



K. Miles
Chief Executive
North Devon Council

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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 Barum Room - Brynsworthy on **THURSDAY, 16TH FEBRUARY, 2023 at 10.00 am.**

(NOTE: A location plan for the Brynsworthy Environment Centre is attached to the agenda front pages. From the 7 May 2021, the law requires all councils to hold formal meetings in person. The council is also ensuring that all venues used are Covid secure and that all appropriate measures are put in place. There are a limited number of spaces available for members of the public to attend. Please check the Council's website for the latest information regarding the arrangements that are in place and the requirement to book a place 2 working days prior to the meeting [Taking part in meetings \(northdevon.gov.uk\)](http://northdevon.gov.uk))

Members of the
Committee:

Representing North Devon Council

Councillors Tucker and Yabsley.

Representing Mid Devon District Council

Councillors Chesterton and Deed (Chair).

AGENDA

1. Apologies for absence.
2. To approve as a correct record the minutes of the meeting held on 10th November 2023 (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. **2022/23 Building Control Partnership Trading Account.** (Pages 9 - 10)
Report by North Devon Council Director of Resources and Deputy Chief Executive (attached).
7. **Building Control Business Update.** Report by Building Control Manager (attached). (Pages 11 - 16).
8. **Dates and locations of future meetings. To agree dates and locations of future meetings of the Committee for 2022/23.**

There are no further meetings for the current year.

(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).

There are no items for consideration in Part B.

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 Barum Room - Brynsworthy on Thursday, 10th November, 2022 at 9.30 am

PRESENT: Members:

Councillor Deed (Chair)

Councillors Tucker and Yabsley.

Officers:

Head of Planning, Housing and Health, Principal Building Surveyor and Accountant for North Devon Council.

Also Present:

Director of Place, Corporate Manager for Finance and Accountant for Mid Devon District Council.

15. APOLOGIES FOR ABSENCE

There were no apologies for absence announced.

16. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 7TH JULY 2022 (ATTACHED)

RESOLVED, that the minutes of the meeting held on 7th July 2022 (circulated previously be approved as a correct record and signed by the Chair.

Councillor Yabsley abstained as he was not present at the meeting.

17. DECLARATIONS OF INTEREST

There were no declarations of interest announced.

18. 2021/22 BUILDING CONTROL PARTNERSHIP TRADING ACCOUNT QUARTER 2.

The Joint Committee considered a report by North Devon Council Accountancy Services Manager (circulated previously) regarding the 2022/23 Q2 Forecast Building Control Partnership Trading Account.

The Head of Planning, Housing and Health presented the figures up to the end of August 2022.

He advised that it was a challenging trading environment for the service at the current time with the added pressure of additional significant costs through the employment of temporary agency staff. This combined with the decreasing fee income to the service, had significantly impacted the outturn. To address the shortfall, the partnership had utilised the operating surplus from the previous year, which had been put into the reserves to provide protection if required. However, that security would not be available going forward and the service would be facing increased net costs for both Councils at the end of the financial year.

The Joint Committee acknowledged the situation that the partnership currently faced.

RESOLVED, that the report be noted.

19. BUILDING CONTROL BUSINESS UPDATE.

The Principle Building Surveyor for North Devon Council provided an update (circulated previously) regarding the Building Control Business update.

He advised that the Key Performance Indicator (KPI) activity reports showed a strong quarter one and that was demonstrated by the volume of applications together with income. However, quarter two had seen application numbers reduce considerably, although the overall market share had dropped in quarter one to 75% but stabilised and improved slightly to 76% by the end of quarter two.

He explained that the market share in the housing sector had recovered in quarter one to 39% and appeared to have stabilised to 40% at the end of quarter two. Difficulties with resourcing were clearly having an impact on the partnership's ability to respond and function. The figures in the table marked with an asterisks did not include the figures for September.

Following the departure of the Technical Support Team Leader the partnership had been unable to access information from the system to populate the report. Based on the figures available and the increase in response times owing to pressures on resources. Quarter one showed an increase to 12 days the first response and Quarter two showed the figures slipping further to 13 days for the first two months of the second quarter. All decisions had been made within two months, the statutory obligations had been met, but applications examined within three weeks had suffered and for the first two months of the Quarter two had dropped to 41%.

Whilst the current market share remained strong, the current trend in lengthening response times would eventually have a negative impact on the volume of work the Partnership attracted and the income it received.

In summary, the first six months of this financial year had been a tale of two halves. As previously reported, the change to the Building Regulations and the deadline for submission in June 2022 explained the front loading of the income and application volume. It was likely the reduced numbers submitted in Q2 had been as a direct result of applications being submitted earlier than they would have been without the

change/deadline. But given the uncertainty surrounding the economy it would be unwise to assume the drop in numbers was solely due to the front loading of applications as a result of the regulation changes and the deadline. Reflecting on the historic data and in particular application figures since the Partnership formed, they indicated that the partnership was about where it had been anticipated that it should be for the midway point of the financial year in terms of application volume.

Since the last Committee meeting a further four employees had either resigned or were no longer employed by the Partnership. The additional departures were two Senior Building Control Surveyors, a Building Control Surveyor and the Technical Support Team Leader.

In summary since September 2022, the Partnership had seen the following departures:

- Building Control Surveyor – Retired.
- Building Control Manager – Retired.
- Principal Building Control Surveyor - Moved to Private Sector.
- Building Control Surveyor - Moved to Adjoining Local Authority Building Control.
- Senior Building Control Surveyor - Moved to Private Sector Building Control.
- Building Control Surveyor - Moved to Private Sector Building Control.
- Technical Team Leader - Moved to Non BC employment.
- Senior Surveyor - Contract ended due to ill health.

The vacant Building Control Managers post had been re-advertised at an enhanced rate in August but failed to attract a single candidate to interview. Negotiations were underway for the Managers and Principal Surveyors post to be advertised with the assistance of a Head Hunting Recruitment Agency. The Technical Team Leaders post had been appointed to and filled internally by one of the Assistant Technical Officers. This would require a further Assistant Technical Officers post to be advertised to backfill the void this process had left. The additional 20 hour Technical Support Staff had not been re-advertised. The remaining Surveying posts were to be advertised shortly and were likely to require significant market supplements to be competitive in the market place.

He added that it was clear market forces and the Partnership's lack of agility to be able to compete in the recruitment of a Manager had led to a number of the Building Control Team seeking and being tempted by opportunities elsewhere. It was apparent staff had been attracted to significantly improved offers of employment for similar roles with less responsibility in the local private and public sector. The rise in the cost of living had also had an impact on employees seeking to improve their personal financial position.

The resignation of the Principal and a Senior Officer to a local branch of a Private Building Control Body based in Exeter presented a risk to our business.

- In particular, with the Senior Officer being appointed to a role as a Barnstaple based Surveyor.

- The loss of so many employees represented a significant risk to NMD's reputation and the customer's perception of the service and its ability to deliver it.
- The use of agency staff was expensive and would not be perceived well by the customers as they sought continuity, prefer to deal with familiar professionals and the desire for a consistent approach.
- Potential loss of further professional Surveying Staff and Technical staff would render the Partnership unworkable and unable to function.

Since July the partnership had employed two agency Surveyors who had provided some relief to employed team, however, using temporary contractors was not sustainable due to the cost. The clients would also not tolerate the prolonged use of agency Surveyors. Funding had been granted to employ a further two agency Surveyors. The service of a further surveyor had been secured on he started with the partnership on 17th October 2022. The agency market was also challenging and Surveyors were in short supply and the partnership was still searching for a further agency Surveyor. The service was therefore continuing to function at an under resourced capacity of three surveying staff and two technical positions. The funding for the agency provision would last until the middle of January 2023.

Market supplements were currently being considered. These were essential to retain and to attract new staff. This process was being undertaken directly in line with a review of the charges.

- Validation training continued for the three remaining employed Surveyors.
- The Principal and Acting up Principal had completed the first half of the training with one having completed the Level 6 Fire Safety Course and the other having completed the Level 6 Legislative Competence Course.
- Both Surveyors were awaiting results.
- The two Surveyors had already switched courses with a view to both having achieved Level 6 in Fire Safety and Legislative competence by the end of January 2023, with final results being published by the end of March 2023.
- The demands of this process remained high with each cohort being required to attend lectures for 11 weeks with one full days training on a working week day.
- Each cohort required 200 hours learning time within the 11 week period with a deadline assignment set at the end of each Cohort.
- The remaining employed Building Surveyor was continuing with his Level 5 qualification and the demands of this course were similar to those set out above for Level 6.

He explained that the Building Control trainee had been accepted by Wolverhampton University and would commence his Level 5/6 Building Control qualification. This training and qualification would be funded by the training levee and would commence in January 2023.

In response to a question regarding the current recruitment situation, the Head of Planning, Housing and Health explained that the market place was exceptionally challenging in terms of the recruitment of Surveyors at the present time. He added

that that there were issues within the partnership's control but also external impacts, which were outside of the partnership's control.

He explained that the impact upon the service was a result of a combination of retirements, moves to the private sector and salary levels, which were being offered. For some appointments, the partnership was having to look to market supplements to attract applicants to the service. The situation with Building Control was unique, as recruitment was a competitive environment and the partnership should act with a more commercial mind set to manage the increase in market costs at a time when income was decreasing together with the wider operating costs and fees in what was currently not a financially viable business.

The Joint Committee agreed that the financial viability of the business was essential and that there was a statutory requirement to deliver the Building Control service. As a non-fee earning business, the impact of not being able to recover any costs placed huge challenges to the service would only increase as the service moved forward.

The Joint Committee agreed that a full review of the operating model together with cost recovery was required to ensure that best service to customers and the two authorities.

The Head of Planning, Housing and Health (NDC) advised that there was a new revenue funding stream in relation to health and safety being made available from government. However, this funding stream would indirectly impact upon the resources that would be required to deliver it.

In response to a question regarding addition regulatory costs being included within the fees and charges costs. The Head of Planning, Housing and Health advised that the service was not able to recover its costs for statutory work even though this area of work would be increasing.

In response to a question regarding agency costs verses a Council employee. The Principle Building Surveyor for North Devon Council advised that a surveyor employed as agency staff to work a 37 hour week saw a cost to the service of £2,000 per week.

The Director of Place (MDDC) advised that when looking at the fees the service was broadly comparable with others within the public and private sector. However, businesses operating in the private sector did not have the statutory requirements of non-chargeable work. So, they were able to tender for the most profitable work. He added that new legislation arrangements should address those issues and improve quality assurance.

In response to a further question, the Head of Planning, Housing and Health advised that agency employees cost twice as much as an employed member of staff.

The Accountant, Mid Devon District Council thanked the Head of Planning, Housing and Health and the Principal Building Surveyor for North Devon Council for their reports and had no comments to make.

The Committee requested that it be kept briefed on the situation with the service to ensure that its needs were met and supported.

RESOLVED, that the report be noted.

20. **DATES AND LOCATIONS OF FUTURE MEETINGS. TO AGREE
DATES AND LOCATIONS OF FUTURE MEETINGS OF THE
COMMITTEE FOR 2022/23.**

The Joint Committee noted the scheduled dates of the meetings for 2022/23, which were scheduled to be held on the following date:

- Thursday 16th February 2023 at 9.30am.

RESOLVED:

- (a) That the date for the next meeting be noted; and
- (b) That from 16th February 2023 onwards, the time of the meetings would change to a 10.00am start.

Chair

The meeting ended at 10.05 am

2022/23 Building Control Partnership Trading Account August

	1		2			3		4		5	
	2022/23 BUDGET		2022/23 FORECASTED OUTTURN					NDC 2022/23		MDDC 2022/23	
	NDC	MDDC	NDC	MDDC	Total	NDC	MDDC	Chargeable	Non Chargeable	Chargeable	Non Chargeable
	£	£	£	£	£	61.66% £	38.34% £	75% £	25% £	75% £	25% £
Expenditure											
Employees	398,660	168,540	432,575	191,898	624,473	385,074	239,399	288,805	96,268	179,550	59,850
Transport	23,450	11,500	14,000	7,380	21,380	13,184	8,196	9,888	3,296	6,147	2,049
Supplies and Services	14,410	10,860	10,701	23,137	33,838	20,866	12,972	15,649	5,216	9,729	3,243
Third Party Payments	0	0	0	0	0	0	0	0	0	0	0
Central & Support Service charges	78,620	50,160	78,620	50,160	128,780	79,411	49,369	59,558	19,853	37,027	12,342
Total Expenditure	515,140	241,060	535,896	272,575	808,471	498,534	309,937	373,900	124,633	232,453	77,484
Income											
Building Regulation Charges	-375,910	-252,350	-354,352	-220,300	-574,652	-354,352	-220,300	-354,352		-220,300	
Misc Income/S106 Receipts	0	0	-1,500		-1,500	-925	-575	-925		-575	
Total Income	-375,910	-252,350	-355,852	-220,300	-576,152	-355,277	-220,875	-355,277	0	-220,875	0
(Surplus)/Deficit for Year	139,230	-11,290	180,044	52,275	232,319	143,256	89,062	18,623	124,633	11,578	77,484
	% income split		61.66%	38.34%				232,318	143,256		89,062
Total Actual Variance To Budget Spend					104,379						

Page 9

Appropriation Profit/Loss

Cash require to pay over from MDDC to NDC

36,787 MD to pay ND

Debtor to be raised by NDC to MDDC

-36,787
-0

MEMO for Tony

Reconciliation - 12 month position compared to budget		
	NDC	MDDC
Base budget excluding transfer between authority	139,230.00	-11,290.00
Budgeted contribution between each authority	-78,640.00	78,640.00
Bottom line for comparison	60,590.00	67,350.00
12 Month Actual from above	143,256.44	89,062.17
12 Month Deficit / (Surplus) compared to budgete	82,666.44	21,712.17

104,378.61

NOTE: Reserve contributions to fund deficit not included in calculations

North Devon 50065
Mid Devon 48000

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Building Control Joint Service Committee

Report Date: 19.01.2023

Report By: Andy Howard

Introduction

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

Report

The data from 2021/22 below has been included to provide a comparison for the figures for 2022/23 on the following page.

Key Performance Indicators 2021/2022

KPI	KPI	Q1	Q2	Q3	Q4
Building Regulation Full Plan applications determined in 2 months	95%	100%	98%	98%	100%
Building Regulation Applications examined within 3 weeks	95%	90%	98%	99%	96%
Average time to first response (Days)	10	8.5	7.5	8	7
Market Share - Number of applications %	75%	77%	80%	84%	79%
Market Share - New Housing Completions %	40%	47%	39%	42%	35%
Financial Position	Breakeven	51,929	81,775	102,703	144,531
Number of applications received	N/A	379	322	295	362



The KPI activity reports have been updated and include data for Q3 and also for September, the last month of Q2, which were unavailable at the last Committee meeting.

Key Performance Indicators 2022/2023

KPI	KPI	Q1	Q2	Q3	Q4
Building Regulation Full Plan applications determined in 2 months	95%	100%	95%	96%	
Building Regulation Applications examined within 3 weeks	95%	81%	85%	79%	
Average time to first response (Days)	10	12	16	16	
Market Share - Number of applications %	75%	75%	76%	72%	
Market Share - New Housing Completions %	40%	39%	40%	83%*	
Financial Position	Breakeven	TBA	TBA	TBA	
Number of applications received	N/A	424	251	225	

The table confirms performance in relation to plan examination response times which continue to suffer with applications being examined within 3 weeks at 79% (target 95%) and average time to first response 16 days (target 10 days) for Q3.

General market share has fallen to 72% in Q3 with the number of applications received in Q3 totalling 225.

New Housing Market share is indicated at 83%* but this figure is inflated and is due to the current lack of resource requiring the Technical Support staff to prioritise work load.

Prioritising has resulted in the Technical Support Team being unable to update our record keeping function for some of the Initial Notice new housing completions from the



Approved Inspectors. Therefore the percentage figure for new housing completions is likely to be nearer the target of 40%.

The overall financial position to be advised by finance, however income by comparison with past two financial years at the end of Q3 is below.

Income Comparison End of Q3

2022/23	£436,182
2021/22	£469,467
2020/21	£409,840

When comparing application numbers for the first three quarters of the past two financial years it is apparent the Partnership has received almost one hundred fewer applications in the current financial year to the same point in 2021/22.

Application Numbers Comparison End of Q3

2022/23	902 Applications
2021/22	996 Applications
2020/21	922 Applications

The continued downward trend in income in the second half of the financial year, application volume and the profile of the work currently being seen across the sector continues to reflect current uncertain economic conditions.

Resource Implications

The Partnership continues to trade with seven vacant permanent posts with one Senior Surveying post having been recently removed from the structure.

The Partnership continues to employ three agency surveyors to provide some relief the permanent team. Funding for this has been approved until the end of March 2023.

The current resourcing issues continue to damage the Partnerships ability to function, its reputation and its ability to maximise income in challenging economic conditions.



The current resource issues leave the Partnership in a poor position to gear up for the economic upturn when it arrives.

The Building Control Trainee continues to support the Technical Team but has this week commenced his part time Building Control Surveying qualification which will further limit his availability to provide assistance to them.

At the time of writing this report the Building Control Manager's post has been re-advertised and the window for applications closes on 5th February with interviews planned for mid to late February.

Senior Management have advised the remaining Surveying posts are about to be advertised and these posts for the new appointments and existing Surveying Staff will attract a temporary 10% market supplement. The supplements will be funded through the increase in charges for the service.

Senior Management Team have also advised the vacant Technical Support Team posts are also to be advertised shortly but without market supplements.

The three remaining permanent Surveying team members have now completed the Level 5 and Level 6 training programmes and await the results of their assessments.

Building Control Charges

A review of the Charges has been completed. The Building Control Charges will increase on 26th January 2023 with an agreed uplift of 8% to the charging scheme across the board.

Corporate Priorities

At the last Committee meeting, Senior Management advised they were considering alternative service delivery options.

An update from the Senior Management Team to this process is awaited.

Future savings have been identified in the removal of a Senior Surveying Post at Mid Devon and a further facilities saving identified with a planned review of the use of office space at Woodlands, South Molton.

Alternative permanent hybrid working and hot desk arrangements for both the Surveying and Technical Support Team to be considered.



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