

BABERGH DISTRICT COUNCIL

**FROM: Head of Natural and Built
Environment**

REPORT NUMBER **G74**

TO: STRATEGY COMMITTEE

DATE OF MEETING: 16 August 2007

DELIVERY OF BUILDING CONTROL SERVICES IN PARTNERSHIP

1. PURPOSE OF REPORT

- 1.1 To seek the Committee's approval for the entering into a partnership with Ipswich Borough Council and Suffolk Coastal District Council for the delivery of Building Control Services. This report summarises, from the Babergh perspective, the contents of a detailed joint report being presented to each of the partnering Councils (appendix 1).

2. RECOMMENDATIONS

- 2.1 That the entering in to partnership with Ipswich Borough Council and Suffolk Coastal District Council to appoint a joint manager for the delivery of Building Control Services be approved,
- 2.2 That further investigation of partnership working in Building Control towards a more fully integrated service operating across the three authorities be supported
- 2.3 That the Solicitor to the Council in consultation with the Head of Natural and Built Environment be authorised to enter into a Partnering Agreement with Ipswich Borough Council and Suffolk Coastal District Council for the delivery of Building Control Services within the District.

The Committee is able to resolve this matter

3. FINANCIAL IMPLICATIONS

- 3.1 The current proposal will have a marginal cost increase for Babergh in the short term of about £8,000 in 2008-09. However, this cost arises from ensuring adequate backfill for the current manager's post and an increase in real capacity within the Building Control Section. This will enable the development and expansion of new services with the potential to increase income from fees. The section will be able to enter into contracts with local agents for such services as plan vetting. A target of 7% income growth is being set for 2008/09 which could increase income by £24,000, and more than compensate for increased costs.
- 3.2 It is believed that failure to enter into the partnership could make the service vulnerable to commercial competition, resulting in a significant loss of work, income and staff. Should the private sector gain a foothold in the market locally, the Council is likely to lose income from larger commercial and industrial developments and be left with providing service to small geographically spread sites at greater service costs. Income would be unlikely to cover expenditure. The function is required by law to be self-funding over a 3-year budgetary cycle. A neighbouring Council has lost 40% of its work to the private sector in recent years.

4. **RISK MANAGEMENT**

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
<u>Continue as Present</u>			
Significant loss of work to private sector	Significant	Critical	Enter into a partnership with one or more Councils to increase resilience of service
Loss of qualified and competent officers to the private sector	Significant	Critical	Forming a partnership will help ensure that a 'critical mass' of qualified and experienced officers are available
Inability to recruit suitable officers	Significant	Critical	Formation of a partnering service will prove attractive to potential employees, offering a wide variety of work, opportunities within the organisation, good personal development and training. Reduces the movement between local Councils of current employees.
<u>Formation of Partnership</u>			
One or more partners choose to leave partnership.	Low	Critical	Minimum notice period required by partnering agreement. Continued negotiations with other Councils to expand partnership further reduces likelihood/impact.

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
Local Competition develops and makes significant impact	Low	Critical	A resilient presence of a strong and active partnership will mitigate likelihood. A larger unit covering the area will be more robust and economical should demand for service decline.
Failure to increase fee income by target amount	Low	Marginal	Current budget available to meet increased costs within first year.
Entering into partnership undermines the current standards of the service	Low	Critical	Partnership to be managed by Babergh's current Building Control Manager. All existing performance standards should be maintained. Backfilling to ensure adequate resource.
Investigation into a more integrated service proves this an unattractive solution	Low	Marginal	Continue with sharing joint manager, or withdraw giving appropriate notice.

5. **KEY INFORMATION**

- 5.1 The Building Regulations lay down standards of construction, which are mainly concerned with protecting the health and safety of building users, conserving energy and providing access and facilities for people with disabilities. All new building work, improvements to properties, electrical work etc. requires Building Regulations Approval. This is a statutory function for local Councils, who must provide a service when requested. Applications for approval are submitted with the relevant fee. In addition to fee earning activity, the service provides building advice and undertakes the Council's statutory role with regard to Dangerous Structures and demolitions.
- 5.2 Over a number of years, the regulatory function has been moved from the exclusive domain of local councils, to allow appropriately authorised inspectors in the private sector to undertake inspections and issue certificates of compliance. Although the Council retains the enforcement responsibility, developers are now beginning to look to private sector operators for the service. Thus far Babergh has retained about 96% of the work available in the District, but the presence of any major operator within the region could significantly affect this position.

- 5.3 Discussions with neighbouring councils indicate that the ability of our existing small, albeit effective, building control teams to resist and compete with outside agencies is seen as the biggest threat to the continued effective delivery of all the councils' statutory building control functions.
- 5.4 Developing a partnership approach to service delivery is seen as an obvious way of providing resilience, expertise and efficiency able to compete effectively with competition.
- 5.5 Members will be aware of the pressures upon local councils to seek out ways of working more effectively together and the recently successful Pathfinder bid by Suffolk Authorities underlines the countywide commitment to partnership working. Ipswich Borough Council have confirmed that the 'Unitary' decision will not affect their commitment to the proposed partnership.
- 5.6 Following a reorganisation at Ipswich Borough Council, the existing Building Control Partnership between Ipswich and Suffolk Coastal DC required the reinstatement of a manager. Babergh was approached to establish our interest in joining the partnership and supplying the management expertise and leadership. Babergh's present Building Control Manager was recognised as having the skills, knowledge and experience required to fulfil this shared role, and this was seen as an opportunity to reconsider entry into a partnership for delivery of Building Control Services.
- 5.7 The Council will face a small cost of £8,000 as a result of joining the partnership, arising from the need to backfill certain responsibilities and operational duties undertaken by the manager. However, this should be compared with original set-up costs faced by Ipswich and Suffolk Coastal of £12,000 and £10,000 respectively. It is anticipated that this cost will be more than compensated for by additional income generated by utilising the increased capacity available.
- 5.8 The initial commitment will be restricted to the appointment and sharing of a single manager, who will develop closer joint working and sharing of resources. However, Babergh's continued involvement is dependent on the partners investigating the possibility of closer, more formal joint working and the development of a Business Case around the formation of an integrated Building Control service operating across the three districts. The business case will take into account significant operational efficiencies, generation of the capacity for increasing fee income and mitigation of the effects of commercial competition.
- 5.9 Full details of the business case for the initial partnering arrangement are presented in the attached Appendix 1. This is a paper produced by the present Partnership Manager and approved by the three sponsoring Directors, to be presented to each Council for appropriate consideration during August/September. Subject to agreement, it is hoped to formalise the partnership and appoint the joint manager with effect from 1st October 2007.
- 5.10 Babergh will remain the employing authority, with each partner making a contribution of one third of the manager's total employment costs.
- 5.11 The Partnering Agreement will contain provisions for the governance of the service through a joint Management Board. Once established it will be necessary for Council to appoint an elected Member to represent Babergh on the Board. This process is already working well in relation to the joint refuse collection contract with Mid Suffolk District Council.
- 5.12 The report was considered by the Procurement Task Group on 8th August and welcomed this initiative.

6. **APPENDICES**

(a) Appendix 1 – Building Control Joint Management Partnership.

7. **BACKGROUND PAPERS REFERRED TO**

None.

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Shared Services Task Group: 30 July 2007
Cabinet: 4 September 2007

BUILDING CONTROL JOINT MANAGEMENT PARTNERSHIP

Report by Cabinet Member with responsibility for Environment (Built)

EXECUTIVE SUMMARY

1. In January 2006 Ipswich Borough Council (IBC) and Suffolk Coastal District Council (SCDC) commenced a joint management partnership to deliver the Building Control Services for each authority.
2. A recent review of the Partnership by Portfolio Holders and Directors from each authority noted the success of the partnership and acknowledged potential improvements and future opportunities. This also embraced the concept of extending the partnership to include other adjacent authorities.
3. A catalyst for this further development has been an organisational restructuring by the Building Control Partnership Managers (BCPM) employer, Ipswich Borough Council. As a consequence a number of options arise which are outlined in the report.
4. Based on the business case set out in this report, it is recommended that Suffolk Coastal District Council enters into a Partnership Agreement with Ipswich Borough Council and Babergh District Council for the delivery of the Building Control and Building Regulation Functions.

Wards Affected:	All Wards
Supporting Officers:	<p>Tony Osmanski – Strategic Director Philip Ridley – Head of Planning Services Richard Suttle - Building Control Partnership Manager</p> <p>Laurence Collins – Corporate Director Ipswich Borough Council Mike Hammond – Corporate Director Babergh District Council</p>

Andy Smith
Built Environment

BACKGROUND PAPERS

UNISON/Staff - Frequently Asked Questions
Business Case Template

Reference: Strategic Leaders/Philip/Reports/SSTG0707 – BC Joint Man P'ship

For further information, please contact Tony Osmanski, Strategic Director, on 01394 444316 email tony.osmanski@suffolkcoastal.gov.uk or Philip Ridley, Head of Planning Services on 01394 444432 or e-mail philip.ridley@suffolkcoastal.gov.uk

1. BACKGROUND

1.1 The Building Regulation Service is a statutory function which Councils have to provide. The service is required by law to set charges for Building Regulation submissions that recover the cost of providing the service, and which must be self financing over a three year rolling accounting period. The service delivery model is at the discretion of each local authority.

1.2 In January 2006 Ipswich Borough Council (IBC) and Suffolk Coastal District Council (SCDC) commenced a joint management partnership to deliver the Building Control Services. Under this agreement the service at each authority share a manager, the Building Control Partnership Manager (BCPM). This manager is employed by IBC and SCDC pay half of his employment costs and receive half of his time. Whilst each organisation had different reasons for entering the partnership the overarching benefits were seen as;

- Providing long term service resilience
- Offering greater opportunities for staff development and experience
- Optimising the use of staffing resources to manage increasing work volumes
- Satisfy customer expectations
- Reducing / eliminating dependence on the use of agency or consultancy staff
- Reducing costs and increasing competitiveness
- Exploiting optimum income generating opportunities, and
- Being more effective in satisfying customer expectations

1.3 A recent review of the Partnership by Portfolio Holders and Directors from each authority acknowledged improvements in the service and discussed future opportunities to strengthen and improve the service further. This also embraced the concept of extending the partnership to include other adjacent authorities.

1.4 The success achieved in the first year can be attributed to the commitment and hard work of all staff members to deliver quality services to clients, these successes include;

- Greater focus on joint training and development of staff, particularly new/junior members with resultant improvement in productivity.
- Shared information and research
- Shared on-line information systems
- Reduced reliance on the use of external consultants.
- Aligned charging schemes for the benefit of clients
- Similar performance indicators in Operational Plans and Balanced Scorecards
- Some process alignment
- Regular staff meetings
- Financial stability of units

1.5 Following the successes achieved in the first year it is appropriate to consider how the partnership can develop further. A catalyst for this further development has been an organisational restructuring by the BCPM's employer, Ipswich Borough Council. As a consequence a number of options arise which are outlined below.

2. POLICY CONTEXT

2.1 This report's recommendations will contribute to the aims of both "Transforming Ipswich" and the "Vision" of Suffolk Coastal District Council and Babergh District Council. The improved partnership arrangements will deliver well performing efficient and accessible services to all.

2.2 The Building Control function (at each authority) is to contribute to a healthier and safer environment for the community in and around buildings, and to further conservation of fuel and waste management to buildings.

3. OPTIONS

3.1 To develop the partnership further whilst maintaining the overarching aims identified above, the following options have been considered:

- (a) Status Quo – whilst it is not possible to maintain the current agreement between IBC and SCDC (as the current BCPM will be leaving the employment of IBC at the end of September), a role reversal could be implemented to maintain and build upon the successes already achieved. It would be necessary for SCDC to take the lead role (as with the Audit Partnership) by employing the BCPM and sharing this cost with IBC.
- (b) Extending the Partnership – a tripartite partnership between SCDC, IBC and Babergh District Council (BDC). This had been discussed previously when the potential of a management partnership was originally discussed, however, for a variety of reasons BDC were unable to participate at that time. The Partnership model implemented between IBC and SCDC can be adapted quite easily to allow additional partners to join. There possibly could be some initial difficulties for the BCPM to manage the three authorities, getting to know the teams and driving the service forward but with appropriate IT provision and support from Senior Managers and the teams, including each authority having experienced Seniors in place to ensure work stream management is maintained, this is unlikely to be a significant problem. However, the establishment of a tripartite partnership would provide an opportunity to investigate fully the potential Business Case for the implementation of a stand alone entity (such as a jointly owned company) providing a service for the three authorities that can be managed more effectively than 3 separate units.
- (c) Private Sector – The Building Regulation Service can only be undertaken by the Local Authority or an independent “Approved Inspector” who must be approved by the Department of Communities and Local Government. Even if the Council did pursue a market testing option, there is a question about the level of potential service suppliers available in the market place. In addition there are various elements of the service that would need to remain with the Local Authority, for example, enforcement and other community support functions. It is unlikely this option would provide the service resilience and efficiency being sought.
- (d) Dissolution of the partnership – reverting back to previous structures for individual management of each unit will lose efficiencies previously introduced and possibly destabilise the improvements identified above.

3.2 The preferred option is to extend the current partnership to include Babergh DC and for the three authorities to share the Partnership manager for the following reasons:

- Greater service resilience in terms of staff flexibility and larger numbers of staff between the participating organisations. BDC are also able to contribute an experienced manager.
- Recruitment and retention benefits for staff by offering a greater range and diversity of work.
- Potential to develop business partnerships with the building industry/architects etc because of increased staff numbers - common practices and benefits
- Improve competitive advantage offering greater consistency of decision making and interpretation, and by being able to offer “one stop shop” professional development advice with other local authority services such as planning and environmental health with improved consistency over a larger area.
- Provides more opportunity for further improvement/efficiency through economy of scale, by exploring the development of a single entity to deliver the Building Control function to each organisation.
- Good fit with the Suffolk Shared Services philosophy

- 3.3 The remainder of this report examines the feasibility of closer working relationships between SCDC, IBC and BDC in the operation of the Building Control Service.

4. THE PROPOSAL

Extending the Partnership

- 4.1 The proposal is to extend the current partnership model between SCDC and IBC to include BDC. This would provide a single manager, the BCPM, delivering the Building Control Service at all three authorities. It is proposed this person be employed by BDC. The reason for this is following the departure of the current BCPM in the autumn BDC will be the only Council with a Building Control Manager possessing the necessary experience and capability to take on this new way of inter-authority working. The cost of the BCPM post would be shared equally by all participating councils. The BCPM would spend equivalent periods of time at each organisation. Inevitably it may be necessary to focus on one or other unit to address situations, so the time accounting process will need to be flexible. To ensure effective management on a day to day basis when the BCPM is absent, delegated decision making to the Senior Building Control Officer would be authorised.

Providing Future Flexibility

- 4.2 Although each service remains independent under this proposal, the BCPM will be charged with instigating and implementing a feasibility study with support from Directors/Head of Service within the first year of the tripartite partnership for the implementation of a single unit delivering the building control service to each authority. The result of this feasibility study would be considered by the three partner authorities to assess the viability of proceeding, which will be subject to the resilience of the Business/Service Case. It is anticipated the feasibility study will find that a single building control unit providing the service to each authority will be better placed to introduce improved income streams and protection of existing market share, economy of scale, and improvements by the introduction of e-government requirements linked with flexible working techniques.

Services and Standards

- 4.3 The activities undertaken within each of the 3 authorities include the Building Regulation function and the Building Control function. The table in Appendix A shows the services provided in each authority.

Opportunities and Threats

- 4.4 If any of the three authorities are unable to maintain quality services to their clients, projects and subsequent income could be lost to private sector competitors. Current trends identify that at present urban areas are more vulnerable to competition. Other Approved Inspectors (AI's) located in the area increase that vulnerability and the number of competitors is slowly increasing. In this respect, it is important to maintain a flexible service structure and costs that can effectively compete and protect income levels. This can be achieved much more effectively as a separate entity providing the service to each authority. It will also help retain a quality service provision to all sections of the community because Approved Inspectors have no interest in the less profitable areas of the work at this time.

- 4.5 Benefits that can be extended into a larger partnership are:

- Flexible resources that can be directed independently to greatest need, with appropriate recharging at agreed rates
- Possibility of additional revenue streams
- Shared training provisions and resource
- Shared information systems
- Shared website and guidance notes
- Alignment of systems, procedures, forms, letters, etc
- Common policies

- Common targets and performance indicators
 - Shared operational/business plans
 - The provision of single support software systems
 - The provision of single support service provision
 - The introduction of flexible working techniques and shared accommodation
- 4.6 There will also be some future challenges to overcome. These have been identified in the following sections of the report.

5. STAFFING IMPLICATIONS

- 5.1 *Location of Work* – At this time SCDC and BDC employees have a clause in their contracts which states that the individual can only be required to work anywhere within the district. It is the intention that, for existing staff, only those who express an interest in working in another authority will be required to do so. This principle also applies to IBC staff. Recently appointed staff at IBC and SCDC already have clauses that can require them to work in different locations. Reasonable travelling expenses will be paid to accommodate staff having to travel to different work locations. New staff will have new terms and conditions, which allow for working outside the district. In the longer term a business case to form a single entity providing the service to each authority will need to review this issue.
- 5.2 *Engagement of Building Control Staff* - The Building Control teams need to be engaged to ensure the joint arrangement is successful. Each unit has had to deal with heavy workloads and various staffing issues. Further change needs to be managed appropriately and the commitment of staff needs to be gained in order to achieve the service improvements and efficiencies to which all organisations aspire. The Service Heads and the BCPM have briefed the teams on the possibility of the partnership being widened to include BDC.
- 5.3 *Salaries and terms and conditions of employment* - Building Control staff will remain employed by their current authority, on their current terms and conditions. There may be some differences in terms and conditions, or in the application of processes and procedures such as disciplinary and grievance procedures. Staff will need to be clear that their existing organisation's terms and conditions, processes and procedures, will apply. It should be noted that IBC is still in the process on implementing Single Status Harmonisation which may have an affect on future salaries there and consequent pay differentials.
- 5.4 *Recruitment and Retention* - The joint arrangement could realise a number of benefits in the recruitment and retention of staff. Existing staff will have the opportunity to work more widely and gain experience of different working environments, systems and activities. The authorities could also be able to attract new recruits more easily through better career opportunities and the option to work across both urban and rural environments. One of the successes of the current arrangement is the joint training that takes place each week. There will also be a wider pool of experienced staff to help with the training and development of building control trainees. This “grow your own” policy will enable the current shortage of fully qualified building control staff to be addressed.
- 5.5 *Staff Recognition* - Because the BCPM will not be available on a daily basis, each organisation will need staff that are formally recognised to be able to make decisions and to have supervisory responsibility. This process has been successfully undertaken at SCDC and IBC.
- 5.6 In addition to ensuring the units are fully staffed, it may be necessary to back fill at lower levels where appropriate if the workloads demand. This is in response to the BCPM being available to each authority for a third of the time and is reflected in the financial model. At this time IBC are already investing in more staff to cope with additional workload and SCDC require additional resource too.

6. LEGAL IMPLICATIONS

- 6.1 The proposed arrangements would be on a contractual basis under Section 113 of the Local Government Act 1972 and s.1 Local Authority Goods and Services Act 1970, which enable local authorities to work for each other. This follows the precedent set between the two organisations through the Audit partnership, and the existing Building Control Partnership which are currently in operation.
- 6.2 One difference between the audit partnership and building control is that the BCPM will be required to make operational decisions for each Council under the building regulations, including the signing of notices and orders. The authority to do this will need to be addressed at each organisation, at SCDC this has already been delegated to the BCPM but will have to be delegated to any new BCPM who takes over the role.
- 6.3 The change outlined in 6.2 above is of great importance to the clients' perception of the Building Control Service and the marketing of the joint arrangements. Putting the BCPM's details on notices and orders will give the arrangements a new brand, will establish them in the public eye, and thereby improve client perception and assist to retain market share. This has already proved effective in the current partnership improving marketing and helping to reduce the number of projects lost to competition at SCDC
- 6.4 Should the agreement subsequently be dissolved, and redundancy costs arise, these costs will need to be apportioned between the parties. This is something which will need to be negotiated and reflected in the partnership agreement.

7. FINANCIAL IMPLICATIONS

- 7.1 For the partnership to work effectively, it is necessary for each unit to be properly resourced and achieve full establishments. The shortage of qualified staff nationally dictates the need to train and develop local recruits, and this will inevitably increase training costs. IBC and SCDC currently offer supplementary salary payments to retain existing staff and attract qualified staff, BDC currently operate a performance related pay scheme
- 7.2 The following financial proposals should be compared against the cost of structures that are able to properly resource the function and not necessarily the structures that exist (i.e. where posts are currently vacant for instance).
- 7.3 It should be noted that any reference to hourly rates and on-costs are references at this moment in time. The reference to the change in original costs (see table in para 7.6) needs to be viewed against the reduction in Partnership Manager time that is currently divided between two authorities and includes professional Building Control work. Therefore with reinvestment for backfilled time, it is at worst a cost neutral solution for SCDC, and at IBC will be reinvested to improve resource availability agreed separately and not shown in this report.
- 7.4 It is proposed that the BCPM role be shared equally between authorities. This post will be employed by BDC and two thirds of the actual cost shared between IBC and SCDC, invoiced on an annual basis in arrears as at present.
- 7.5 Building Control Services are customer focused and reactive to client demand. Managing peak workloads and other special circumstances can be difficult for small units, it therefore becomes attractive to have flexible resources and the ability to achieve ad-hoc shared working arrangements. A sensible way to finance this would be to work on a reciprocal time basis at equivalent levels ie Qualified staff/Qualified Staff and Non Qualified Staff/Non Qualified Staff. Having such a properly recorded system will help overcome differentials of on-costs, and avoid generating associated work such as invoicing and payments. There is a need for a safety mechanism for significant differences of time, in which case a bi-annual or annual correction would be made and invoiced. Members can be reassured that with the present arrangements the BCPM reports to the Head of Planning Services and to date there have been no issues to report.

7.6 The following costs are given at 2007/08 prices. Staffing structures are detailed in Appendix B. The table below compares the revised partnership arrangements against the original budget for 2007/08.

Suffolk Coastal

Programmed Budget (to nearest 100)

	Approved 2007/08	Adjusted 2007/08	Indicative 2008/09	Indicative 2009/2010	Indicative 2010/11
	£	£	£		£
Staff	422,500	422,500	422,500	422,500	422,500
Shared Staff Costs IBC *	28,500	14,200	0	0	0
Shared Staff Costs BDC *	0	9,700	19,400	19,400	19,400
Total cost	451,000	446,400	441,900	441,900	441,900
	451,000	446,400	441,900	441,900	441,900
Change to original costs	N/A	-4,600	-9,100	-9,100	-9,100
Council Tax Band "D" equivalent	9.30	9.21	9.11	9.11	9.11

The revised partnership budgets include:

- Shared manager role for a third of the time (previously half time)
- The Head of Planning Services wishes to closely monitor performance during the first year of the new partnership and may determine for improved operational necessity that the £9100 shown as a reduction in the previous budget would be required to increase capacity to offset the reduced period the BCPM is at SCDC. This potential increase would not cost more than £9100 ie the changes would at worst be cost neutral
- * Assumes current management arrangements cease from 30 September and new partnership from 1st October.

Ipswich

Programmed Budget

	Approved 2007/08	Adjusted 2007/08	2008/09	2009/10	2010/11
	£	£	£	£	£
Staff	487,600	459,100	430,600	430,600	430,600
Shared Staff Costs BDC *		9,700	19,400	19,400	19,400
Total cost	487,600	468,800	450,000	450,000	450,000
	487,600	468,800	450,000	450,000	450,000
Less: - 2007/08 establishment Staff charged to SCDC *	28,500	14,200	0	0	0
	459,100	454,600	450,000	450,000	450,000
Change to original costs	N/A	-4500**	-9100**	-9100**	-9100**
Council Tax Band "D" equivalent		11.58	11.47	11.35	11.35

The new budget includes:

- Shared manager role
- All vacant posts filled
- * Assumes current management arrangements cease from 30 September and new partnership from 1st October.
- ** Change to original cost will be used to provide backfill for the loss of BCPM time.

Babergh

Programmed Budget	Approved		Adjusted		
	2007/08	2007/08	2008/09	2009/2010	2010/11
	£	£	£	£	£
Staff	333,600	357,300	381,000	381,000	381,000
Total cost	333,600	357,300	381,000	381,000	381,000
Less: -					
2007/08 establishment					
BCPM recharge to SCDC & IBC	N/A	19,400	38,800	38,800	38,800
	333,600	337,900	342,200	342,000	342,000
Change to original costs	N/A	4300*	8600*	8600*	8600*
Council Tax Band "D" equivalent		10.25	10.38	10.52	10.52

The new budget includes:

- Shared manager role
- All vacant posts filled
- * The change to the original costs include an additional Assistant Building Control Surveyor as backfill, and 2 Building Control Surveyors made up to Senior Building Control Surveyor as backfill

8. PERFORMANCE MANAGEMENT

8.1 Performance management will be against agreed Performance Indicators identified in the unit's operational plans. The main criteria will be as indicated below;

- The ability of the Building Regulation function to be self-financing
- Fast response times to clients for vetting their deposited plans
- Fast response times to clients for inspecting their building work

8.2 In terms of governance/partnership management arrangements, this will include;

- 6 monthly Building Control Partnership Board meetings involving a Member representative from each Council
- Strategic evaluation of performance assessed by regular joint meetings of Directors/Heads of Service from SCDC, IBC and BDC, together with the BCPM
- Management and operational liaison between the BCPM and the appropriate Line Manager at each organisation
- Regular Performance Management reporting
- Portfolio Holder briefings at each organisation
- Strategic Partnerships reviewed as part of Overview & Scrutiny Work Programme

9. RISK ASSESSMENT

9.1 *Strategic risks* – Extending the partnership will provide more scope for developing the Council's strategic aims. The BCPM will report regularly to Strategic Directors, Head of Service and Members on progress achieved and capability of achieving self-financing status for the Building Regulation function. The partnership Agreement will provide flexibility in service provision to each organisation and contribute to sustainable quality services to all sections of the community. There will be greater risk because the BCPM will have less time at each organisation, namely 33% instead of 50%. However, the appointment of senior staff at each organisation to manage daily operational tasks will lessen the risk and maintain service quality.

- 9.2 *Financial risks* – The partnership mostly has a positive impact as it reduces overall costs and has the potential to create future savings by extending the scope by forming a single unit delivering the service to each authority. There may be some financial risks associated with the dissolution of the partnership (see paragraph 6.4 above) but these can be dealt with by negotiation between the parties and managed via the partnership agreement.
- 9.3 *Information risks* - There are no additional risks associated with the loss or inaccuracy of data or reported information. The business case for a single unit will address risks associated with combining information and systems that will be high.
- 9.4 *Operational risks* - The phasing in of changes will ensure continuity of services for all authorities and service improvement when full establishments are achieved. The high proportion of staff training will expose both organisations to vulnerability in decision-making. The use of the partnership to train staff and direct staff between organisations will help to reduce this vulnerability.
- 9.5 *People risks* - The partnership has a positive impact in that if Councils do not pursue it, they may be unable to attract and retain experienced, high quality staff to undertake the Building Control function. The training and development opportunities within the partnership improve quality and experience of staff. This also helps mitigate the current shortage of building control staff and lessens the impact of staff movement between authorities.
- 9.6 *Regulatory risks* - The BCPM will ensure close liaison is maintained with necessary outside agencies and other council functions in accord with good practice and statutory requirement. There will be no additional risks related to the regulatory environment.
- 9.7 *Reputation risks* - The partnership will have a positive impact in that it will seek to secure modern, forward looking service delivery, together with service improvements, which will improve the standing of each partner.
- 9.8 *Partnership risks* - The following issues are considered to be risks to the partnership;
- One Partner withdraws from the arrangement – The legal agreement requires 6 months written notice to be effective at the end of the current financial year. The remaining two authorities would be able to continue
 - Two Partners withdraw – The legal agreement requires 6 months written notice to be effective at the end of the current financial year. Succession planning has been taken into consideration and each organisation has/will be appointing senior staff who would have management capability.
 - Partners act in an unacceptable manner – Within the legal agreement partners can give notice to terminate the partnership and either stand alone or proceed to a joint partnership with two.
 - The tripartite arrangement does not deliver as anticipated – The partnership can revert back to current arrangements with two organisations or move to a stand alone position.
 - The longer term business case for a stand alone entity is not viable, or not supported by one or two partners – The partnership can revert back to current arrangements with two organisations or move to a stand alone position

10. VIEWS OF SHARED SERVICES TASK GROUP

The Shared Services Task Group considered this report at their meeting on the 30 July and agreed that Cabinet be recommended to accept the proposals to proceed with the Partnership as outlined but requested that the Partnership Risks Section of the report be strengthened. This has been actioned in para 9.8 above.

11. VIEWS OF EMPLOYEES AND UNISON

- 11.1 The Building Control staff and UNISON have been briefed on the Joint Management Partnership proposals. UNISON, acting on behalf of the Building Control staff, have broadly welcomed the partnership. There comments are to be found in Appendix C.

12. RECOMMENDATION

- 12.1 Based on the business case set out in this report as recommended by Shared Services Task Group, that Suffolk Coastal District Council enters into a Partnership Agreement with Ipswich Borough Council and Babergh District Council for the delivery of the Building Control and Building Regulation Functions, subject to terms which best protect the Council's interests and which shall be agreed by the Strategic Director and Head of Legal and Democratic Services.
- 12.2 That the Partnership Manager be tasked to investigate the feasibility of forming a single service unit with the capability to provide the service to each of the partnering authorities, at the earliest opportunity.

SERVICES OFFERED

	IBC	SCDC	DBC
Building Notice Submissions	Y	Y	Y
Building Regs Submissions	Y	Y	Y
General Enquiries	Y	Y	Y
Consultations with Fire Officer	Y	Y	Y
Consultations with Anglian Water	Y	Y	Y
Plan Vetting & Inspections of BR	Y	Y	Y
Enforcement procedures	Y	Y	Y
Dealing with scaffolding, hoarding, banners and Tower Cranes over highway	Y	N	N
Land search charges	Y	Y	Y
Checking DC work on site (setting out/conditions)	Y	N	N
Searching records & Providing info to solicitors	Y	Y	Y
Managing BC/DC/Land Charges computer system	Y	Y(BC only)	Y(BC only)
Meetings and inspections for public Entertainment licensing	Y	N	N
Advice & inspections for houses in multiple occupation	Y	N	N
Street naming and numbering	Y	N	Y
Dangerous structures	Y	Y	Y
Permits for demolitions and inspecting work	Y	Y	Y
Recording info for Statutory Housing Returns	Y	Y	Y
Attending meetings and safety inspection for sports grounds	Y	N	N
Providing energy advice, maintaining records for HECA returns and issuing SAP certificates	Y	Y	Y
Attending meetings and participating in corporate projects	Y	Y	Y
Job evaluation process	Y	Y	Y
Development team	Y	Y	Y
Health & Safety Group	Y	Y	Y
Joint Working Group	Y	Y	Y
Best Value/CPA reporting	Y	Y	Y
Applying and maintaining quality initiatives ISO & IIP	Y	Y	Y
Access advice and consultation + Surveys	Y	N	N
Unison union activity	Y	N	N
Carrying out Fire Risk Assessments to Council Buildings	Y	N	N

STAFF STRUCTURES

	Existing (FTE's)			Proposed		
	SCDC	IBC	BDC	SCDC	IBC	BDC
Manager	0.5	0.5	1	0.33	0.33	0.33
Senior BCS	1	1	0	1	1	2
BCS	5	5	4	5	5	3
ABCS	3	4	1	3	4	1
TBCS	0	0	0	0	0	0
Tech. Assistant	0	0	1	0	0	1
Senior Clk	1	0	1	1	0	1
SIO	0	1	0	0	1	0
Clk	3	3	1.5	3	3	1.5
Total	<u>13.5</u>	<u>14.5</u>	<u>9.5</u>	<u>13.33</u>	<u>14.33</u>	<u>9.83</u>

Comments from SCDC Staff and Unison**Unison comments on the proposed extension of the Building Control Partnership.**

Unison has always been broadly in support of the BC partnership and therefore has no principled objections to its extension. Current staff are inclined to say – “just get on with it so we can sort out the practical issues”.

There is concern that the new Partnership Manager will be over-stretched trying to service three Councils, three management teams and three groups of staff.

The major concern is over where the Partnership may eventually be located geographically. It is recognised that in due course they will become semi-autonomous, and it is thought that this would be best achieved by the current [SCDC IBC] partnership relocating to somewhere suitable before looking for further partners.

Staff travel distances will be a practical as well as environmental issue.