

**NORTH DEVON COUNCIL**

Minutes of a meeting of Building Control Joint Committee held at Barum room, Brynsworthy Environment Centre, Barnstaple on Thursday, 24th October, 2024 at 10.00 am

PRESENT: Members:

Councillors Keable, Clist and P Leaver.

Officers:

Director of Resources and Deputy Chief Executive (NDC) and Finance Manager (NDC).

Also Present:

Representing Mid Devon District Council: Director of Place.

Head of Finance (MDDC) (virtually).

**14. NOMINATION OF CHAIR FOR THE MEETING IN THE ABSENCE OF COUNCILLOR DENTON**

In the absence of the Chair of the Committee, the Clerk called for nominations of Chair to oversee the meeting.

RESOLVED, that Councillor Keable in his position as Vice Chair be appointed as the Chair to oversee the meeting.

**15. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Denton.

**16. TO APPROVE AS A CORRECT RECORD THE MINUTES OF THE MEETING HELD ON 25TH JULY 2024 (ATTACHED)**

RESOLVED, that the minutes of the meeting held on 25<sup>th</sup> July 2024 (circulated previously) be approved as a correct record and signed by the Chair.

Councillor Clist abstained from the vote as he was not present at the meeting.

**17. DECLARATIONS OF INTEREST**

There were no declarations of interest announced.

**18. 2024/25 BUILDING CONTROL PARTNERSHIP TRADING ACCOUNT QUARTERS 1 AND 2 (ATTACHED). REPORT BY NORTH DEVON FINANCE MANAGER.**

The Joint Committee considered a report by the Finance Manager (NDC) (circulated previously) regarding the 2024/25 Building Control Partnership Trading Account for Quarters 1 and 2.

The Finance Manager gave the Committee the following summary:

- Pages 17 and 19 of the agenda showed the tables detailing the figures for the Partnership Trading Account.
- Column one of the trading account table, showed the annual budget for each Authority.
- Column two of the table showed the forecasted outturn for the year 2024/25.
- Column three of the table set out the percentage split of expenditure and income between the two authorities in greater detail and showed a split projected income of 63.24% for North Devon Council and 36.76% for Mid Devon District Council. This was against the original split of 60:40.
- Overall, the figures were showing an adverse variance of £130,000. The variance was predominately due to reduction in income across both authorities of £100,000 together with an increase in expenditure of £30,000, which was predominately related to employee costs.
- The net effect of this on each authority's budget was shown at the bottom left of the table on page 19 of the agenda, projecting North Devon Council to be £79,000 adverse and Mid Devon District Council of £51,000 adverse. This was a slightly worsening position from quarter one where the partnership was only reporting a deficit of £80,000 across both authorities.
- Column four of the table showed the chargeable and non-chargeable costs for North Devon Council and indicated a slight loss on the 75% chargeable fees.

In response to questions, the Finance Manager together with the Director of Resources and Deputy Chief Executive and the Building Control Manager advised the following:

- The figures for North Devon Council employees, which included agency staff was paid from the North Devon Council budget and then split between the two authorities.
- The income for the trading market was still very unsettled and combined with the current position in the economy any significant changes were not expected at the present time.
- The outturn positions for both authorities this year compared to the previous year were both showing increases.
- Figures based on application numbers were a very basic way of measuring progress and the partnership was 200-300 applications down on the figures prior to the Covid 19 pandemic.

RESOLVED, that the reports be noted.

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

The Committee considered a report by the Building Control Manager (circulated previously) regarding the Building Control Business update.

The Building Control Manager drew the Committee's attention to the following key points within the report:

- The additional administrative work as a result of Building Safety Regulator requirements had significantly impacted on the workload of the partnership.
- The table on page 22 of the report showed performance in relation to decisions within two months at 100% (target 95%), plan examination response times with applications being examined within 3 weeks at 88% (target 95%) and average time to first response 17 days (target 10 days).
- Improvement in the three week and time to first response KPIs continued to be the partnership's long term aim. The significant additional workload being created, implementing and undertaking the administration of the Building Safety Regulator regime changes, meant that any improvement in processing times remained unlikely, although performance overall had improved in Q2, when compared to Q1 for this financial year.
- The partnership's share of completions in the Housing Market was extremely low at 12% and continued to represent the slowing up of housing building in the local area by developers using the Partnership to oversee house building schemes.
- However, the trend was not reflected in the general market share. At the last Joint Committee meeting, general Market Share was reported for Q1 2024/25, at 81%.
- For Q2, 2024-25 Market Share had been measured at 80% and remained above target, compared to the same period in 2023/24 where it was measured at 70%.
- The Partnership was nominated and won two South West regional LABC awards this year, which were:
  - Best Community Project - Water Sports Centre, Ilfracombe.
  - Best Site Manager.
- As regional winners, these two entries would now be entered into the National Awards and would be put up against the winners of the other regions across the whole Country.
- In addition to this success, the Partnership had also been nominated by its customers for a further National Award, which was:
  - LABC Building Control Team of the Year.
- Unfortunately since the last Joint Committee, the Mid Devon Building Control Inspector had resigned and left their position at the end of September 2024 for a new opportunity with a Private Sector Building Control provider.

- Both this vacant role and the long standing vacant Senior Mid Devon position were currently being advertised.
- Also since the last Committee, while it was anticipated, the partnership's long serving Technical Support Officer had retired and left the Partnership at the end of August 2024. Recruitment for this replacement post had been successful and the new officer would be starting soon.
- The advert to replace the vacant Surveyor roles closed this week and unfortunately not a single application was received.
- Given the two vacant inspecting positions, Senior Management had authorised a request for a temporary agency Inspector and the partnership had re-appointed an Interim Inspector who had been employed by them previously and they had started back with the partnership on Monday 4<sup>th</sup> November 2024.
- The Partnership remained vulnerable to further departures, in particular their Class 2A, 2B, 3 and 4 Inspectors who were all being regularly approached by recruitment agencies acting on behalf of Private Sector companies.
- The impact of the BSR regime change was continuing to increase the workload of the Partnership Team with the required level of recording of what and how a task was performed was in some instances taking more time than the task itself.
- The partnership's resource levels remained low and in the small teams that they were operating in, with staff that required supervision. The partnership were experiencing a constant pressure, which resulted in resources being stretched and there being no resilience within the team when an officer was either absent due to sickness or on annual leave.
- The Building Control Manager was mindful of the impact that this additional pressure and highlighted the effect that it was having on the team's morale and wellbeing.
- A recent further development within the local competition provided a further example of how the BSR changes were impacting LABC teams.
- The new Building Safety Regulator regime had caused a number of Registered Approvers (formerly known as Approved Inspectors) to cease trading or be taken over by another Registered Approver.
- Recording Initial Notices from their competition was a function that the partnership were required to do as it was a statutory requirement and formed part of the partnerships non-chargeable work.
- Up until recently, the BSR changes that had resulted in Approved Inspector take overs had not significantly impacted the Initial Notices the Partnership had already received.
- However, recently, JHAI (an Approved Inspector) had been taken over by Stroma who were a larger National Registered Approver.
- When a Registered Approver took on another Registered Approver, their work (or registered Initial Notice) had to be transferred to the new Registered Approver.
- As JHAI were the most active Approved Inspector in the South West, since the takeover, the Partnership had received 489 transfer requests from Stroma, all of which would require a transfer process on our system. This required the partnership to cancel the Initial Notice and then reinstate it and issue updated acknowledgements to the relevant parties. This was a process

that was time consuming and one that the partnership were not allowed to charge for as Transfers of INS formed part of the non-chargeable element of work.

- Since the last committee meeting the LABC had provided audit training for Managers to assist them in submitting internal audit information to the Standards Team.
- This training had been provided with a view to each Building Control Team submitting information in Mid-November 2024 to test each service against the new ISO Framework which had now been published and matches the BSR regime requirements.
- In addition, the Partnership had also received notification it would receive an external ISO audit in December 2024 by the regulating authority, the BSI.
- The Senior Management Team and Building Control Manager had an initial scoping session to discuss and begin the process of addressing the last outstanding internal audit recommendation to “Review the Partnership Agreement”.
- Reviewing the agreement was likely to take some time and an update would be provided at the next Joint Committee meeting.

The Chair congratulated the Building Control Manager and his team on winning two South West regional LABC awards and wished them luck for the National awards.

He acknowledged that there was currently intense competition and that the market place was a really tough environment.

In response to concerns regarding the lack of applications for the vacant posts together with the less than positive projections for the forthcoming year and the likelihood that agency staff would be required. The Building Control Manager advised that he was meeting with senior officers from both Councils following the meeting to discuss the issues and consider a way forward.

He added that the partnership was not in a minority in terms of recruitment issues and that many other organisations were looking to increase salaries via market supplements to attract potential employees.

- Feedback received from the LABC stated that the partnership should not be shy in increasing their fees and charges, they should however be realistic in their aspirations.
- There was pressure on the service combined with being under resourced and the huge amount of administration and paperwork, which sometimes took longer than the actual task itself.
- Since the last Joint Committee meeting the BSR had written to both Mid Devon District Council and North Devon Council seeking a contact point for the required data collection or KPI reporting.
- In addition, the BSR had made further contact to advise the KPI requirements had now been finalised and authorities would be expected to submit data at the end of the Q4 2024/25 for Q4, with the first annual submission being required April 2026 for the 2025/2026 financial year.

- As IDOX had not yet written the reports to capture the draft KPI information, the Partnership had continued capturing the information as it processes on spreadsheets.
- Since the draft KPIs were issued, there had been some tweaks to the data required, so the Partnership would need to review those changes and teak the spreadsheets to capture the data being requested.
- Whilst the Partnership would continue to capture data manually, it had once again written to IDOX to establish when the reports would be ready for users to access to capture the data without the need for capture with spreadsheets as the officers processed.
- The partnership was still awaiting a response.

In response to a question regarding the market share for the partnership being below average, the Building Control Manager advised that the figures included all building works. However, the figures were lower as the larger new build housing developers didn't tend to use the local authority Building Control services.

He added that smaller building firms would employ the partnership's services but that the volume of work was not there at the current time as the smaller developers were not building out on their sites.

In response to a further question regarding whether or not the KPI required adjustment, the Building Control Manager advised that the situation was a symptom of the current economic conditions.

He added that he was reluctant to alter the target figure at the present time as 40% was a realistic goal for the partnership to work towards.

The Director of Resources and Deputy Chief Executive advised that at present, the forecast for chargeable activities was showing a net loss. However, he assured the Joint Committee that moving forwards the service would be aiming to ensure all costs would be recovered for the partnership to break even over a rolling three-year period as set out in the regulations.

He added that it wouldn't be possible to close the salary gap between the public and private sector but that it was important to protect the employees currently working within the partnership.

RESOLVED, that the report be noted.

Chair

The meeting ended at 10.30 am