Local Government, Housing and Planning Committee Tuesday, 4 February 2025 4th Meeting, 2025 (Session 6)

Note by the Clerk on The Building (Fees) (Scotland) Amendment Regulations 2025 (SSI 2025/6)

Overview

- 1. At this meeting, the Committee will consider the following Scottish Statutory Instrument (SSI), which is subject to annulment by resolution of the Parliament until 5 March 2025. The Committee is invited to consider the instrument and decide what, if any, recommendations to make.
- 2. More information about the instrument is summarised below:

Title of instrument: The Building (Fees) (Scotland) Amendment Regulations 2025 (SSI 2025/6)

Laid under: Building (Scotland) Act 2003

Laid on: 16 January 2025

Procedure: Negative

Deadline for committee consideration: 3 March 2025

Deadline for Chamber consideration: 5 March 2025

Commencement: 1 April 2025

Procedure

- 3. Under the negative procedure, an instrument is laid after it is made, and is subject to annulment by resolution of the Parliament for a period of 40 days beginning on the day it is laid.
- 4. Once laid, the instrument is referred to:
 - the Delegated Powers and Law Reform (DPLR) Committee, for scrutiny on various technical grounds, and
 - a lead committee, whose remit includes the subject-matter of the instrument, for scrutiny on policy grounds.
- 5. Any MSP may propose, by motion, that the lead committee recommend annulment of the instrument. If such a motion is lodged, it must be debated at a meeting of the Committee, and the Committee must then report to the Parliament (by the advisory deadline referred to above).
- 6. If there is no motion recommending annulment, the lead committee is not required to report on the instrument.

Delegated Powers and Law Reform Committee consideration

7. The DPLR Committee considered the instrument on 28 January 2025 and reported on it. The DPLR Committee made no recommendations in relation to the instrument.

Purpose of the instrument

8. The Policy Note accompanying the instrument is attached at Annexe A. It explains that—

"the aim of this policy is to increase building warrant verification fees from the 1 April 2025, as part of year 2 of a three year model to increase fees annually, allowing for an inflation uplift and dependent on monitoring and reporting. This will support changes being introduced to strengthen the building standards system through the work of the Building Standards Futures Board Programme."

- 9. The Policy Note further explains that "the policy objective is to increase building warrant fees to facilitate the strengthening and improvement of service delivery within the building standards system in Scotland." The proposed increase to building warrant fees is intended to provide—
 - additional funding for local authorities to support the changes being introduced to the building standard system; and
 - increased funding for the Scottish Building Standards Hub as agreed by COSLA.
- 10. The Policy Note also notes that "existing funding that supports the running of Scottish Government's Building Standards Division (BSD) will be increased in line with inflation and will include funding to support other activity such as monitoring the implementation of the Futures Board recommendations and the introduction of enhanced monitoring and auditing controls for verification and certification."
- 11. The Policy Note includes a summary of consultation undertaken on the instrument, impact assessments carried out, and the anticipated financial effects.
- 12. Four separate impact assessments were completed for the Regulations and can be accessed via the links below.
 - Child Rights and Wellbeing Impact Assessment
 - Fairer Scotland Duty Assessment
 - Equality Impact Assessment
 - Business and Regulatory Impact Assessment

Committee consideration

13. So far, no motion recommending annulment has been lodged.

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- 14. Members are invited to consider the instrument and decide whether there are any points they wish to raise. If there are, options include:
 - seeking further information from the Scottish Government (and/or other stakeholders) through correspondence, and/or
 - inviting the Minister (and/or other stakeholders) to attend the next meeting to give evidence on the instrument.
- 15. It would then be for the Committee, at the next meeting, to consider the additional information gathered and decide whether to make recommendations in relation to the instrument.
- 16. If members have no points to raise, the Committee should note the instrument (that is, agree that it has no recommendations to make).
- 17. However, should a motion recommending annulment be lodged later in the 40-day period, it may be necessary for the Committee to consider the instrument again.

Clerks to the Committee January 2025

Annexe A: Scottish Government Policy Note

POLICY NOTE

THE BUILDING (FEES) (SCOTLAND) AMENDMENT REGULATIONS 2025

SSI 2025/6

The above instrument was made in exercise of the powers conferred by section 38 of the Building (Scotland) Act 2003. The instrument is subject to negative procedure.

Summary Box

The aim of this policy is to increase building warrant verification fees from the 1 April 2025, as part of year 2 of a three year model to increase fees annually, allowing for an inflation uplift and dependent on monitoring and reporting. This will support changes being introduced to strengthen the building standards system through the work of the Building Standards Futures Board Programme.

Policy Objectives

The policy objective is to increase building warrant fees to facilitate the strengthening and improvement of service delivery within the building standards system in Scotland. The intended increase to building warrant fees will provide additional funding for local authorities to support the changes being introduced to the building standard system. The increase will also be used to provide increased funding for the Scottish Building Standards Hub as agreed by COSLA.

The existing funding that supports the running of Scottish Government's Building Standards Division (BSD) will be increased in line with inflation and will include funding to support other activity such as monitoring the implementation of the Futures Board recommendations and the introduction of enhanced monitoring and auditing controls for verification and certification.

UN Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Compatibility

In accordance with section 23(2) of the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024, the Scottish Ministers certify that, in their view, The Building (Fees)(Scotland) Amendment Regulations 2025 is compatible with the UNCRC requirements as defined by section 1(2) of the Act.

EU Alignment Consideration

This instrument is not relevant to the Scottish Government's policy to maintain alignment with the EU.

Consultation

A public consultation on building warrant fees took place from 21 July 2023 to 24 October 2023.

As a result of that consultation, just under two thirds (65%) of all respondents agreed that building warrant fees should be increased to strengthen the building standards system in Scotland. Many suggested more funding through increased fees could ease current capacity and resourcing issues, and improve verification, compliance, and inspection services. As a result, the Scottish Government is undertaking work to increase building warrant fees over a 3 year-period starting from 1 April 2024. This fee increase represents year 2 of the three year model.

A full list of those consulted and who agreed to the release of this information is published with consultation responses on the Scottish Government website. It includes Local Authority Building Standards Scotland (LABSS), Scottish Property Federation, 28 Local Authorities, SELECT, SNIPEF, RIAS, Homes for Scotland, and various large developers.

The development of proposals was undertaken through the Verification Delivery Model Working Group (WG), consisting of representatives from a variety of organisations such as CoSLA, LABSS, CIOB, Homes for Scotland and SNIPEF. Proposed fee levels for year 2 (2025-26) were also reviewed and validated by an independent research contractor.

Proposed fee levels were escalated to the Futures Board whose remit it is to provide advice and oversee the activities that will improve the performance, expertise and sustainability of building standard services across Scotland.

Impact Assessments

A total of 4 impact assessments were completed for the Building (Fees)(Scotland) Amendment Regulations 2025. They are:

- Business and Regulatory Impact Assessment
- Equality Impact Assessment
- Fairer Scotland Duty Assessment
- Childs Rights and Wellbeing Impact Assessment

Financial Effects

A Business and Regulatory Impact Assessment (BRIA) has been completed and laid with this SSI. The impact of this policy on business is an increased financial cost for the application of a building warrant.

Scottish Government Directorate for Housing January 2025