



K. Miles
Chief Executive
North Devon Council

S. Walford
Chief Executive and
Director of Growth
Mid Devon District
Council

BUILDING CONTROL JOINT COMMITTEE

A meeting of the Building Control Joint Committee will be held in the Woodlands Enterprise Centre, Pathfields Business Park, South Molton on **THURSDAY, 23RD JANUARY, 2020 at 9.00 am.**

Members of the
Committee:

Representing North Devon Council

Councillors Topham and Yabsley

Representing Mid Devon District Council

Councillors Barnell and Deed

AGENDA

1. Apologies for absence
2. To approve as a correct record the minutes of the meeting held on 31st October 2019 (attached) (Pages 3 - 8)
3. Items brought forward which in the opinion of the Chair should be considered as a matter of urgency.
4. Declarations of Interest
(Please complete the enclosed form or telephone the Corporate and Community Services Unit to prepare a form for your signature before the meeting. Interests must be re-declared when the item is called, and Councillors must leave the room if necessary).
5. To agree agenda between Part 'A' and Part 'B' (Confidential Restricted

Information)

PART 'A'

6. **Pooled budget and trading account for Quarter 3 as at 31st December 2019. Report by North Devon Council Accountancy Services Manager (attached).** (Pages 9 - 10)
7. **Pooled budget and trading account estimated full year effect. Report by the Accountancy Services Manager (attached).** (Pages 11 - 12)
8. **Building Control Business Update. Report by Building Control Manager (attached).** (Pages 13 - 14)
9. **Key Performance Indicators. Report by the Building Control Manager (attached).** (Pages 15 - 18)
10. **Government Proposals resulting from the Hackitt Enquiry - Building Control Manager to report.**
11. **Dates and locations of future meetings. To agree dates and locations of future meetings of the Committee for 2020/21.**

(NOTE: Unless otherwise agreed the Joint Committee must meet at least on a quarterly basis with the meeting held at 10.00am and the offices of the Chairman's partner authority).

PART 'B' (CONFIDENTIAL RESTRICTED INFORMATION).

If you have any enquiries about this agenda, please contact Corporate and Community Services, telephone 01271 388253

North Devon Council
Brynsworthy Environment Centre
Barnstaple
North Devon EX31 3NP

NORTH DEVON COUNCIL

Minutes of a meeting of Building Control Joint Committee held at Woodlands Enterprise Centre, Pathfields Business Park, South Molton on Thursday, 31st October, 2019 at 9.00 am

PRESENT: Members:

Councillor Barnell (Chair)

Councillors Deed, Topham and Yabsley

Officers:

Head of Place, Solicitor and Data Protection Officer and Accountancy Services Manager

13. APOLOGIES FOR ABSENCE

There were no apologies for absence received.

14. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 18TH JULY 2019 (ATTACHED)

RESOLVED, that the minutes of meeting held on 18th July 2019 be approved as a correct record and signed by the Chair, subject to the following points being addressed:

- Minute 8 (b) Key Performance Indicators: “that advance payments for services be treated as an accrual and that the advice of the Chief Finance Officer be sought in relation to the most appropriate mechanism to reflect that within the accounts”

The Group Manager for Financial Services (MDDC), advised that she was waiting to speak with the Head of Resources at North Devon Council to discuss the stage two payments, which could be repayable adding that the authorities shouldn't be recognising income unless it met the right criteria.

The Accountancy Services Manager (NDC), advised that the Head of Resources had sent an email to his equivalent officer at Mid Devon District Council with a view to discussing at the end of the year to assess the outturn position.

- Minute 12 (a) Government Proposals resulting from the Hackitt Enquiry: “that a standing item be added to each agenda of the Joint Committee to provide Members with regular updates in terms of management arrangements”

The Chair sought clarification as to why the item was not on the agenda for the meeting. The Building Control Manager advised that there was nothing further to add at the current time adding that the first stage public enquiry into the Grenfell fire had been published the previous day.

- Minute 9 (b) Building Control Business Update: “the responses from the Chief Executives of both Councils be presented to the next meeting of the Committee”.

RESOLVED:

- (a) that Group Manager for Financial Services (MDDC) liaise with the Head of Resources (NDC) to discuss the management of the one off windfall and decide whether to allocate to the earmarked reserves or recognise as an accrual;
- (b) that the Government Proposals resulting from the Hackitt Enquiry remain as a standing item on the agenda; and
- (c) that the letter be recirculated to the Chief Executives of both Councils in relation to the Hackitt Enquiry.

15. DECLARATIONS OF INTEREST

There were no declarations of Interest received.

16. POOLED BUDGET AND TRADING ACCOUNT FOR QUARTER 1 AS AT 31ST JUNE 2019. REPORT BY THE ACCOUNTANCY SERVICES MANAGER OF NORTH DEVON COUNCIL (ATTACHED).

The Joint Committee received an update by the Accountancy Services Manager in relation to the Pooled Budget and Building Control Trading Account for quarter one as at 31st June 2019 (circulated previously).

The Accountancy Services Manager highlighted the following:

- The figures gave a picture of the trading account for the first three months of 2019.
- Column one detailed the net budget expenditure for the both North Devon and Mid Devon District Councils.
- Column two detailed the actual expenditure for both North Devon and Mid Devon District Councils between April and June 2019.

- Column three detailed the percentage split between the two Councils, which was 56:44% between North Devon Council and Mid Devon District Council.
- The surplus for quarter one was £49K.
- Columns four and five detailed the chargeable and non-chargeable elements for both Councils.

17. POOLED BUDGET AND TRADING ACCOUNT FOR QUARTER 2 AS AT 30TH SEPTEMBER 2019. REPORT BY ACCOUNTANCY SERVICES MANAGER (ATTACHED).

The Joint Committee received an update by the Accountancy Services Manager in relation to the Pooled Budget and Building Control Trading Account for quarter two as at 30th September 2019 (circulated previously).

The Accountancy Services Manager advised that there was a £85K split between both Councils.

In response to a question regarding the forecast for the final budget outcome, the Accountancy Services Manager advised that the quarter two position was the best position at the current time. The Building Control Manager added that demand for the service had reduced significantly since September 2019 with the uncertainty of BREXIT together with the General Election being contributing factors.

RESOLVED, that a profile for the year be produced by the Accountancy Services Manager and circulated to the members of the Joint Committee.

18. KEY PERFORMANCE INDICATORS. REPORT BY THE BUILDING CONTROL MANAGER (ATTACHED).

The Joint Committee received an update by the Building Control Manager (circulated previously) regarding the Key Performance Indicators (KPIs).

The Building Control Manager highlighted the following:

- He drew the Joint Committee's attention to a typographical error in the heading of the final column, which should have read the year 2019/20 not 2020/21.
- The plan check response times were now being checked on average within 10 days but that was masking a wide range of individual performance. One surveyor had allowed a couple of projects to go beyond 21 days, which caused the three week target to be missed.
- The overall market share for the number of applications processed was 78% in quarter two.
- The market share for new housing completions was very low with less than 50 completions for August and September 2019 compared to 176 in July 2019. There was an unusually high number of completions in July 2019 but since then the market share had been evenly split resulting in an average of 33% in quarter two.

- The number of applications received had remained steady.

In response to a question regarding whether the Joint Committee should be mindful in terms of housing completions. The Building Control Manager advised that the number of completions was a good indication of economic confidence. He added that the housing market was extremely volatile at the present time and had been for the previous two year period.

In response to a further question in relation to the market share percentage for new housing completions, the Building Control Manager advised that the target was an aspirational one and that it was greatly impacted by the number of housing completions. He went on to explain the number of completions with NHBC and its impact upon local Councils.

The Head of Place added that in the broader context, there would always be some areas where Councils would find it difficult to compete with larger organisations.

In response to a question regarding any actions that the Councils could put in place to prepare for any potential prolonged economic downturn. The Building Control Manager advised that if there was a downturn, approved inspectors would cut fees to maintain their workload and then review their resource requirements in the new financial year.

The Joint Committee agreed that the Building Control Manager and his team should continue to promote their services to ensure that contact was maintained with architects and builders within the North Devon area to ensure the promotion of quality, consistency and service.

19. BUILDING CONTROL BUSINESS UPDATE. REPORT BY BUILDING CONTROL MANAGER (ATTACHED).

The Joint Committee received an update by the Building Control Manager (circulated previously) regarding the Building Control Business Update.

The Building Control Manager highlighted the following:

- A number of staff had enrolled for the Local Authority Building Control (LABC) validation of fire safety expertise. The Surveyors had been preparing for the examination, which was scheduled for 19th November 2019.
- Only three approved inspectors failed to renew their insurance and had ceased trading as a result, they were:
 - Aedis.
 - Guy Shattock.
 - Thames Building Control.

- The only company of those three which was active in the North Devon area was Aedis. All applicants with projects that had not been closed had received letters from the Council explaining the situation and were either providing completion certificates where not previously notified or would need to make reversion applications. Two reversion applications had been received.
- The revised approved documents were published incorporating the 2019 amendments but were almost immediately withdrawn due to errors. They had now been republished but were not available in hard copy.

In response to a question regarding the potential risk of any Surveyors failing to pass the examination for the LABC validation of fire safety expertise, the Building Control Manager advised that officers could retake the exam. However, only one Surveyor within the authority needed to pass the exam.

20. SERVICE PLANNING. REPORT BY THE BUILDING CONTROL MANAGER (ATTACHED).

The Joint Committee received an update by the Building Control Manager (circulated previously) regarding Service Planning.

The Building Control Manager highlighted the following:

- All departments were currently undertaking their Service Plan exercise.
- The purpose of the report was to gain input from the Joint Committee into the short, medium and long term objectives of the partnership to inform the service plan for 2020/21.
- The report included the service objectives for 2019/20, which he outlined to the Joint Committee and were quite well advanced in terms of meeting their short term objectives whilst working to achieve the medium term objectives.

The Joint Committee raised and discussed the following points:

- The difficult economic situation together with the requirement to have a clear approach to how the business was managed, whilst being mindful of the volatility of the market together with the falling share of the building development profile.
- Cutting fees was not an option and there was a requirement to be more business focussed in any preparations for a downturn in the market whilst maintaining quality and reliability.
- The requirement to continue to be mindful of the reduction in income and be responsive terms of cost control where necessary, whilst maintaining the market share.

The Building Control Manager added that one short term objective was to target local and regional businesses within the market.

RESOLVED, the any revisions to the Service Plan be circulated to the Joint Committee prior to final inclusion and circulation of the plan.

21. DEFINITION OF NEARLY ZERO BUILDING. BUILDING CONTROL MANAGER TO REPORT.

The Building Control Manager explained that the definition of nearly zero was a term used in the EU Energy Performance and Buildings Directive 2010. He added that regulation 25(b) came into effect in January 2019.

The Head of Place added that both North Devon and Torridge District Councils were developing their climate emergency responses utilising the model of Friends of the Earth. That model focussed on the overall planning of the area together with the building materials that were used and the biodiversity gain through planning. He further added that in the coming months every local authority would be addressing the issue.

The joint Committee discussed and raised the following points:

- Discussions had taken place at the Joint Local Development Plan Working Group, which had been wide ranging and covered several different aspects, including the rising sea levels.
- That a dialogue should be established at officer level between North Devon and Mid Devon District Councils.

The Head of Place agreed that an established line of communication should be established between the Councils to agree a way forward.

The Joint Committee agreed to monitor any changes in Building Regulations and discuss at a future meeting.

22. DATES AND LOCATIONS OF FUTURE MEETINGS. TO AGREE DATES AND LOCATIONS OF FUTURE MEETINGS OF THE COMMITTEE FOR 2018/19.

The Joint Committee discussed the dates and locations of future meetings for 2019/20.

RESOLVED, that the Clerk to the Committee circulate an email with potential dates for April 2019.

Chairman

The meeting ended at 10.02 am

2019/20 Building Control Partnership Trading Account as at 31/12/2019

	1		2			3		4		5	
	2019/20 budget (9 mths)		April to Dec 2019 (actual)			April to Dec2019		NDC 2019/20		MDC 2019/20	
	NDC	MDC	NDC	MDC	Total	NDC	MDC	Chargeable	Non Chargeable	Chargeable	Non Chargeable
	£	£	£	£	£	58.96% £	41.04% £	75% £	25% £	75% £	25% £
Expenditure											
Employees	280,860	116,213	266,363	110,943	377,306	222,455	154,851	166,841	55,614	116,138	38,713
Transport	19,088	11,205	16,659	11,684	28,343	16,711	11,632	12,533	4,178	8,724	2,908
Supplies and Services	21,113	8,153	12,163	6,401	18,564	10,945	7,619	8,209	2,736	5,714	1,905
Third Party Payments	0	0	0	0	0	0	0	0	0	0	0
Central & Support Service charges	56,108	34,973	56,107	34,973	91,080	53,699	37,380	40,275	13,425	28,035	9,345
Total Expenditure	377,168	170,543	351,292	164,001	515,293	303,810	211,483	227,858	75,953	158,612	52,871
Income											
Building Regulation Charges	-267,150	-180,000	-302,604	-210,642	-513,246	-302,604	-210,642	-302,604	0	-210,643	0.00
Payments between authorities	-52,440	44,130									0.00
Total Income	-319,590	-135,870	-302,604	-210,642	-513,246	-302,604	-210,642	-302,604	0	-210,643	0.00
(Surplus)/Deficit for Year	57,578	34,673	48,688	-46,642	2,047	1,206	841	-74,746	75,953	-52,031	52,871

% income split

58.96%

41.04%

2,047

1,207

840

Total Actual Variance To Budget Spend	-90,203
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Appropriation Profit/Loss

Cash require to pay over from MDC to NDC

47,482

Debtor to be raised by NDC to MDC

-47,482

-0

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2019/20 Building Control Partnership Trading Account Estimated full year effect

	1		2			3		4		5	
	2019/20 budget (12 mths)		Estimated actuals for 19/20			Est 2019/20		NDC 2019/20		MDC 2019/20	
	NDC	MDC	NDC	MDC	Total	NDC	MDC	Chargeable	Non Chargeable	Chargeable	Non Chargeable
	£	£	£	£	£	58.92% £	41.08% £	75% £	25% £	75% £	25% £
Expenditure											
Employees	374,480	154,950	353,908	147,612	501,520	295,493	206,027	221,620	73,873	154,520	51,507
Transport	25,450	11,890	20,784	15,096	35,880	21,140	14,740	15,855	5,285	11,055	3,685
Supplies and Services	28,150	10,870	17,452	9,148	26,600	15,673	10,927	11,754	3,918	8,196	2,732
Third Party Payments	0	0	0	0	0	0	0	0	0	0	0
Central & Support Service charges	74,810	46,630	74,810	46,630	121,440	71,552	49,888	53,664	17,888	37,416	12,472
Total Expenditure	502,890	224,340	466,954	218,486	685,440	403,858	281,582	302,894	100,965	211,186	70,395
Income											
Building Regulation Charges	-356,200	-240,000	-390,056	-271,959	-662,015	-390,056	-271,959	-390,056	0	-271,959	0
Payments between authorities	-69,920	58,840									
Total Income	-426,120	-181,160	-390,056	-271,959	-662,015	-390,056	-271,959	-390,056	0	-271,959	0
(Surplus)/Deficit for Year	76,770	43,180	76,899	-53,474	23,425	13,802	9,623	-87,163	100,965	-60,772	70,395
	% income split		58.92%	41.08%							
	119,950					23,425		13,802		9,623	
Total Actual Variance To Budget Spend						-96,525					

Page 11

Appropriation Profit/Loss

Cash require to pay over from MDC to NDC

63,097

Debtor to be raised by NDC to MDC

-63,097

-0

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NOTE TO: JOINT SERVICES COMMITTEE

DATE: 23/01/2020

TOPIC: BUILDING CONTROL BUSINESS UPDATE

REPORT BY: MIKE TUCKER (BUILDING CONTROL MANAGER)

1 INTRODUCTION

1.1 The purpose of this note is to update members regarding the progress of the partnership and contains no recommendations.

2 REPORT

2.1 Staff

- 2.1.1 Seven Surveyors sat the LABC validation of fire safety expertise examination 19 November 2019 and I am delighted to report that 5x Surveyors passed with 2x near misses.
- 2.1.2 This is one of the highest pass rates in the country and this was achieved despite the limited complexity of work in the partnership area and is testament to the hard work put in to preparation for the exam by the surveyors.
- 2.1.3 The successful candidates will now be issued with an individual licence by LABC enabling compliance with our QA system and proposed legislation regardless of the height or complexity of developments.
- 2.1.4 The parish allocation to Surveyors has been revised introducing an area for which our graduate trainee will be responsible and balancing the workload between the Surveyors.

2.2 AI insurance issues

- 2.2.1 To date there is still only four Approved Inspectors who have failed to gain reinsurance and it appears unlikely that there will be any further casualties at this time.
- 2.2.2 We have now received 15x Reversion applications for projects left without Building Control as a result of the collapse of AEDIS. The remainder of the projects either had not started or were found to be exempt works and as a result the Initial Notices have been withdrawn.
- 2.2.3 A number of these projects have now been successfully completed but there are also a number with significant contraventions including the conversion of a listed hotel to 12x flats in Ifracombe.

2.3 Revision to regulations

- 2.3.1 The old adage that hasty legislation is bad legislation was confirmed by a recent High Court Ruling. The recent Regulation changes resulting from the Grenfell Tower fire included a restriction on the combustibility of items attached to the façade of a building including products intended to reduce heat gain. The ruling found that the

Regulation was not valid due to a failure to consult adequately prior to implementation and as a result the regulation has been withdrawn.

- 2.3.2 The Future Homes Standard consultation with regard to changes to Requirement L – Conservation of fuel and power and Requirement F – Ventilation. The consultation proposes an 80% improvement in carbon emissions over current standards by 2025 with regulatory revisions in 2020 and 2025. Two 2 options are provided for the 2020 changes with the Governments stated preference being Option 2.

Option 1

20% reduction from current standard in 2020 delivered through improved fabric standards.

Option 2

31% reduction in carbon emissions delivered based on carbon saving emissions such as photovoltaic (solar) panels and a smaller improvement in fabric standards.

Our response was that Option 1 would be better as it raises the standard to that needed to implement the future homes standard. The biggest issue is the performance gap in construction detailing. Hence, to raise standards this should be the industry focus. The sustainable improvements to building services have a shorter life span and can be added later whilst the fabric is generally for the life of the building. However, I appreciate that Option 2 may be preferred by government to stimulate investment in renewable technologies.

The main issue with regard to meeting the regulatory standard is the performance gap on site and the proposals seek to address this by requiring the energy assessor to sign off the work on site as complying with the design. However, in order for this to be effective it is essential that the building is designed in advance of construction so that the specification can be implemented. Currently Regulation 27 that requires provision of energy calculations prior to commencement of work on site is not enforceable under Section 35 of the Building Act by virtue of Regulation 47. Hence, it can be ignored with impunity and may as well not exist. This problem is not addressed in the consultation.

2.4 Marketing

- 2.4.1 Nominations are now being sought for the LABC SW Building Excellence Awards 2020 and we are currently liaising with clients to assist in the preparation of entries and meetings are being arranged with key clients and outstanding projects to encourage entry and advice on how to maximise the chances of success.
- 2.4.2 We have a display stand at the Direct Contact Exhibitions CPD event at the Barnstaple Hotel on 5th February 2019.
- 2.4.3 We are organising a further CPD event in partnership ARC Building Solutions for our clients. ARC are an independent manufacturer of fire protection products. The provisional date is 20th February 2020 and will be hosted at the Barnstaple Museum.

NMD BUILDING CONTROL

REPORT TO: JOINT SERVICES COMMITTEE

DATE: 23/01/2020

TOPIC: KEY PERFORMANCE INDICATORS

REPORT BY: MIKE TUCKER (BUILDING CONTROL MANAGER)

1 INTRODUCTION

1.1 The purpose of this report is to update members regarding the progress of the partnership and contains no recommendations.

2 REPORT

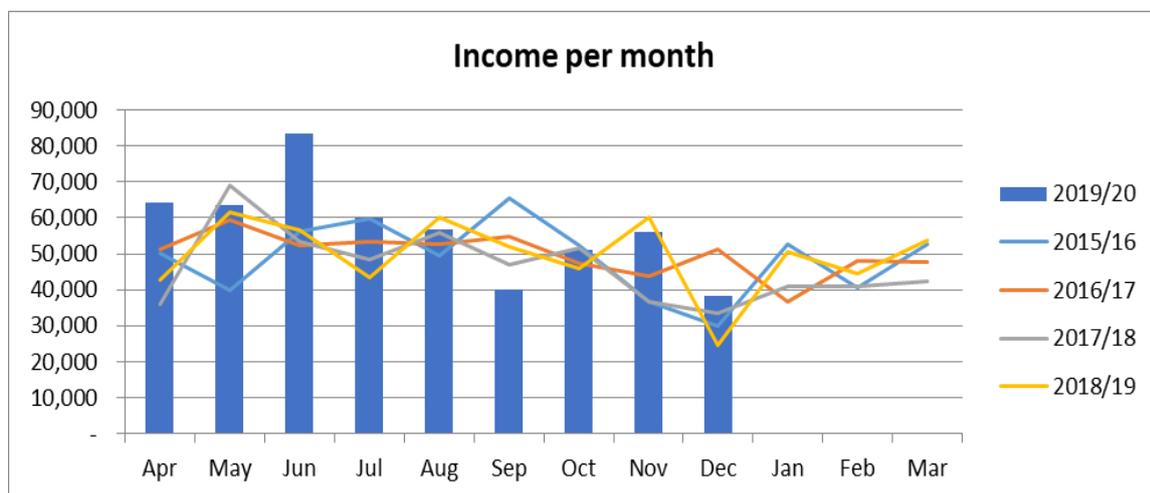
2.1 Key performance indicators

KPI	Year	2018/19				2019/20		
	Target	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Building Regulation Full Plan applications determined in 2 months	95%	99%	97%	96%	97%	99%	96%	100%
Building Regulation Applications examined within 3 weeks	95%	95%	92%	87%	89%	84%	90%	98%
Average time to first response (Days)	10	11	13	12	12	12	10	8
Market Share - Number of applications %	75%	77%	78%	80%	79%	74%	78%	72%
Market Share - New Housing Completions %	40%	50%	48%	47%	48%	32%	33%	33%
Financial Position	Breakeven	18830	61928	60419	89,614	82,281	110,722	TBA
Number of applications received	N/A	339	334	312	368	346	348	305

2.2 Plan check response times

- 2.2.1 All measures for plan check response times were met this quarter with an average first response time of 8 days.
- 2.2.2 Performance of all Surveyors is now much closer to the target which has resulted in the improved figures.
- 2.2.3 Where a couple of projects were allowed to go beyond 21 days the Surveyor had been in contacted with the applicant and the plan check had been delayed whilst waiting for additional information rather than proceeding with the full appraisal based on severely limited information.

2.3 Fee Income



- 2.3.1 The concern expressed at our last meeting regarding the marked drop in fees in September proved to be unfounded as there was an immediate recovery in October which has continued through to October and December.
- 2.3.2 No explanation can be provided for this but a similar pattern was experienced in both East Devon and the Devon Building Control Partnership

2.4 Market share

- 2.4.1 Overall market share does appear to have fallen this year although the number of applications we have received has not significantly changed. In fact the number of applications received is slightly increased over last year with 1000 applications rather than 947.
- 2.4.2 An analysis of the Initial Notices received from Approved Inspectors shows that the increase in applications is due to JHAI. However, whilst the number of applications has increased the change appears to be in relation to very low value

applications. Many of these are for window and conservatory roof replacements. JHAI have taken over from AEDIS as the Building Control provider for Anglian Windows but there does appear to be more applications of this type suggesting they have a contract with another window firm. As our applications have not decreased it is possible that this is with a contractor that was previously registered with FENSA. There are also a number of septic tank replacements suggesting that they have partnered with a drainage contractor who is picking up work due a change in the Environment Agencies General Binding Rules preventing existing Septic tanks discharging to water courses. Furthermore, they have a contract with North Devon Homes (Maintenance) who are retiling a number of dwellings and we are receiving notifications for these on an individual basis.

- 2.4.3 Hence, we have currently concluded that this drop in market share is not a threat to our business and will not significantly impact income. However, we are not complacent in regard to this and will continue to closely monitor the reports.
- 2.4.4 The market share of new housing completions has remained at 33% with the same pattern as the previous quarter with 2 months where the figures were evenly split between ourselves and the AI's and the third month with an abnormally high number of completions by NHBC.

2.5 Financial position

- 2.5.1 To be reported separately.

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