

Building Control Joint Service Committee

Report Date:21.7.2023

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

Since the last Joint Committee Meeting the Activity Reports have been updated to include figures for Q3 and Q4 2022/23 and Q1 2023/24.

The data from 2022/23 below has been included to provide a comparison and help demonstrate the current trend for the figures for 2023/24 on the following page.

Key Performance Indicators 2022/2023

KPI	KPI	Q1	Q2	Q3	Q4
Building Regulation Full Plan applications determined in 2 months	95%	100%	95%	96%	94%
Building Regulation Applications examined within 3 weeks	95%	81%	85%	79%	88%
Average time to first response (Days)	10	12	16	16	18
Market Share - Number of applications %	75%	75%	76%	72%	70%
Market Share - New Housing Completions %	40%	39%	40%	83%	40%
Financial Position	Breakeven	-	-180,157	-104,379	-68,843
Number of applications received	N/A	424	251	225	247

Key Performance Indicators 2023/2024

KPI	KPI	Q1	Q2	Q3	Q4
Building Regulation Full Plan applications determined in 2 months	95%	94%			
Building Regulation Applications examined within 3 weeks	95%	75%			
Average time to first response (Days)	10	19			
Market Share - Number of applications %	75%	72%			
Market Share - New Housing Completions %	40%	49%			
Financial Position	Breakeven	-66,396			
Number of applications received	N/A	253			

The table above shows performance in relation to plan examination response times which continue to suffer with applications being examined within 3 weeks at 75% (target 95%) and average time to first response 19 days (target 10 days) for Q1 2023/24.

General market share fell to 70% in Q4 2022/23 but appears to have stabilised in Q1 of the current financial year at 72%. The number of applications and income received started slowly in April but rose steadily, increasing month on month, in Q1 of this financial year.

New Housing Market share for Q1 is slightly above where it is expected to be. This may be an indication some of the major volume house builders, who use Approved Inspectors, have been slowing down for some time and this is now being reflected in the completion figures.

Please note the inflated 83% figure for housing market share for Q4 Q2022/23 is a direct result of our Technical Support resourcing issues. Prioritising tasks has resulted

in the Technical Support Team being unable to update our record keeping function for some of the Initial Notice in this period for new housing completions from the Approved Inspectors.

Therefore, the true percentage figure for this period for new housing market share is likely to be nearer the target of 40%.

The overall financial position is to be advised by finance, but income by comparison with the past three financial years at the end of Q1 is below;

Income Comparison End of Q1

2023/24	145,978
2022/23	215,429
2021/22	177,170
2020/21	218,000

When comparing application numbers for Q1 with previous financial years it is apparent the Partnership has received significantly fewer applications in the current financial year.

Application Numbers Comparison End of Q1

2023/24	253 Applications
2022/23	424 Applications (Spike due to regulation changes)
2021/22	379 Applications
2020/21	237 Applications (Pandemic)

While these figures show there is a continued downward trend in the number of applications and in income our market share remains relatively consistent at 72%.

The numbers indicate the general economic climate, interest rates and inflation are impacting activity across the construction sector rather than the Approved Inspectors taking up our work while we struggle with resourcing issues.

While income and application numbers are down on previous years for the quarter, last years £68,843 over spend is largely due to our significant agency staff costs which are a legacy of the resourcing issues the Partnership has faced.

This overspend has been met by the reserve account fund set aside at the end of 2021/22. The reserve account is now empty.

Resource Implications

At the time of writing the Partnership continues to trade with six vacant permanent posts with one Senior Surveying post having been removed from the structure since the Committee last met.

The current resourcing issues continue to damage the Partnerships ability to function, its reputation and its ability to maximise income, while at the same time also having to employ expensive agency staff and pay overtime.

Previous advertisements seeking replacements have been unsuccessful in attracting candidates. This situation reflects the current national and local shortage of Building Control Professionals, the lack of investment in training and the negative impact the forthcoming Building Safety Regulator changes are having on the mature workforce by them choosing to retire or seeking opportunities beyond Building Control.

Since the last meeting a recruitment and retention package has been implemented with the introduction of a 10% market supplement. This has helped to retain and stabilise the existing team.

This approach has led to some small but significant steps in recruitment and enabled the re-building programme to begin. The Building Control Manager, Mid Devon Surveyor and North Devon Surveyor posts have been filled.

We have also utilised a flexible approach to retention which enabled the Partnership to retain one of the North Devon Surveyors on a reduced 22 hours contract. If we had not been able to have such flexibility, the individual would have been forced to resign and also leave the Partnership.

The current position puts the governance of the Partnership at risk without key Principal Team Leaders in post and makes it impossible for it to adequately maintain, monitor and audit the Quality Management System.

At the time of writing the two vacant Principal Surveying roles are at interview stage and it is hoped that both these roles will be appointed to in the new future.

Assuming this is the case, as one of candidates for the Principal role is internal, it is likely to leave two Senior Surveying positions, a trainee position and two Technical Support positions vacant (so five vacant posts).

While the current resource issues leave the Partnership in a poor position to gear up for the economic upturn when it arrives, for the time being the Partnership must take the

opportunity to re-shape, recruit and rebuild and prepare for the Building Safety Regulator.

Since last Summer the Partnership has employed three full time agency Surveyors and offered overtime to the remaining team, to fill some of the gap left by what has been up to 7 vacant posts.

Agency Staff and Temporary Resource

With the recent promotion of our trainee to the Building Surveying role in North Devon we have been able to cut our agency staff by one third.

The Partnership continues to employ two full-time agency Surveyors to provide some relief for the permanent team, however this still leaves the Partnership significantly under resourced, which requires the Building Control Manager's position to remain fully operational in both the Surveying and Technical Support role but leaves the Partnership critically short during periods of leave and is hindering our preparations for the Building Safety Regulators requirements and changes.

Funding for the agency provision has been approved until the end of September 2023 but is likely to require extension until the remaining vacant posts are filled or successful incoming mature entrants or graduates are able to register as Building Control Surveyors in their own right.

Up until his recent promotion, the Building Control Trainee had supported the under resourced Technical Team but now that he is fully operational in a surveying role this is no longer possible.

The Technical Support Team has two vacant posts due to a recent resignation of one of the Assistants and the other Technical Support post has been vacant since October 2022.

There is currently an acute shortage in the Technical Support Team and this is leading to extended processing times and already stretched Surveyors having to cover the office phones on a rota. This in turn is leading to application examination times being extended and availability for inspection reduced.

This situation has significantly hampered the Partnerships operation efficiency, had a negative impact on its ability to function and perform and be prepared for the Building Safety Regulator.

To overcome the Technical Support resource issue, prior to the reshuffle and adverts going out for the Technical Support Team the Partnership has also seconded a North Devon Planning Apprentice to assist four days a week and more recently been assisted

by Mid Devon Planning Support to assist with our record keeping backlog and application processing.

Lack of resilience and a need to be more robust has been a long standing issue for the Technical Support Team and this needs to be addressed through the recruitment of the new team members both in the Technical Team and the new junior Surveying appointments.

Building Control Charges

Since the last Committee meeting a review of the Charges has been completed.

The new Building Control Charges were increased on 26th January 2023 with an agreed uplift of 8% to the charging scheme across the board.

The charge has been set to remain competitive and also cover the cost of the market supplements.

The increase in charges shifts the split between chargeable and non-chargeable work from 75% - 25% to 80% - 20%.

Building Safety Regulator Validation and Registration

The Building Safety Regulator will require the Partnership to have sufficient numbers of appropriate Registered Surveyors in place to perform restricted functions which include plan examination and site inspection of building work within the districts.

The Building Safety Regulator will require the Partnership to demonstrate its operations are in line with new Operating Standards and report on performance on a quarterly and annual basis which will require the Partnership to report performance in approximately fifty areas of the Partnership's work. The new KPI's will be covered under six headings;

- Statutory Consultations with Fire Service and Water Authority
- Enforcement & Intervention
- Risk Management
- Competence
- Systems & Controls
- Complaints & Handling

The Surveying staff have been making preparations for these changes and requirements.

Over the last twelve months the three established permanent Surveying team members have completed Level 5 and Level 6 training programmes and have all passed their assessments in Fire Safety and Legislative Compliance. On top of their workload this

has required each individual to demonstrate and record 400 hours of study in the past twelve months.

The Partnership's recently promoted trainee is currently undertaking Level 5 with the Wolverhampton Open University LABC funded course and our mature Mid Devon recruit has registered with the RICS and is building his CPD portfolio in preparation for validation and registration.

All five Surveying team members are currently applying to the LABC Building Safety Competency Framework to validate their competence. This process involves a detailed application form, CPD record, evidence of experience and eventually an examination.

Once submitted the BSCF will advise of an individual's suitability to sit the appropriate exam for a surveying class that matches their experience.

Due to the nature of the building profile's in Mid and North Devon and as the catchment area does not have many, if any, in scope buildings for the team to have worked on, it is possible the BSCF will not support the team sitting the Class 3 Specialist Exam.

In October 2023 the Building Safety Regulator register will open and the Surveying team will begin the registration process that will only be completed once individuals have passed the validation and examination process.

Once registered, Surveyors will be required to maintain a record of projects worked on and maintain a CPD record for submission to the Building Safety Regulator.

The cost of the validation process up until the end of the first four year cycle is free at the point of use to LABC Surveyors. Beyond the first four year cycle the validation process is likely to be unfunded and will represent a further cost to the Partnership.

We are awaiting a confirmation from the Building Safety Regulator with regard to cost of registration for this first cycle but it has been widely reported registration will not be free and therefore this will potentially represent a further cost to the Partnership in the coming months.

With regard to Enforcement, changes to Section 36 of the Building Safety Act will extend the time frame for Building Control Authorities to consider taking Enforcement Action. The time scale will be extended from 2 years to 10 years from April 2024.

It is widely anticipated Building Control teams in the future will need to consider appointing an Enforcement specialist or at very least the percentage of Surveyors time will significantly increase in this area of work.

If this is the case this will represent a significant cost to the Partnership as enforcement work is not chargeable work. An increase in enforcement work load will result in a shift

in the split between chargeable and non-chargeable work and will bring an upward pressure on the non-chargeable element.

There is a wider context to the Building Safety Regulators role that other Council departments must be aware of.

Duty Holders (including Local Authorities) such as owners and landlords will have responsibilities that will require engagement with the Regulator. For example Duty Holders will be required to register in-scope buildings with the Regulator and demonstrate they are managing and maintaining them appropriately.

There are likely to be representations made by tenants to the Regulator, who will have new rights and any alleged breach of those rights will be investigated and potentially prosecuted by the Building Safety Regulator.

While the detail of this is not yet known, it is possible the Regulator may require Building Control Teams and other Council departments to undertake these investigations and prosecutions on behalf of the Regulator.

Again representing a potential future cost to the public purse.

Partnership Priorities

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

It is understood these investigations have led the Senior Management to conclude the service will remain in-house due to its statutory non-chargeable elements having to be performed by Local Authority employees and any profit made outside the Local Authority umbrella being subject to Corporation Tax makes an arms-length approach non-viable.

Now this decision has been taken the Partnership must continue to stabilise, rebuild, recruit and reshape the Surveying and Technical Support Team and reduce its reliance on expensive agency staff with a view to breaking even.

The Partnership needs to remain competitive in the employment market to ensure recruitment and retention and have sufficient staff to be ready for the market upturn.

Prepare Surveyors for the validation and registration process so that we are ready to meet the Building Safety Regulatory requirements by April 2024.

Prepare the team and our procedures for the changes the New Operational Standards will bring. This includes adapting working practices and creation of new reports to be in a position to report on the fifty new KPI's the Building Safety Regulator will require information on.

Ensure employees have sufficient time for training, CPD and staff development.

Be in a position to maintain, monitor and audit our Quality Management System.

A future review of the facilities at Woodlands is to be considered given our increased agile working since the pandemic and may provide a 10K annual saving if we no longer operate from this base.

Consider a more permanent hybrid working system and hot desk arrangements for both the Surveying and Technical Support Team.

Develop a more agile and proactive relationship that enables the Partnership to respond to change.