to 30% ** | 1 | 1 | up to 10% | up to 10% | up to 10% | up to 10% | up to 10% | 1 |
| Where the estimated cost exceeds £250,000 but does not exceed £500,000 | up to 30% ** | up to 30% ** | 1 | 1 | up to 25% | up to 25% | up to 30% | up to 30% | up to 25% | 1 |
| Where the estimated cost exceeds £500,000 but does not exceed £1,000,000 | up to 30% ** | up to 30% ** | 1 | 1 | up to 30% | up to 30% | up to 35% | up to 35% | up to 30% | 1 |
| Where the estimated cost exceeds £1M but does not exceed £10M | up to 30% ** | up to 30% ** | 1 | 1 | up to 40% | up to 40% | up to 40% | up to 40% | up to 40% | 1 |
| Where the estimated cost exceeds £10M | up to 30% ** | up to 30% ** | 1 | 1 | up to 40% | up to 40% | up to 40% | up to 40% | up to 40% | 1 |

Notes: see below or overleaf

** Discount of up to 30% relates to repetitive works e.g. flat design for plan examination element of repetitive works

Notes:

1. Bracketed numbers in the columns are the building uses as defined in the Purpose Group classification in Appendix D of Approved Document B, which provides practical guidance on meeting requirement B (Fire Safety) of the Building Regulations.
2. "All Other Work" (final column) should be used for all work not otherwise specified in the table e.g. work involving the underpinning of a building.
3. Certain Minor Works receiving a discount when below £750 are :
 - i. Heating appliances where requirements J1, J2, J3 of the Building Regulations apply.
 - ii. Flue lining systems where requirement J3 of the Building Regulations applies.
 - iii. Unvented hot water storage vessels where requirement G3 of the Building Regulations applies.
 - iv. Domestic hot water storage vessels where requirement L1 of the Building Regulations applies.
 - v. Sanitary fitting requiring minor alterations to above ground drainage where requirement H1 of the Building Regulations applies.
 - vi. Storage tanks where requirement J5 and J6 of the Building Regulations apply.

SOUTH THAMES GATEWAY PARTNERSHIP

BUILDING CONTROL CHARGES SCHEME

1. Introduction

This charges scheme is made under the Building (Local Authority Charges) Regulations 1998.

The Regulations contain the full statement of the law.

This charges scheme comes into effect on 1 August 2007.

South Thames Gateway Partnership is authorised, subject to and in accordance with the Regulations to amend, revoke, or replace any scheme which has been made by STG joint committee on behalf of Gravesham and Swale Borough Councils and Medway Unitary Authority.

2. Income from charges:

The Regulations require that the charges are set on the basis that the income to be derived, or which it is reasonably expected to be derived, from them will be not less than the proper costs incurred by the South Thames Gateway Partnership in performing its Building Regulations functions over a three year accounting period. At the end of each financial year the South Thames Gateway Partnership will prepare a building control statement, which will give details of the amount of income and proper costs.

3. Interpretation

(1) For the purposes of the scheme the following definitions apply:

“the Act” means the Building Act 1984;

“the Approved Inspectors Regulations” means the Building (Approved Inspectors etc.) Regulations 2000 as amended;

“associated work relating to means of access”, means the formation of any structural opening(s) between the existing building and the new building work together with any minimal alteration to allow access to the said opening(s) through the existing building.

“building” has the meaning it has in the Principal Regulations;

“building notice” has the meaning it has in the Principal Regulations;

“building work” has the meaning it has in the Principal Regulations;

“carport” means a building forming a shelter for a vehicle, open on at least two sides;

“controlled service or fitting” has the meaning it has in the Principal Regulations;

“**cost**” does not include any professional fees paid to an architect, quantity surveyor or any other person;

“**dwelling**” has the meaning it has in the Principal Regulations;

“**electrical installation**” has the meaning it has in the Principal Regulations;

“**estimate**” in relation to the cost of carrying out building work, means an estimate, accepted by the South Thames Gateway Partnership, of such reasonable amount as would be charged for the carrying out of that building work by a person in business to carry out such building work (excluding the amount of any value added tax chargeable) and references to estimated cost” shall be construed accordingly;

“**extension**” means an extension which has no more than three storeys, each basement level (if any) counting as one storey;

“**person**” means a legal person, ie a firm or an individual;

“**the Principal Regulations**” means the Building Regulations 2000 as amended;

“**small domestic building**” means a building (including connected drainage work within the curtilage of that building):

- (a) which is used or intended to be used wholly for the purposes of one or more dwellings, none of which has a floor area exceeding 300m², excluding any garage or carport;
- (b) the whole of which is:-
 - i) shown on plans deposited for the purposes of section 16 of the Act
 - ii) shown on plans accompanying a building notice, or
 - iii) shown on plans given to the South Thames Gateway Partnership in accordance with regulation 20 of the Approved Inspector’s Regulations;
- (c) which has no more than three storeys, each basement level being counted as one storey

including such a building which incorporates an integral garage or to which is attached a garage or carport or both which shares one or more walls with that building.

(2) In the Regulations and Charging Scheme:

- (a) the floor area of:
 - i) any storey of a dwelling or extension; or
 - ii) a garage or carport

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;

- (b) the total floor area of any dwelling is the total of the floor area of all the storeys which comprise that dwelling; and
- (c) the total floor area of an extension of a dwelling is the total of the floor areas of all the storeys in the extension.

4. Functions for which charges are made:

The Regulations authorise the South Thames Gateway Partnership to fix a scheme to recover such charges as are determined for or in connection with the following Building Regulations functions:

- (a) a charge (in the Regulations called “a plan charge” for or in connection with the passing or rejection by the South Thames Gateway Partnership of plans of proposed building work deposited with them in accordance with section 16 of the Act;
- (b) a charge (in the Regulations called “an inspection charge”) for or in connection with the inspection of building work for which plans have been deposited in accordance with the Principal Regulations and with section 16 of the Act;
- (c) a charge (in the Regulations called “a building notice charge”) for or in connection with the consideration of a building notice which has been given to the South Thames Gateway Partnership in accordance with the Principal Regulations;
- (d) a charge (in the Regulations called “a reversion charge”) for or in connection with the consideration of building work reverting to the South Thames Gateway Partnership’s control;
- (e) a charge (in the Regulations called “a regularisation charge”) for or in connection with the consideration of an application under regulation 21 of the Principal Regulations and the inspection of any building work to which that application relates.

The following principles apply:

1. The sum of the plan charge and the inspection charge shall be equal to the building notice charge.
2. The reversion charge shall be equal to the building notice charge.
3. The regularisation charge shall be 20% greater than the building notice charge.

5. Basis on which charges are made:

The erection of one or more small domestic buildings, the erection or extension. With the exception of certain types of residential building (ie of a garage/carport not exceeding 60m² floor area and extensions of dwellings not exceeding 60m² floor area) each charge fixed in this Charges Scheme is related to the estimated

cost of the building work. The charges payable in respect of the estimated cost of the building work apply to all uses and types of building work involved and include the existing use of a building, the proposed use of building after completion of the building work and whether the building work is in respect of a new building, or an alteration or an extension to an existing building.

No charge is made for the inspection function where the estimated cost of the building work (with the exception of certain types of residential building as listed above) is £5,000.00 or less.

Where building work comprises-

- (a) the installation of cavity fill insulation in accordance with Part D of Schedule 1 to the Principal Regulations where the installation is certified to an approved standard, or is installed by an approved installer or is part of a larger project comprising other building work, or
- (b) the installation of an unvented hot water system in accordance with Part G of Schedule 1 to the Principal Regulations where the installation is part of a larger project comprising other building work, or

the provision or extension of a “controlled service or fitting” where the installation is undertaken by a “person” registered with a self-certification scheme authorised by the Secretary of State,

No charge will be made for such work.

Where the installation of a “controlled service or fitting” is undertaken by a “person” not registered with a self-certification scheme authorised by the Secretary of State a charge will be payable in accordance with Schedule 3.

Where works include an electrical installation to which Part P applies is undertaken by a “person” not registered with a self-certification scheme authorised by the Secretary of State, the application will not qualify for the discounted price published in tables 1, 2 & 3. The full charge relating to that work, plus a fee of £170.22 plus vat to cover costs for the checking of electrical design, installation and testing of domestic works in connection with each dwelling, detached or attached garage, carport, extension, or room in a roof space is payable.

Adjustments to take into account the type of work or building usage are given in Table 4. In order to establish the charge for work to which Schedule 3 applies it is necessary to multiply the charge by the discount factor derived from Table 4. Any reductions applicable under Regulation 8a or 8b of the Building (Local Authority Charges) Regulations 1998 are calculated after adjustments to take into account the type of work or building usage have been made.

The estimated costs of building work is of that work which requires approval for building regulations by the local authority. Estimates should therefore be aggregated or disaggregated as appropriate to establish the correct amounts to be charged.

6. Small domestic buildings, certain garages, carports and extensions:

Where building work comprises:

- (a) erection of one or more small domestic buildings; or
- (b) erection or extension of a detached building which consists solely of a garage or carport (or both) with a total floor area not exceeding 60m² and which is intended for use with an existing dwelling; or
- (c) extension of any dwelling by a floor area not exceeding 60m².

The South Thames Gateway Partnership will determine the charges for that building work by reference to the floor area of the building or extension as the case may be and in the case of the work mentioned in sub paragraph (b) and (c) the charges so determined shall cover any associated work relating to means of access.

Where any building work of a kind mentioned in paragraph (b) and (c) comprises or includes the erection of more than one extension to a building used or intended to be used for the purposes of a single dwelling, this Charging Scheme provides that the total floor area of all such extensions be aggregated in determining the relevant charge payable.

Where the aggregation of the floor area of all extensions referred to in paragraph (b) and (c) does not exceed 60m², this Charging Scheme provides for the relevant charge to be based on the total floor area of the extensions.

Where the total or the aggregation of the floor area of one or more extensions referred to in paragraph (b) and (c) exceeds 60m², this Charging Scheme provides for the relevant charge to be based on the estimated cost of the building work.

In the case of the extension of a dwelling referred to in (c), where the total or aggregation of the floor area exceeds 60m² the total charge, calculated by reference to Schedule 3, should be not less than the total charge payable for an extension with a floor area that exceeds 40m², but does not exceed 60m².

7. Rooms in a roof space:

Where building work comprises the provision of one or more rooms in an existing roof space of a dwelling. The South Thames Gateway Partnership will determine the charges for that building work by reference to the floor area, the charges so determined shall cover any associated work relating to means of access.

Where the total floor area of the rooms provided exceeds 60m², the total charge, calculated by reference to Schedule 3, should not be less than the charge payable where the floor area exceeds 40m², but does not exceed 60m².

8. Reductions for repetitive building work:

Where:

- (a) an application or building notice is in respect of two or more buildings or building works all of which is substantially the same as each other; or
- (b) 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 approved or building works inspected by the South Thames Gateway Partnership and where the South Thames Gateway Partnership is satisfied that the owner of the plans who deposits them or who gives a building notice in respect of them, is the same person who originally deposited the plans or gave a building notice in respect of them;

up to a 30% reduction in the plan charge or up to 7.5% of the building notice charge payable will be applied.

In order to obtain the above reduction, any application or building notice must state that this facility is being sought at the time the application is deposited or the building notice is given.

9. Building work for the benefit of disabled persons:

No charges within this scheme are payable where:

- (1)
 - (a) the South Thames Gateway Partnership are satisfied that the whole of the building work in question consists of an alteration; and
 - (b) where the building work is:
 - (i) solely for the purpose of providing means of access to enable disabled persons to get into or out of an existing building and to or from any part of it, or of providing facilities designed to secure the greater health, safety, welfare or convenience of such persons; and
 - (ii) is to be carried out in relation to:
 - (a) an existing building to which members of the public are admitted (whether on payment or otherwise); or
 - (b) an existing dwelling which is, or is to be, occupied by a disabled person.
- (2) No Charges within this Scheme are payable in respect of building work for the provision or extension of a room in a dwelling where the South Thames Gateway Partnership is satisfied that the whole use of the room is or will be:
 - (a) for the carrying out of medical treatment of a disabled person which cannot reasonably be carried out in any other room in the dwelling; or
 - (b) for the storage of medical equipment for the use of a disabled person; or

- (c) to provide necessary accommodation or a necessary facility by adapting or replacing accommodation or a facility which already existed within the building which was incapable of being used, or used without assistance by the disabled person.
- (3) In this Scheme, “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 applied, as that section was extended by virtue of section 8(2) of the Mental Health Act 1959, but not taking into account amendments made to section 29(1) by paragraph 11 of Schedule 13 to the Children Act 1989.
- (4) In order to claim exemption under this clause, any application or notice must be supported by satisfactory evidence, which the South Thames Gateway Partnership deem necessary as to the nature of the disabled person’s disability.

10. Nature of Payments

- (1) Payments required by this Scheme shall be that:
 - (a) any plan charge shall be payable when the plans of the building work are deposited with the South Thames Gateway Partnership;
 - (b) any inspection charge shall be payable on demand after the South Thames Gateway Partnership carry out the first inspection in respect of which the charge is payable;
 - (c) any building notice charge shall be payable when the building notice is given to the South Thames Gateway Partnership;
 - (d) any reversion charge shall be payable for the building work in relation to a building:
 - (i) which has been substantially completed before plans are first deposited with the South Thames Gateway Partnership in accordance with regulation 20 of the Approved Inspectors Regulations, or
 - (ii) in respect of which plans for further building work have been deposited with the South Thames Gateway Partnership in accordance with regulation 20 of the Approved Inspectors Regulations.

on the first occasion on which those plans have been deposited;

 - (e) any regularisation charge shall be payable at the time of the application to the South Thames Gateway Partnership in accordance with regulation 21 of the Principal Regulations;
 - (f) any charge, except the regularisation charge, which is payable to the South Thames Gateway Partnership shall be paid together with an

amount equal to any value added tax payable in respect of that charge;

- (g) notwithstanding sub-clause (a) to (e), part of any charge which is payable to the South Thames Gateway Partnership may, in a particular case, and with the prior agreement of the South Thames Gateway Partnership be paid by instalments of such amounts payable on such dates as may be specified by the South Thames Gateway Partnership;
 - (h) where a plan charge has been paid and not refunded, the South Thames Gateway Partnership may, in any case they consider reasonable, decide not to make a further plan charge in respect of plans subsequently deposited for substantially the same building work;
 - (i) where for any reason the South Thames Gateway Partnership do not give notice of passing or rejection of plans within the period required by section 16 of the Act, they will refund any plan charge paid;
 - (j) any plan charge, inspection charge, reversion charge or building notice charge is to be payable by the person who carried out the building work, or on whose behalf the building work is carried out, any regularisation charge is to be payable by the owner of the building.
- (2) Plans which are deposited otherwise than in accordance with a requirement imposed under clause 10(1)(a) or an agreement under clause 10(1)(g) are not deposited in accordance with the building regulations for the purposes of section 16 of the Act and a building notice given otherwise than in accordance with a requirement imposed under clause 10(1)(c) or an agreement under clause 10(1)(g) is not validly given for the purposes of the Principal Regulations.
- (3) When it is intended to carry out additional building work on a dwelling at the same time that any of the work in Table 2 relates then the charge for this additional work shall be calculated by reference to Table 3 multiplied by the factor included in Table 4 for the relevant work.

11. Supply of Estimates

- (1) This Scheme requires that no later than the time when plans are deposited with the South Thames Gateway Partnership under section 16 of the Act, or a building notice is given to the South Thames Gateway Partnership, they the South Thames Gateway Partnership, shall, except in the case of building work referred to in clause 6, have received a written estimate of the cost of the building work.
- (2) This Scheme also requires that where building work of a kind not referred to in clause 6 and in respect of which a reversion charge is payable, reverts to the South Thames Gateway Partnership's control, then any plans relating to that building work given to the South Thames Gateway

Partnership in accordance with regulation 18 of the Approved Inspectors Regulations shall be accompanied by a current estimate in writing of the cost of that building work.

12. Ratio of plan and inspection charge

Where a charge is split into a plan charge and an inspection charge, the ratio of the split may be varied at anytime.

13. Amount of charges

The amounts payable to the South Thames Gateway Partnership are detailed in a Schedule of Charges.

14. Publicity

The South Thames Gateway Partnership will, not less than seven days before coming into effect, publish the fact that a Charging Scheme and Schedule of Charges or amended Charging Scheme and/or Schedule of Charges have been made, the date on which they come into effect and the address and times at which a copy of the Charging Scheme and Schedule of Charges may be inspected free of charge.

15. Further Advice

Further information and advice concerning Building Regulations charges can be obtained from:

South Thames Gateway Partnership
Compass Centre
Chatham Maritime
Chatham
Kent ME4 4YH

Charges Scheme 2007.doc

APPENDIX 4 - MARKETING

| | | |
|----------------|-----------------|-------------------------|
| Marketing | RhysJones | Tel: 020 7724 6735 |
| Research | 79 Lambeth Walk | Fax: 020 7262 0486 |
| Communications | London | E-m:sandi@rhysjones.com |
| Training | SE11 6DX | Web: www.rhysjones.com |
| E-business | | |

Marketing strategy:
Adding value, thinking ahead

STG: Building Control Partnership

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Introduction

Background

Sandi Rhys Jones of RhysJones Consultants attended a meeting at Gravesham District Council on Thursday 21 June 2007 with Glyn Thomson, Deputy Managing Director of Gravesham District Council, Tony Van Veghel of Medway Building Control and Kim Newman of PML Group. The objective of the meeting was to discuss how RhysJones might assist in providing marketing services for the newly formed (STG) Building Control Service Partnership set up by Medway, Swale and Gravesham Councils.

Brief

STG Building Control Partnership requires consultants to:

Develop a marketing strategy for the partnership

Develop a brochure for the partnership

Liaise as required with the appointed web designer to ensure that the design and content are consistent with the marketing strategy and brochure

Liaise as required with the Project Manager for the project, PML Group, with regard to progress and completion of deliverables against the project programme

Present the proposed marketing strategy to the project Steering Group and current Building Control Managers.

The project programme requires the marketing strategy and brochure to be completed by the end of July 2007, within a budget of £7,500.00 exc VAT. RhysJones submitted a proposal for the task on 25 June, which was accepted.

Method

“STG Building Control offers a one-stop shop for developers, housebuilders and their professional advisors, right from the start. The partnership surveyors have the local knowledge and professional network to identify potential problems, unblock processes and establish a responsive service that looks at the bigger picture.”

Adding Value, Thinking ahead
STG brochure, July 2007

Identifying the issues

At the outset of the project, it was agreed that the marketing strategy should focus primarily on the high value, relatively low volume commercial market for STG, ie developers, housebuilders and their professional advisers. This market is expected to increase significantly because of the major regeneration programmes underway for the area covered by the three partners.

RhysJones recognises that whilst the commercial sector is the primary target, STG must also provide services to the lower value, high volume domestic market (householders and small builders) together with carrying out its statutory duties.

In identifying the issues to be considered in the development of the marketing strategy for STG, RhysJones used:

material provided by PML Group Ltd

interviews with local authority building control officers

desk research

conversations with other players

knowledge and experience of the local authority building control sector gathered as consultants to LABC for a period of ten years

particular expertise in construction, law and insurance.

Defining a strategy

The four strategic principles of marketing can be defined as:

Product: delivering products and services that anticipate and satisfy needs

Place: where and through whom

Price: understanding costs, adding value

Promotion: communicating the message.

In its initial proposal, RhysJones focused on **product** (improving existing services and developing new ones) and **promotion** (developing the capacity to communicate effectively with the target audiences). Following the review and familiarisation process, RhysJones has expanded the strategy to encompass the other two key principles of **place** and **price**. (Sections 3.0, 4.0, 5.0 and 6.0).

Agreeing a plan

The marketing strategy prepared by RhysJones includes a number of recommendations to be used as the basis of a marketing plan for development by the STG Management Team, after agreement with the Steering Group.

Delivery

It is understood that the STG intends to recruit a full-time professional marketing person who will be tasked with delivering the marketing plan. It is recommended that experience of managing a Key Account or Customer Relationship system is one of the selection criteria in recruiting the Marketing Manager.

In addition, RhysJones believes that holding marketing workshops for all involved in the STG team would increase effective delivery of the marketing strategy. This will help to build capacity and embed marketing within service delivery as a whole.

The market for STG

The Formation of STG

Medway, Swale and Gravesham Councils are setting up a new partnership known as STG (South Thames Gateway) jointly to provide building control services. An improved and more cost effective building control service will result from this which will combine the cost effectiveness and flexibility of the private sector with the local knowledge, professionalism and service quality of the public sector to establish the first partnership of its kind within Kent. The three councils are confident that the new partnership will be in a position to provide a high quality and superior service.

The marketplace

STG is operating in a region earmarked for significant regeneration, driven by its proximity to London and position within the major Thames Gateway area. This offers great opportunity in terms of the need for building control services for commercial, retail and house building. However, this growth has created a very noisy marketplace, with the plethora of regeneration initiatives and organisations.

The competition

STG faces significant competition from the NHBC in relation to housebuilding, which has the advantage of offering a well-established warranty scheme, and from Approved Inspectors in relation to commercial development. Unlike its private sector competitors, STG also has statutory duties to deliver, only some of which generate revenue, and is obligated to keep abreast of constantly changing regulation.

Resources

Like many local authority building control departments around the country, STG suffers from a shortage of professional staff, exacerbated by competition from the private sector and a shortage of surveyors in general.

Identity

There is limited awareness of the quality, range and value of local authority building control services, both by external customers and by internal audiences such as planners, transportation and elected representatives. This is a significant inhibitor, particularly in relation to attracting business from commercial customers who are frustrated by attitudes and delivery from other local authority departments.

Warranties:

Two new warranty products have been launched in 2007, which will enhance the local authority building control product. The new homes warranty schemes will help to counteract the competition from NHBC about housebuilding. The Latent Gold warranty scheme for offers more security than collateral warranties for commercial buildings. However, marketing of these warranties by local authorities to date has been relatively low key.

Communications

Few, if any, local authority building control departments deliver targeted messages to clearly defined audiences. There is an overload of information, further confused by websites, which contain other, unrelated council information.

Customer relationships

By pooling the resources and knowledge of three councils departments, STG is well placed to build a valuable database of customer information and contacts and has the advantage of recruiting a professional marketing manager.

Adding value

Whilst local authority building control services are known for quality and professional integrity, there is a need to find a way of quantifying the value of the services, both for the external customers and for the internal audiences such as planners.

Marketing strategy: Summary

Defining a strategy

The four strategic principles of marketing can be defined as **Product**: (delivering products and services that anticipate and satisfy needs), **Place** (where and through whom), **Price** (understanding costs, adding value) and **Promotion** (communicating the message).

Product

Emphasis quality of service, including certification to ISO 9000
Reinforce with customer relationship function, geared to Key Accounts
Develop new consultancy services
Provide training programmes for customers
Expand recruitment drive
Vigorously promote warranty schemes.

Price

Make the most of efficiencies created by partnership
Adding value - warranties
Produce hard evidence of added value through case studies
Measure impact of new services
Monitor satisfaction levels regularly

Develop on-line services.

Place

Clarify position in noisy marketplace by defining its location and operating area

Establish a clear identity

Build an effective network with key regeneration players

Exploit Compass Centre and other new buildings

Act as facilitator to potential customers.

Promotion

Agree, differentiate and prioritise commercial and domestic markets

Identify and agree contacts and relationships

Define appropriate and clear messages to different customers and users

Establish a core team with appropriate skills, building marketing capability

Agree timescales for implementation of marketing plan

Maintain dialogues through project close-outs, regular events and news

Exploit success in seminars, leaflets and press coverage.

Marketing strategy: product

“Over the years, the Building Control System has helped to deliver buildings which are safe, healthy and accessible for everyone who lives and works in and around them. The quality, variety and performance of buildings in this country are a testament to the past success of the system and the people that operate it. But the world is moving on.”

‘The Future of Building Control’, March 2007

Dept for Communities and Local Government

Emphasise quality of service

The strength of local authority building control services is quality, delivered through professionalism, reliability and local knowledge. The quotation above reflects the fact that government recognises the local authority tradition – but that times have changed significantly. There is now a need to reassert the quality of service in a way that attracts the key markets of developers, housebuilders and their consultants.

In particular it is important to boost the core local authority strengths by identifying and then defining very clearly how STG services can help commercial markets achieve their business objectives, at the same time as satisfying relevant regulations. For example STG can provide information about ground conditions and contamination, advice on appropriate construction methods, guidance on the impact of fire regulations and traffic requirements – all these issues that can have significant impact on building budgets and schedules for developers and housebuilders.

Reinforce with customer relationship function

To deliver marketing effort in the most effective way, it is proposed that a Customer Relationship Management function is established harnessing and co-ordinating information gathered from across the three partners. This will help to:

- identify and prioritise customers on a Key Account basis
- allocate the most appropriate person to manage each Key Account
- gather intelligence about customer needs and wants
- monitor satisfaction levels
- identify potential opportunities.

It is understood that an integrated IT system is in place, linked to *Kent Connects*, designed to enable the members of the partnership to share data easily. It is also understood that an Access

database has been set up, bringing together customer information from each of the three partners and building a source of information including individual contacts, history and likely requirements. RhysJones recommends that this database be fully utilised to record all contacts, establish regular communications and track progress.

It is recommended that the appointed Marketing Manager for the partnership has experience in operating a customer relationship/Key Account function including database management.

Develop consultancy services

As part of the skills audit and the cost savings in reducing use of outside specialist services, it is understood that STG Building Control proposes to develop in-house consultancy services. Services include energy appraisal such as SAP's, SBEM calculations and energy certificates. It is understood that pressure testing has been carried out for Countryside Properties and that there are other services that could be provided. This need not require recruitment of more staff: external help can be used on a project basis in the same way that the competition does. Further services should be identified through discussions with customers and also by identifying opportunities created by changes in regulations, legislation and new technologies.

Provide training programmes

Seminars and workshops are a very effective means of providing both additional services and developing customer knowledge. Gathering customers, professional advisers and staff together gives STG the opportunity to promote services and demonstrate added value. This has already been demonstrated by Medway Building Control officers, who put on a seminar specifically for a firm of architects dealing with Medway Maritime Hospital and which had difficulties understanding the new Part L (Fuel & Energy) regulations. Medway Building Control was rewarded with two contracts for the hospital project.

The aim should be for training events to be self-financing or to generate a modest surplus to reinvest in the marketing budget, as has occurred with two recent seminars on changes to Part B (Fire Safety). In addition a series of CPD events is currently being developed, which would be valuable to both staff and clients to encourage a common approach to problems. The intention is for the CPD events to be funded by product manufacturers at nil cost to STG. Consideration should also be given to promoting these seminars beyond the region.

Exploit effective website

An effective website helps to establish a brand, improves communication, increase efficiency and helps to deliver the product. In preparing the strategy, RhysJones reviewed a number of relevant websites, including other local authority building control partnerships and those of the three STG partners. The three STG partners currently suffer from being part of council websites that are full of information, much of which is not relevant and can be confusing. There is also an emphasis on delivery of statutory duties and a tendency for the tone to be focused on homeowners rather than developers and housebuilders.

RhysJones believes that on-line services are an essential element of the marketing strategy, delivering both an improved level of service and an effective communication channel. It is essential that STG Building Control takes the opportunity of having an independent website to design and maintain a site that is clearly laid out, distinctive and informative and in particular which delivers a professional yet topical message. It is also important to create a website that can deliver efficiencies and generate revenue by enabling users to download or submit information directly.

Undertake recruitment drive

Product refers not only to the services provided, but also the individuals providing them. A major weakness of local authority building control services is shortage of staff. The STG Building

Control structure will help staff shortage in the short term by simply pooling resources – and promoting this pool as an important product enhancement to customers. The marketing strategy should also directly address the recruitment challenges facing the organisation, by promoting positive messages to attract the right people.

It is understood that a skills audit is under way within STG and potential savings on structural and fire engineering consultancy have already been identified. This will help the partnership to offer salaries that are more competitive and flexible working packages – an important product to sell to potential staff.

The skills audit will also help to establish what outside resources and external teams may be required to deliver the services needed as part of the regeneration activity in the region. In the medium term, it is suggested that links with universities and colleges in the area should be strengthened, using a dynamic approach and maintaining regular contact with students. In addition, consideration should be given to training non-cognates and administrative staff – something that has already been undertaken by some of the departments.

Marketing strategy: price

“The New Homes Warranty is the jewel in the crown and has taken off since its launch earlier this year. Latent Gold offers a tremendous opportunity - it just needs to be promoted vigorously to the markets that really need it.”

Phil Hammond
LABC

Make the most of efficiencies

Efficient management of all costs is one of the essential drivers for the partnership. By being an arm's length entity from the parent councils, it will be possible to control more effectively the net cost of the partnership. It is understood that initially the partnership will be in full control of costs from year two and will also look to reduce the current costs/contributions by each authority at this point.

Maximising operational efficiency is particularly important when dealing with the high volume/low value activities serving small works, individual homeowners and statutory duties. The development of the website together with clearly designed leaflets designed to streamline the process can help to achieve this.

Adding value - warranties

A major weakness of local authority building control services is the chequered history of warranties for new homes, which has given a very strong competitive edge to the NHBC. Persuading housebuilders to use STG services for new homes is therefore a tough challenge. However, the latest New Homes Warranty Scheme is a valuable product enhancement to the housebuilding marketing. Another valuable marketing opportunity for STG is the newly launched Latent Gold warranty for structural defects for commercial properties.

RhysJones understands from Phil Hammond, National Director of LABC that both warranties offer an excellent marketing opportunity for STG, particularly if the partnership takes the RhysJones recommendation of clearly defining its two specific markets of commercial and domestic customers. Phil Hammond recommends promoting Latent Gold both internally and externally to demonstrate how it offers far better protection for structural defect than the traditional collateral warranty mechanism. He has offered to participate in a seminar or workshop on the subject. Similarly, Peter Vanderveele, of the insurance provider Oval working with LABC to provide Latent Gold, has also offered to participate in seminars or other events.

Produce hard evidence

STG is operating in an increasingly competitive marketplace and therefore it is important to gather evidence of the added value of using STG services. It is proposed that the three partners gather case studies of specific projects where building control services have added value to developers and housebuilders. An STG portfolio of case studies will help to show how local authority building control with its local knowledge, professional network and accredited quality of service can help to identify potential problems, unblock processes and establish a responsive service that looks at the bigger picture.

For example, it is understood that Medway Building Control delivered some valuable assistance to developers during the development of the Dickens Experience project. RhysJones recommends that a target of three such examples, if possible one from each partner authority, should be gathered ready for the launch in October.

In addition, it is recommended that a project closeout system be introduced for major or complex projects, in order to identify evidence of the benefits and added value of using the STG service.

Measure impact, Monitor satisfaction

To maintain momentum and to increase market share, it will be essential to identify and measure the impact of the service improvement. This will involve analysing customer satisfaction ratings and gathering information on competitor offerings. Project closeouts are another effective way of gathering information and feedback. Whilst this should be a responsibility of the Marketing Manager, it is important that everyone in STG supports the activity by gathering and sharing information in a consistent way.

Marketing strategy: place

“Like Swale, the Thames Gateway is an administrative construct and, although useful ... it will never be an address. People will come from Sheerness, Southend or Barking, Kent, London or Essex but, I would strongly argue, never the Thames Gateway.”

Greg MacDonald, Chief Executive of Swale Forward
BBC Interview, 8 March 2007

Clarify position in noisy marketplace

There is a plethora of organisations and partnerships engaged in regeneration of the Thames Gateway and Kent, covering the same or overlapping geographic areas. The most significant is the Thames Gateway North Kent partnership, which established three Local Regeneration Partnerships, each including a range of business and community partners, as well as the local and regional authorities. These are:

Kent Thameside Delivery Board, which includes Dartford (not in STG) and Gravesham (which is in STG)

Medway Renaissance Partnership
Swale Forward.

RhysJones recommends that STG makes it clear in its promotion where it is based, the area it covers and its position in relation to the other players.

Regarding operating location, it is understood that STG accommodation arrangements are yet to be finalised, although the intention is to have a main office in Medway, with satellite offices in Gravesham. The Swale Building Control department will close, with staff transferring to other STG offices, and announcements to this effect are already on the Swale website. Much work will be done remotely, from home and on site. It is very important to ensure that as all materials and information clearly shows where and how STG staff are operating.

Establish a clear identity

A logo for STG was developed at an early stage of the partnership, which the consultants have incorporated in the brochure design and the website brief. The Management Team has agreed in principle the tone and messages contained in the brochure and subject to final approval by the Steering Group, it is proposed that this approach is sustained in other materials and text. However, a clear corporate identity requires more than a logo, in the same way that a brand requires more than a corporate identity. An important issue is to embed a clear sense of where STG operates, its scope of operation and its professional delivery, as well as communicating the opportunities to liaise with local authority building control departments in other areas through the LABC Partnership scheme.

Build an effective network with key players

RhysJones recommends that STG gathers information about all the players involved in the regeneration and development activity for the area covered by the three authorities, in order to:

Identify who are the influencers and funders

Identify which can be channels to potential clients

Act as a facilitator to customers wishing to participate in regeneration

Exploit opportunities for joint marketing.

It is understood that the three partners have good connections with some of the players, and that the three councils are also involved in some of the regeneration bodies, but STG should take advantage of its arms length status to develop its own network.

Exploit Compass Centre

The offices at the Compass Centre in Medway are very pleasant and modern, with the additional advantage of being positioned close to many of the regeneration projects. It is proposed that the Compass Centre and other new buildings should be exploited whenever possible, eg seminars, workshop and other meetings.

Marketing strategy: promotion

“Most guidance is highly technical and does not do enough to meet the needs of different types of audiences.”

‘The Future of Building Control’ March 2007
Dept for Communities and Local Government

Agree, differentiate and prioritise markets

It was agreed at the initial briefing that the primary focus for the marketing strategy is the commercial sector, predicted to grow significantly as a result of the regeneration of the area. However, the consultants appreciate that STG also has a domestic market to service together with fulfilling its statutory duties.

STG should identify and differentiate its different customers and tailor the messages accordingly, in particular for the commercial sector (developers, house builders and their professional advisers).

It is understood that a database has been created that brings together the data from all three partners of STG. It is recommended that using this as a starting point, the Management Team differentiates and prioritises the target markets. This will be of particular value to the Marketing Manager when he/she takes up the post.

Identify and agree connections

It is recommended that the Management Team works together to build customer profiles of the target groups, including individual names, connections with STG staff, contact details etc. This will form the basis of a Key Account system for the high priority customers. It will also help to identify gaps in market knowledge and channel activity effectively.

Define appropriate and clear messages

The strength of local authority building control services is quality, delivered through professionalism, reliability and local knowledge. Having identified the different markets, RhysJones recommends that STG develops specific messages, tone and style to show how the partnership uses its skills and knowledge to:

- help developers and housebuilders achieve their business objectives
- deliver Building Regulations advice and inspection to householders and builders in a cost-effective way
- demonstrate the value of STG statutory and other duties to a wide range of internal and external audiences.

RhysJones has identified in desk research that few if any other building control departments and partnerships take this approach, stating clearly the different markets they serve. The exception is the new website and materials being introduced by LABC, currently being run in parallel with the established LABC website, following the appointment of new director Phil Hammond. It is therefore proposed to present messages and information tailored specifically for the different audiences and services, particularly to differentiate the commercial market (developers, housebuilders and their advisers) from the domestic market (homeowners, small builders and the general public). The consultants believe that this targeted approach will not only help to deliver the marketing strategy, it will also differentiate STG in the marketplace.

Establish a core team

A major challenge for the members of the Building Control partnership is recruitment of sufficient numbers of appropriately qualified staff to meet the demand for building control services, particularly in light of the high level of construction and regeneration activity in the region. It is proposed that a key element of the marketing strategy will be to promote the ability of the new partnership to offer competitive salaries, flexible hours and facilities on-line to enable home working.

In addition RhysJones proposes identifying, supporting and training people at various levels within the partnership to embed the philosophy of marketing and to help build capacity. As part of this activity, it is proposed to include a workshop on marketing at the second Building Control Partnership teambuilding event, scheduled for September. The first event, which was very successful, took place recently in a local hotel and involved approximately 35 partnership staff. Effective marketing is dependent on the people within the organisation understanding and delivering the process themselves.

Agree timescales

The launch date for STG is 1 October 2007. It is understood that the Building Control departments at Swale, Medway and Gravesham have already begun to contact key clients, building professionals and other organisations on a one-to-one basis to advise them of the new partnership. However, the Swale Building Control website already contains the information that the department will be closing but that until then it is business as usual. RhysJones recommends that it is important to agree a schedule and responsibilities for making announcements and launching initiatives.

Maintain dialogues

It is important to maximise marketing effort by maintaining regular contact with the various players in the process, including regeneration bodies, funders and other local authority departments. The Key Account system will assist in this.

In addition RhysJones proposes that this activity should be enhanced by projecting a consistent identity, particularly by ensuring that the logo and basic design approach taken for the brochure and website is applied other key items of stationery (ie letterhead, compliments slips and business cards) and other materials prepared by STG.

Exploit success

A challenge for many organisations working in the high-pressure construction sector is taking the time to exploit successful activity. There is a tendency to complete a job and then move on to the next. RhysJones has recommended in other sections of this strategy that STG carries out close-out meetings on major projects, builds a portfolio of case studies and uses seminars and workshops to identify how to satisfy customer needs. All this work and the learning from it should be captured and promoted, to demonstrate the success of STG and help put the partnership in a position of influence alongside its major competitors.

APPENDIX 5 – A Breakdown and Commentary of the STG Year 1 Budget

| FUTURE ARRANGEMENTS FOR STG | CURRENT ARRANGEMENT | YEAR 1 |
|---------------------------------------|--|--|
| Direct Costs | | |
| Staffing as @ 07/08 | Forecasted Salaries including Vacancies and Annual Increase | Forecasted Salaries inclusive of annual increase but excluding Vacancies |
| Other Direct Costs | Forecast average costs (less one off expenditure) for Oct-March 07/08 plus 3% projection increase for Apr-Oct 08 | Forecast average costs (less one off expenditure) for Oct-March 07/08 plus 3% projection increase for Apr-Oct 08 |
| TOTAL DIRECT COSTS | | |
| STG Additional Direct Costs | | |
| Staffing | | |
| Director of STG | N/A | Additional Amount from TV current salary split as per herediments |
| Head of Administration | N/A | Additional Amount from JB current salary split as per herediments |
| Business/Marketing Manager | N/A | N/A |
| Structural Engineer | N/A | N/A |
| Training (Medway & Swale) | N/A | Gravesham training is within current direct costs. £200 per person from Swale and Medway has been allocated. |
| Professional Fees | N/A | N/A |
| Harmonisation - 10% | N/A | N/A |
| Annual increases - 4% | N/A | 2% has been included for April08 to Oct 08 |
| TOTAL STG ADDITIONAL STAFFING | | |
| Additional Transport | | |
| Excess Travel Costs | N/A | As per HR recommendations |
| TOTAL STG ADDITIONAL TRANSPORT | | |
| Additional Accommodation | | |
| Additional Accommodation at Medway | N/A | Additional space required has been split by Swale and Gravesham headcount |
| Cleaning & Hygiene | N/A | N/A |

| | | |
|--|-----|---|
| Security | N/A | N/A |
| TOTAL STG ADDITIONAL ACCOMMODATION | | |
| Additional Supplies & Services | | |
| 3G Cards | N/A | IT estimate £30p.a for 20 surveyors - Total split as per herediments |
| 10% Economies in Scale | N/A | 10% reduction of Year 1 Other Direct Costs |
| Photocopier | N/A | Estimate £1500p.a t/fore split as per herediments |
| TOTAL STG ADDITIONAL SUPPLIES & SERVICES | | |
| Additional Third Party Contractors | | |
| Insurance | N/A | Estimate £1000p.a t/fore split as per herediments |
| TOTAL STG ADDITIONAL THIRD PARTY CONTRACTORS | | |
| | | |
| TOTAL STG ADDITIONAL DIRECT COSTS | N/A | Total Addition Costs created by STG |
| | | |
| Support Services | | |
| Accommodation | N/A | Absorbed by Partners |
| HR Services | N/A | Absorbed by Partners |
| Legal Services | N/A | Absorbed by Partners |
| ICT Support | N/A | Absorbed by Partners |
| Finance Support | N/A | Absorbed by Partners |
| TOTAL STG SUPPORT SERVICES COSTS | | |
| | | |
| TOTAL FORECASTED OVERALL DIRECT COSTS FOR STG | | Sum of Salaries, Other Direct Costs b/fwd and Total STG additional direct costs |
| | | |

| | | |
|---|---|--|
| TOTAL FORECASTED DIRECT INCOME | Forecast fee earning income (less one off income received) for Oct-March 07/08 plus 3% projection increase for Apr-Oct 08 | Forecasted fee earning income to include new STG fee scale and applying these to TV projections |
| NET DIRECT COSTS | Total Forecasted Income less Direct Costs | Total Forecasted Income less Total Overall Direct Costs |
| Subsidiary Payable by Authorities | Equals Net Direct Costs | Subsidiary agreed based on net direct cost that each Partner would have incurred had STG not been formed |
| Other Income | N/A | N/A |
| TOTAL SUBSIDIARY AND OTHER INCOME RECEIVED | | |
| INDICATIVE TOTAL NET EFFECT COST/(SAVING) | N/A | Cost or Savings expected through STG formation |

