

NORTH LINCOLNSHIRE COUNCIL

**REGENERATION
CABINET MEMBER**

BUILDING CONTROL PERFORMANCE REVIEW 2013

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 That the Cabinet Member notes the performance of the Building Control service in 2013.

2. BACKGROUND INFORMATION

- 2.1 Building Control is required to produce an annual performance review for the ISO external auditor.
- 2.2 The review highlights the difficulty in achieving income targets due to the recession. The number of fee earning Building Regulation applications has increased for the first time since 2009 (up 10.5%). The amount of fee income has risen similarly (up 9.5%). An additional £51,000 of income has been achieved through cross boundary working and other additional commercial services to customers.
- 2.3 The review also highlights some excellent performance results. This includes 100% overall customer satisfaction for a second year running.

3. OPTIONS FOR CONSIDERATION

- 3.1 To note the report.

4. ANALYSIS OF OPTIONS

- 4.1 Not applicable.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 5.1 There are no implications to highlight.

6. OUTCOMES OF INTEGRATED IMPACT ASSESSMENT (IF APPLICABLE)

- 6.1 Not applicable.

7. **OUTCOMES OF CONSULTATION AND CONFLICTS OF INTERESTS DECLARED**

7.1 Not applicable.

8. **RECOMMENDATIONS**

8.1 That the Cabinet Member notes the performance of the Building Control service in 2013.

DIRECTOR OF PLACES

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Background Papers used in the preparation of this report

Building Control Performance Review 2013



BUILDING CONTROL PERFORMANCE REVIEW 2013

The main challenge has been to achieve unrealistic income targets to allow the commercial service to balance the budget. A review of the service is ongoing which should reduce the pressure and resolve the problem for subsequent years. Despite these challenges, the performance of the section has yet again been excellent with 100% customer satisfaction results for the third year running and an increase in the level of commercial income and fee earning applications for the first time since 2009.

OVERALL ANALYSIS OF APPLICATIONS RECEIVED

APPLICATION TYPE	2012	2013	Difference
Full Plans (Fee Earning)	368	376	UP 2.25%
Partnership Apps (Fee Earning) outside North Lincs	38	51	UP 34.5%
Partnership Apps (Fee Earning) in North Lincs	38	46	UP 21%
Regularisation (Fee Earning)	24	34	UP 41.5%
Building Notices (Fee Earning)	310	363	UP 17%
Replacement Windows (Others) (Fee Earning)	33	26	DOWN 21%
Total No of Fee Earning Applications (Commercial Account)	811	896	UP 10.5%
Initial Notices (Fee Earning lost to private sector)	80	90	UP 12.5%
% of Fee Earning Applications lost to Private Sector as Initial Notices	9.75%	10%	UP 0.25%
Resubmissions of rejected Full Plans / Partnership applications (Non Fee Earning)	31	40	UP 29%
Competent Persons Notifications including cavity wall applications (Non Fee Earning)	7,534	8,950	UP 19%
Dangerous Structures (Non Fee Earning)	37	68	UP 84%
Demolitions (Fee Earning – Statutory Account)	32	26	DOWN 18.75%
Total No of Non Fee Earning Applications	7,714	9,174	UP 19%
Overall Number of Applications	8,525	10,069	UP 18.25%

In addition to the above, the following **Street Naming, Street Numbering and House Naming** schemes were completed:

Type of Scheme	2012	2013	Difference
Official Street Names	6	2	DOWN 67%
Official Street Numbering Schedules	40	50	UP 25%
Official House Naming Schedules	23	34	UP 48%

The section also processed 1849 **Land Charges Searches** in 2013 (including private searches), which is **8.75%** up from 1701 for 2012. This drop reflects the current recession.

Building Regulation Applications (Fee Earning) totalled 896, which is up by **10.5%** from 811 in 2012. This is the first time for many years that the number has increased, although the nature of the applications has included a larger number of minor schemes. There has again been a shift in application types from Full Plans to Building Notices.

Initial Notices (work carried out by our competitors) totalled 90, which is **12.5%** more than 80 in 2012, and the percentage of initial notices as opposed to the total of all fee-earning applications has increased slightly by **0.25%**. This keeps our market share of the work virtually the same. Significantly, the value of the work lost to the private sector decreased by **3%** due to the nature of the applications.

Competent Person Scheme Notifications (Non- Fee Earning) totalled 8,950 (up from 7,534 in 2012). This shows a significant **19%** increase. All of these need entering onto both the Building Control computer database and onto the Land and Property Gazetteer.

Dangerous Structures have increased significantly by **84%** (68 as opposed to 37 in 2012).

Demolitions have decreased by **18.75%** (26 as opposed to 32 in 2012). Demolitions now attract a fee but applications are required to the Council, as competition is not available.

Street Numbering schemes increased from 40 to 50, whilst **House Naming** increased from 23 to 34 and **Street Naming** has decreased from 6 to 2. The low number of street naming schemes reflects the drop in new housing developments.

OVERALL BUILDING REGULATION FEE INCOME ANALYSIS

FEE INCOME	2012	2013	Difference
Building Regulation Fee Income Received (Includes all commercial income)	£375,194	£410,993	UP 9.5%
Estimated Fee Value of Initial Notices lost to Private Sector	£42,000	£40,800	DOWN 3%
% of Fee Income lost to Private Sector	11.25%	10.00%	DOWN 1.25%

Commercial Fee Income for the calendar year 2013 has increased by **9.5%** to £410,993 (up from £375,194 in 2012) despite the state of the economy and the reduction in income from working for other Authorities. The service made a £77k loss on the commercial account in 2012/2013 and is due for a similar loss in this financial year. The income levels show both the success of the marketing initiatives (£17k for SAP, SBEM and CSH etc and £34k for cross boundary working) which in total achieved around £51,000. The percentage lost to the private sector has decreased by **1.25%** due to the nature of the applications and the reduction in income overall.

STATUTORY INCOME ANALYSIS

INCOME	2012	2013	Difference
Street Naming, Numbering, House Naming and Demolitions	£3,350.00	£5,140.00	UP 53%

Income from street naming, street numbering, house naming and demolitions increased significantly by **53%** during 2013.

TIME SHEET ANALYSIS

This shows the percentage of staff time spent on Building Regulation applications and is used to set the hourly rate. It also gives the split on time spent on work relating to both the commercial and statutory accounts based on current CIPFA guidelines.

YEAR	WORK ON BUILDING REGULATION APPLICATIONS	WORK RELATING TO COMMERCIAL ACCOUNT	WORK RELATING TO STATUTORY ACCOUNT
2012	35%	55%	45%
2013	34%	53%	47%

The analysis shows a slight decrease of **1%** of time spent on work relating to Building Regulation applications. The percentage of time spent on work relating to the statutory account increased by **2%** to 47%. Currently the Council only funds 30% of time spent, as the accounts are funded on a 70% commercial account (HP5100) and 30% statutory account (HP5101) split. This means that customers using the Building Regulation service are subsidising the statutory functions, which legislation does not permit.

PERFORMANCE ANALYSIS

All applicants receive **Customer Service Questionnaires** on completion. Results as follows:

Question	Percentage Satisfied 2012	Percentage Satisfied 2013	
1. How satisfied were you with the Building Control web page?	100%	99.5%	0.5% DOWN
2. How satisfied were you with the facilities at our Offices?	100%	99.5%	0.5% DOWN
3. How helpful and responsive were the Building Control personnel?	100%	100%	SAME
4. How courteous did you find the Building Control personnel?	100%	100%	SAME
5. How accessible were Building Control personnel?	100%	100%	SAME
6. Do you feel Building Control added value to the finished product?	99.5%	100%	0.5% UP
7. If you are a regular user of the service, has the quality of the service improved over the last year?	52% Yes 48% Same 0% Worse	50% Yes 50 Same 0% Worse	3% DOWN 3% UP SAME
8. Overall how satisfied were you with the service offered by Building Control?	100%	100%	SAME
9. Do you feel that Building Control applied the Building Regulations professionally?	100%	100%	SAME
10. Do you consider the approval and site inspections value for money?	81%	88%	7% UP

The results from the **Customer Questionnaires** for 2013 are very encouraging, with high satisfaction across the board. Particularly pleasing are the results for overall satisfaction, which maintained **100%** for the third year running and value for money which increased by **7%**. The only drops were in the web page and facilities, which were down by **0.5%**, but still achieved **99.5%** or over in both categories.

All applicants receive **Customer Diversity Questionnaires** on completion. Results as follows:

Question	Results 2012	Results 2013
1. What is your Gender?	Male 74% Female 26%	Male 69% Female 32%
2. What is your age group?	18-29 6% 30-39 21% 40-49 26.5% 50-59 24.5% 60-69 19% 70+ 3%	18-29 5% 30-39 15% 40-49 26.5% 50-59 16.5% 60-69 26% 70+ 11%
3. Which of the following best describes your ethnic group?	White British 93% White Irish 2.5% White European 0% Other European 0% Indian 1.5% White/ Asian 1.5% Bangladeshi 1.5%	White British 95.5% White Irish 0.75% White European 1.5% Turkish 0.75% Any Other 0.75% White/Black Caribbean 0.75% Bangladeshi 0%
4. Do you have a disability?	No Disability 91% Ambulant Disability 6% Wheelchair Bound 1.5% Learning Difficulties 1.5%	No Disability 89.25% Ambulant Disability 4% Wheelchair Bound 3% Visual Difficulties 0.75% Hearing Difficulties 3%

The results from the **Customer Diversity Questionnaires** are similar to last year, as they show a majority of white British, male customers, which have few disabilities, but with a fairly even split of age groups.

The **Performance Indicators** include areas covered by national Building Control Performance Standards together with indicators specific to North Lincolnshire Council. BC5 allows for a 30% reduction in the overall staff total to cover for non-commercial activities in line with national guidelines. The results are as follows:

Performance Indicator	Overall 2012	Target	Jan– Mar 2013	Apr– Jun 2013	Jul– Sep 2013	Oct– Dec 2013	Overall 2013
BC1 % of Building Regulation applications receiving a substantive reply within 15 days	97.75%	90%	99.5%	98.5%	97%	96.5%	98%
BC2 Number of site inspections per dwelling during course of construction	7.87	8.0	8.68	8.3	9.3	8.3	8.65
BC3 % of customers satisfied overall with the Building Control Service	100%	98%	100%	100%	100%	100%	100%
BC4 % of Building Regulation applications received on-line	29%	30%	32%	38%	38%	35%	36%
BC5 % qualified staff as % of all Building Control staff working on Building Regulation apps	76%	80%	76%	76%	76%	76%	76%

These results show that BC1–BC5 have all either maintained or improved on the high levels achieved in 2012. They have all achieved the relevant targets except for BC5, which has remained consistent. Customer satisfaction results have now been 100% for the last three years. The number of on-line applications continues to grow each year.

The Building Control Performance Standards also require that a questionnaire be sent to the Fire Service regarding the effectiveness of the consultation on each application. The table below highlights the responses for 2013.

FIRE SERVICE FEEDBACK QUESTIONNAIRE RESULTS 2013

Question	Satisfied 2013	Neither Satisfied nor Dissatisfied 2013	Dissatisfied 2013
1. Are you satisfied with the adequacy of your discussions with Building Control?	100%	0%	0%
2. Were you satisfied that the consultation with Building Control was at the most appropriate time in the application process?	100%	0%	0%
3. Are you satisfied with the effectiveness of the ongoing dialogue with Building Control?	100%	0%	0%
4. Are you satisfied with the effectiveness of Building Control in communicating the issues raised during consultation to the client?	100%	0%	0%

The above results show the effectiveness of the long and excellent working relationship with Humberside Fire and Rescue Service.

Benchmarking

The section has again participated in the National Building Control Performance Standards return, with submissions made for 2012/2013. Unfortunately, no results have been published to date.

Building Regulation Changes

There were changes to various Approved Documents in April. This included incorporating Part N into a new extended Part K. There were also changes to Parts B, M, P and Regulation 7. In addition, Parts A and C changed in October. Part L was due to change in October, but has been put back until April 2014.

Marketing

- As a result of increased marketing, there are now 43 Partner Companies signed up with the service. This means that there is potential for a significant amount of extra income from Partner applications across the country.
- A Customer Seminar Event was held in March which included an update on the service and a seminar by the Lead sheet Association.

- Three Building Control Newsletters were e-mailed to customers including posting on the website.
- The sixth regional South Yorkshire and the Humber LABC Building Excellence Awards were held at Forest Pines, near Scunthorpe and attended by 240 people. For the third year running, North Lincolnshire had winners in two categories.
- An arrangement was set up with Jackson Building Centres whereby Building Control Officer hold surgeries at the Scunthorpe Branch where builders and staff from the Building Centre can be updated on issues and have queries answered.
- Customers and Staff attended four free evening seminars arranged over the year at Scunthorpe through an arrangement with the Chartered Association of Building Engineers (CABE).
- The service has continued to work effectively with the other Authorities in South Yorkshire and the Humber to deliver free training events and the Regional Building Excellence Awards without any recognised marketing budget.

Training

Mainly through joint arrangements with Hull City Council, Humberside Fire and Rescue Service, the Chartered Association of Building Engineers (CABE) and South Yorkshire and the Humber LABC. Those highlighted * involved no direct costs to the section. The list includes:

- *Evening Seminar on Hold Open Devices through the CABE (8 Officers).
- *Evening Seminar on Easy Roof System through the CABE (6 Officers).
- *Evening Seminar on Natural Slate Roofing through the CABE (4 Officers).
- *Evening Seminar on Innovative Concrete Solutions through the CABE (8 Officers).
- *Lead Sheet Roofing Seminar and Building Reg update through North Lincolnshire Council (10 Officers).
- *Sprinkler Seminar through Humberside Fire and Rescue (2 Officers).
- *Structural Engineering Seminar through LABC Yorkshire (4 Officers).
- *Dangerous Structure Seminar through LABC Yorkshire (4 Officers).
- *Dealing with Initial Notices Seminar through LABC Yorkshire (1 Officer).
- Fire Detection and Alarm Seminar through IFE (4 Officers).
- *Sprinkler Seminar through IFE (2 Officers).
- Level 3 qualification attained to undertake non-domestic SBEM and EPC assessments through STROMA (1 Officer).
- *Confrontational Skills Training through North Lincolnshire Council (1 Officer).
- *City & Guilds English Language through North Lincolnshire Council (1 Officer).
- *Negotiation Skills through North Lincolnshire Council (1 Officer).
- *Business Presentation Skills through North Lincolnshire Council (1 Officer).

Other Changes and Issues

- One of the main difficulties facing the section has been the need to improve income in the face of the economic recession. This has been partially addressed through a combination of cross boundary working together with other commercial services.
- The section seconded a Senior Building Control Officer to North East Lincolnshire Council from February to November to assist with addressing the shortfall in commercial income.
- The section moved from Church Square House to the Civic Centre as part of a reorganisation. A review of the Planning and Regeneration Division is ongoing which will see Building Control incorporated into the wider Development Management Service.

- The section passed the annual audit on ISO 9001:2008 in January from the British Standards Institute without any significant issues.
- The service took on the role of Access Officer following the retirement of the previous post holder based in Property Services.
- The Government introduced the risk assessment aspect of determining the number of inspections in April 2013. This made a significant effect on all applications and may reduce income levels, particularly in terms of domestic work. Validating applications has become a more complex procedure particularly in respect of Building Notices.
- The SAP and Energy Performance Certificate service for dwellings continued to be a big success and introduced additional income. The Code for Sustainable Home assessment service has also been utilised including assessments in Barnsley, and the SBEM and Energy Performance Certificate service for non-dwellings also picked up several projects in the area. This includes Council buildings and has meant that a second officer has been trained to become an SBEM assessor.
- The process of receipting was changed and the till is not now used. Receipts are issued instead from receipt books, which is easier to reconcile.
- An Operational Plan for 2013/2014 was produced and actioned for the section.
- Surgeries continued on a fortnightly basis with Property Services (Architects, Building Surveyors, Estates and Facilities Management). This allows for input at an early stage, which helps all parties.
- The out of hour's service for dealing with Dangerous Structures has again been a success. The number of dangerous structure cases dealt with has risen by 84% after having been consistent for the previous two years.
- Building Control has taken on the duty of Fire Safety enforcement at Glanford Park under the Regulatory Reform Order on behalf of the Authority.
- All staff received Employee Development Reviews during the year.
- The South Yorkshire and the Humber LABC Marketing Group decided against producing a calendar this year. The group is also assessing the current arrangement for marketing the services against the private sector. This is in addition to organising the annual regional Building Excellence Awards. The next event is to be held at Forest Pines Hotel, Scunthorpe on 8 May 2014. This will again include a charity golf day.
- Work has been ongoing on updating application details on the computer system to ensure that the Land Charges section can deal with searches directly without passing through to Building Control. This will come into effect in 2014 and will free up capacity within the section.
- Work on updating the Building Control web pages continued throughout the year. The section also continues to act as web author for the regional website on behalf of the South Yorkshire and the Humber Authorities.
- Consultation with the appointed structural engineers is undertaken electronically since the change to the framework arrangement in July.
- The section continued to be a Chartered Building Consultancy through accreditation through the Chartered Institute of Building (CIOB).

Consultants

- The Building Control Standards Document requires that the Annual Review look at consultation with other partners etc.
- In terms of the Fire Service, there have been no problems highlighted on consultation throughout the year. The Performance Standards require that questionnaires be sent to the Fire Service on completion of all applications covering their involvement, and the feedback has shown 100% satisfaction with the consultation process.
- The two consulting engineering companies are required under the signed agreements to work to strict deadlines, which we consistently monitor. On the rare occasions that these

are not met, a penalty clause is invoked which reduces the fee paid to them for checking the relevant application. The penalty clause is part of the agreement and written into the ISO 9001:2008 procedures document. Overall, both companies provided a good service upto 30 June 2013. Since then a new Framework arrangement applied where only one company (C R Parrott Consultants) provides the checking service. This new arrangement has also worked very well. The Authority has now employed a Structural Engineer who can provide additional support particularly in terms of Dangerous Structures.

Staffing

- A Technical Administration Assistant post changed from three days a week to five days a week, but remained at 22 hours per week overall.

Overall Performance

- Problems remain in obtaining definitive guidance and training in advance from the Department of Communities and Local Government and LABC on issues such as reviews on legislation, changes to the Building Regulations, and other matters affecting Building Control.
- Although the total number of fee earning applications has increased significantly from last year, the income has not increased at the same rate due to the nature of the applications. The new Building Regulation fee structure introduced in 2010 has also made it more difficult for the service to achieve the previous income levels. The overall income has increased due to a proactive approach in developing other income streams.

The performance has been good overall and recognition to staff for their efforts is in order.

2014

Looking to 2014, again there are many challenges to address.

- One of the main issues will again be trying to maintain income against the backdrop of the economic recession. The review of the service should help to address this by reducing the income level required to break even.
- Discussions are currently ongoing for the service to supervise the site works relating to disability facilities grants and energy grants on behalf of Environmental Health. This will result in additional income for the service from commission currently received by Environmental Health and Housing.
- The review of the Planning and Regeneration Division is looking at the role of the Building Control service. This will look to create a generic administration team to cover both Building Control and Planning functions. This may well extend some duties and alter others which will assist in reducing the level of income needed to balance the commercial account. It is important that although Building Control will have no direct supervision over the new Administration function, that sufficient time be allocated to the two Technical Administration Assistant posts to continue the excellent marketing and website work that is currently provided for the service. The review will also look to move the street naming and numbering function from Building Control to the GIS Team with the creation of a new post. A Building Control Technician post would be deleted accordingly. A management review has seen the deletion of the Building Control Manager post with the post-holder taking voluntary redundancy on 1 April 2014. This will mean a restructuring of the team and a change in the managerial arrangements. A new post of Building Control Team Leader will replace the current Principal Building Control Officer post at the same time.

- Timesheet analysis has shown that the financial split should be at least 55/45 between the commercial and statutory accounts and not 70/30 as at present. This may be partially resolved in April 2014 with a change to a 60/40 split following an analysis of the savings from the Review.
- The move to the Civic Centre has created problems in terms of storage space and means that a significant number of files remain at Church Square House.
- A fire audit of Glanford Park Stadium is required in 2014 as the powers for fire safety enforcement have transferred from the Fire Service to the Authority.
- The agreement to hold Builders Surgeries at Jackson Building Centres will continue. The next surgery will be on Wednesday 12 March 2014. Other builder's merchants may adopt the arrangement.
- Regular Newsletters and forums will continue to engage with customers in order to both maintain and improve the market share of work and income. The next Joint Customer Forum with Planning will be on Friday 31 January 2014.
- Part L of the Building Regulations changes in April 2014. This will mean additional training is required for both staff and customers to address the changes. South Yorkshire & the Humber LABC will provide the training through events at Grimsby and Doncaster on Wednesday 29 January 2014.
- Free evening seminars will continue to be organised locally for staff and customers through an arrangement with the Chartered Association of Building Engineers.
- The Government are reviewing legislation to look at reducing the burden on construction. This includes future changes to the Building Regulations and possibly allowing self-regulation. There is likely to be a significant impact on the service.
- The effect of the temporary relaxation in Town and Country Planning legislation will mean that there is likely to be an increase in unauthorised works. This in turn will put additional pressure on the resources of the section in terms of enforcement.
- The seventh South Yorkshire and Humber Building Excellence Awards event is on Thursday 8 May 2014. The venue continues to be Forest Pines Hotel and Golf Resort, with a Charity Golf Day as part of the event. Considerable staff time is required to organise the event, but this is an excellent marketing opportunity for the section and should forge closer links with stakeholders.
- ISO 9001:2008 is due for auditing by the British Standards Institute in January.
- Produce a new Operation Plan for the service in 2014/2015.
- Continue to offer and expand the uptake in the domestic SAP/EPC service, Code for Sustainable Home assessment service and the commercial SBEM/EPC service.
- The framework arrangement for the external structural engineering support finishes in November 2014 and new framework arrangements are then required.
- PACE Training for staff is arranged for March 2014. Existing enforcement arrangements will need to be looked at following the Review.
- Property Services have now employed a Structural Engineer. This will allow an in-house service for dangerous structure advice during office hours and some structural checking of Building Regulation applications. For the majority of applications, the service will continue to use the external structural engineers procured through the framework arrangement.
- As one of the performance indicators is the percentage of fully qualified and experienced staff, there is a need to encourage the remaining Building Control Officers who are not corporate members of either the CABE/RICS to become fully qualified.
- A further rise is likely in the number of online applications in 2014.
- The introduction of electronic consultation with the Fire Service is likely in 2014.

Although overall there are many difficulties and uncertainties to address, I am confident that the Building Control Service will continue to meet the challenges ahead.