



## Belfast City Council

**Report to:** Health ~~and~~ Environmental Services Committee

**Subject:** [Proposed Collaborative working agreement between Trading Standards Service and Northern Ireland Building Control Convention](#) ~~Involvement of Building Control Staff in Vacant Rating Project~~

**Date:** ~~4-8<sup>th</sup> September~~ [2nd June 2010](#) ~~June 2010~~

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### Relevant Background Information

[The Northern Ireland Group Chief Building Control Officers' Committee, of which Belfast is a member, arranges an annual convention each year for Elected Members, building control surveyors, architects and other construction professionals. The convention is the highlight of the professions year and is always well attended with last year's convention, organised by the staff in Belfast, attracting over 200 delegates.](#)

[This year's convention is to be held in the Slieve Donard Hotel in Newcastle on 12<sup>th</sup> & 13<sup>th</sup> October. The theme is "Global Impacts – Addressing the Risks" and there is a wide range of speakers from America, New Zealand and Europe speaking on issues such as flood damage, climate change and the cost impacts to buildings in relation to insurance claims. Additionally, the second part of the programme will focus on the codes and standards used in Europe and America and how Building Control can impact on wider problems from a climate and economic perspective. A copy of the programme is attached to this report.](#)

[The convention has always achieved a high level of attendance and input from Elected Members and so the programme deliberately steers away from the purely technical issues into areas of greater significance for local authorities.](#)

[The convention is particularly special this year as it is to be run in conjunction with the main meeting of the Consortium of European Building Control. This is the first time the meeting has ever been held in Northern Ireland and it brings together the chief government officers responsible for the administration of building regulations in each European Union country.](#)

Recently the Consortium has expanded to embrace some of the former Eastern European countries as well as Cyprus and Israel.

The role of the Trading Standards Service, part of the Department for Trade and Enterprise, is to promote and maintain fair trading, protect consumers and enable reputable businesses to thrive within Northern Ireland. They do this by enforcing a wide range of consumer legislation in order to protect consumers and honest businesses. They also give advice to businesses in order to help them comply with the law.

There is anecdotal evidence suggesting that there has been an increase in unscrupulous builders operating in the greater Belfast area. The Trading Standards Service has formally asked for assistance from Belfast City Council, see appendix A, through the Building Control Service, to investigate construction related complaints within the Council area. Most of these complaints relate to the abuse of vulnerable property owners in through out the city.

The Trading Standards Service does not have the technical expertise to determine the validity of the evidence relating to many of the complaints of this type. In discussions with their senior managers they recognise that the council has statutory limitations within which they must operate. However they are of the opinion that by using the legal investigatory powers available to the council that this will assist them in protecting the public against rogue traders.

were the site and the builder, Mr Terry O' Neill had previously been abusive to staff. fromThe District Rate accounts for 74% of the Council's total income. It is therefore the most important source of income to support our annual expenditure. In this context, the Council has been doing a lot of work with the leading experts in this field – the Institute of Revenue, Rating and Valuation – to ensure that the Council is maximising the level of collectable rate income it receives.

One of the key areas of work has been that of vacant properties. Currently vacant domestic properties are not charged rates and non-domestic vacant properties are only charged 50% rates. It is therefore important to make sure that properties are properly identified as being vacant. The Council in receiving its rateable income for the year receive an amount based on a calculated estimate at the beginning of each month beginning with April. This is an estimated figure and the LPS work out the actual figure by September following the close of that financial year. The Council should then receive the difference between the estimated and the actual figure for the year, known as the finalisation figure. Whilst this is usual positive, in the year 06/07 it was concluded that it was in the negative and therefore Belfast City Council had to payback £600k.

The Core Improvement Unit using their knowledge gained from the IRRV report approached the LPS Rating Services and discussed the intricacies of why this had happened and what could be done to resolve the problem.

It was agreed that one way to mitigate the loss of revenue was by addressing the issue of properties on the vacant rating list. The vacant properties list had risen in the Council boundaries from 6% in 2005/06 to 11% in 2007. Prior to 2005, the then, Rate Collection Agency carried out vacancy inspections on an ad-hoc basis. After 2005 this was not being carried out. Building on our current partnership agreement with the Land and Property Service Agency, Building Control in conjunction with the Core Improvement Team agreed to carry out vacancy rate inspections on behalf of LPS to check whether these properties were still in fact vacant, address this issue. This will mean bringing some properties classified by LPS as vacant but which were in fact occupied and therefore not paying their due rates back onto the billing system.

The registers from LPS showed that some 13500 properties were listed as vacant across the city. Maximising the value to the Council we analysed the database extracting the highest value

units and then set up a regime to survey those units. Staff from the Building Control Service surveyed a total of 10521 and identified 4163 dwellings 1202 other rateable properties were actually occupied. A combined average of both domestic and non domestic properties showed that in fact 51% was in effect occupied. This means that the Council had not been receiving rate income for over 5300 properties which it should have been.

### **Key Issues**

contact to inform him as to what had occurred and that officers executing their public duty had been assaulted in the course of their work prepared and forwarded a file to the PPSThe Councils rate base is more accurate and up to date, which will allow for greater equity in the rates and provide information for more robust calculation of future rateable income.

The Council will receive substantial income from the project, both now and in future years should those properties remain occupied, the figure for which will be reported to Policy & Resources Committee at its Special Meeting of 6<sup>th</sup> June.

This work was carried out by the Service at little or no cost to the Council, the Service using the skills of its staff and the financial cost being reimbursed by LPS.

The project has brought to light a number of further areas that may lead to further lost revenue from rates in the short term, but impact the equity issue of rating in the longer term.

The Council has learned from this experience of areas of work that we need to interact with LPS in the future. Whilst these include areas for the Director of Corporate Services to pursue there are areas whereby the Service can assist.

These include:

Are completion notices being followed through  
Who is monitoring exemptions  
What happens to those properties we did not get to visit  
How future years are to be handled.

As this has been enormously beneficial to the Council there is a willingness on all sides to continue this work and develop it into a more robust partnership with LPS. This will mean changing some practices and processes within the Service but will result in increased income, efficiencies and information gathering that will inevitably bring benefits to the Council. It will put Building Control at the heart of information gathering and playing a key role in maximising the Council's rateable income.

### **Key Issues**

This initiative is in line with the corporate theme of improving the health and well being of older people.

At all times council officers will operate within their statutory framework when responding to complaints from the Trading Standards Service. These include determining:

If any of the construction related complaints require an application to the council for building regulation approval.

If the works comply with the building regulations.

What would be the approximate fee required for a building regulation application.

If the building or part of the building is deemed to be a dangerous structure.

All complaints will be handled and responded to through the Trading Standards Service. A methodology will be developed using a simple e-mail system, requiring no investment in software from either organisation. These responses will be prioritised against other pending workloads and be dealt within the normal working day.

The spirit of the agreement is based on collaborative working. There will be no contractual agreement between the organisations and consequently no formal obligation or payment.

Experience has shown that in the Belfast City Council area there will be between 10 and 20 of these complaints in a calendar year. The Service will independently collate and monitor the time commitment in reacting to these complaints on a rolling basis.

In the scenario that council officers will have to attend court to give evidence in a Trading Standards Service led prosecution as a matter of course the council will apply for reimbursement of any associated costs.

Legal Services have been consulted on this proposed collaborative arrangement and have advised that this arrangement can fall within the council's legal frameworks.

## **Resource Implications**

The resource requirements of this initial project were absorbed through **short term risk assessment in the proactive work of** Building Control, overtime for staff set against an agreement by LPS to pay for all surveys carried out prior to the 31<sup>st</sup> of March.

### **Financial**

The costs of the Convention are:

- Full Conference Rate £265.00 (all events including conference dinner)re are no additional financial implications for the council.
- Daily Delegate Rate £80

All expenses will be paid for out. The Service has already included costs in its of the Services current revenue budget.

As Tthe Head of Building Control will be attending the conference free of charge because he is one of the speakers.

It is intended that whilst there should always be a positive financial result from this partnering work the legislative responsibility is with LPS. The Department of Finance and Personal who have the responsibility for gathering this information have been invoiced for £38K to cover the costs within Building Control. Any future projects would need to be negotiated.

### **Human Resources**

Whilst ~~There are there~~ no additional human resource requirements apart from time off for officers attending conventions involved in the project to date. A minimal time commitment will be required by Building Control Surveyors during working hours.  
; there will be some implications should we decide to continue this into future years.

### **Recommendations**

It is recommended tThat the Committee grants permission for the Chair, Deputy Chair, Director and a building control officer (or their nominees) to attend the event and agree to authorise the payment of the conference fees, together with the appropriate travelling expenses. to work in collaboration with the Trading Standards Service.

Based on the information presented, the Committee are asked to;

Note the outcome of this project, the excellent work carried out by the Building Control staff and the resultant impact on the rates

Grant permission for the Service to negotiate further and build partnership projects with LPS on behalf of the Council in line with the rating reform agenda bringing such projects to Committee for approval

### **Documents Attached**

Appendix – Convention Programme

Appendix – Invitation from Chair of Northern Ireland Building Control Group Committee.

