

Agenda Item No: 9.7 **Report No:** 151/16
Report Title: Delivery of Building Control Services
Report To: Cabinet **Date:** 16 November 2016
Cabinet Member: Tom Jones
Ward(s) Affected: All
Report By: Ian Fitzpatrick, Director of Service Delivery
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Purpose of Report:

To consider an alternative way of delivering the Building Control function by way of joining the East Sussex Building Control partnership with Eastbourne Borough Council and Wealden District Council

Officers Recommendation(s):

- 1 That cabinet support the principle of a partnership agreement with Wealden District Council, Eastbourne Borough Council and, potentially, Hastings Borough Council and Rother District Council.
- 2 That delegated authority is given to the Director of Service Delivery in consultation with the lead cabinet member to negotiate the contents and enter into a Partnership Agreement including the management fee.

Reasons for Recommendations

- 1 The Building Control function operates in a very competitive market. Whilst the Council has maintained high levels of market share it is finding it increasingly difficult to retain and recruit qualified staff due to the high salaries being offered by the private sector.

Background

- 2 Building Control is a statutory function with its prime aim of administering the Building Regulations. The Building Control Service deals with health and safety issues regarding buildings together with matters covering access to and within buildings and also of matters relating to the conservation of fuel and power, designed to reduce carbon output from buildings.

- 3** Building control is also a generic service which can encompass a much wider range of services, but will generally deal with dangerous structures, demolitions, disabled persons issues, structural engineering and other issues contained in the Building Act 1984 and other legislation.
- 4** Local authority building control services as part of the Building Regulations Application Service have the ability to charge a fee for work relating to passing or rejecting plans, and for inspecting the works during construction. Fees cannot be charged for all works as there are certain exemptions from fees for work described in the regulations. Nevertheless a significant income is generated by the Service, which covers some of its costs.

Options for Delivery

- 5** There are a number of options available to continue to deliver the service:-
 - 5.1** by Lewes District Council – continue as we currently are
 - 5.2** by another Local Authority
 - 5.3** by the Private Sector
- 6** Due to the relatively small size of the current provision, retaining the service within the Council carries with it a number of challenges including:-
 - 6.1** Staff retention issues and limited opportunity for progression for staff
 - 6.2** Difficulties maintaining a consistent level of service throughout the year
 - 6.3** Inefficiencies in specialist support infrastructure, such as IT systems
 - 6.4** Higher operating costs compared to larger organisations
- 7** No other Authority has yet transferred the service to the private sector and because of the nature of the work carried out by the private sector operators and the resultant reduction in choice for the residents of the district it is likely that small scale proposals, such as householder extensions would experience a significant reduction in service.
- 8** The Building Control Service requires significant time on site dealing with construction projects. Discussions with Wealden District Council have identified the potential for a partnership that would deliver better customer service and enable efficiencies. Eastbourne Borough Council and Wealden District Council have been successfully operating under a similar arrangement for the past five years. Under the proposed arrangement, for an initial five year period, Wealden District Council would take the lead on management and employment issues on behalf of the partnership. Lewes Building Control staff would transfer and become the responsibility of Wealden District Council. A joint Partnership Board would be created to oversee its operation.
- 9** As Building Control is a statutory function Lewes District Council is obliged to continue to offer the service. Therefore it will need to ensure the service is being delivered to an appropriate standard to discharge its duty. It is proposed to set

up a Partnership Board with the following members from Lewes and the other participating Councils to oversee the delivery to an agreed Service Level Agreement:-

- Lead Cabinet Member
- Senior Officer (appointed by the Chief Executive)

Personnel

- 10** Wealden District Council has agreed that the principles of the Transfer of Undertakings (Protection of Employment) regulations (TUPE) will be applied in this instance. This means that the relevant workforce will transfer, with continuity of employment, to Wealden at the effective date. Terms and conditions of employment will be protected at the point of transfer.
- 11** Informal consultation with staff has taken place. If the proposal is agreed by cabinet formal consultation with staff will commence, this will help with the technical implementation of the partnership and manage any staff concerns that might arise.
- 12** The expected implementation date is by 01 April 2017.

Financial Appraisal

- 13** Lewes would pay an annual management fee to the partnership to undertake the Service, which, in essence, is to pay for the Council's non fee earning activities such as dealing with dangerous structures. The actual fee is currently under negotiation but is expected to be in the region of £75k to £85k pa, which reflects the current true cost of the service to the Council. The partnership has an ambition to reduce these fees to zero during the first five years of its existence. If achieved, this would represent a substantial saving to the Council in the long term as well as a significant mitigation of the risk of providing such a service.
- 14** Further negotiations and financial appraisal needs to be completed to ensure the best financial arrangement for the Council can be achieved.

Legal Implications

- 15** The Legal Services Department, on behalf of Lewes District Council and Eastbourne Borough Council, has reviewed the proposed legal agreement that underpins the partnership and is currently awaiting amendments to the existing draft. The agreement includes an annual review of the governance arrangements with view to ensuring the most effective vehicle for delivering the service to the benefit of all of the partner councils and their residents is achieved.

Equality Screening

- 16** An Equality impact Assessment will be carried out if deemed to be necessary.

Background Papers

17 None

Appendices

18 None