

SOUTH THAMES GATEWAY BUILDING CONTROL JOINT COMMITTEE

3 June 2010

FINAL QUARTER REPORT 2009/2010

Report from: Tony Van Veghel, Director, South Thames Gateway
Building Control Partnership

Summary

This report seeks to inform the Joint Committee of the progress of the Partnership over the last quarter of the financial year 2009/10.

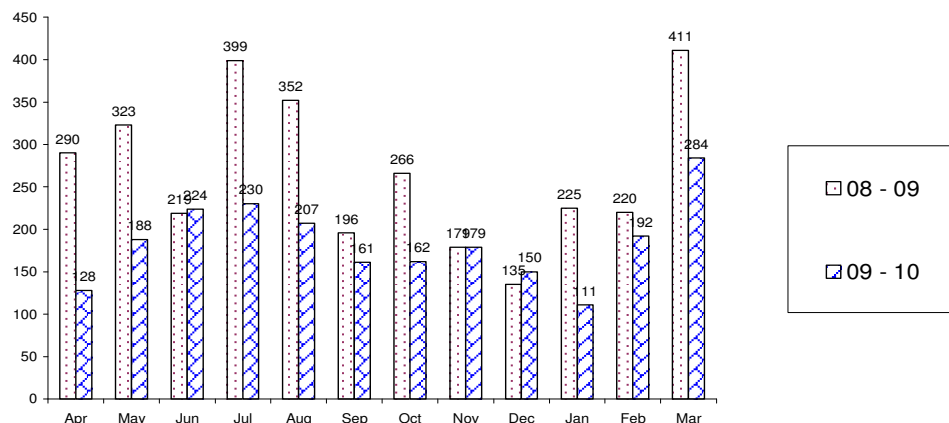
1. Budget and Policy Framework

1.1 The Joint Committee requires the preparation of monitoring reports to be reported to the officer Steering Group and Joint Committee.

2. Background

2.1 This report gives an overview of the position of both the budget and the progression against the objectives of the Business Plan 2009/10. It can be seen below that applications are significantly lower than last year and the effects of the recession have resulted in much lower than expected income. The Budget Monitoring report for the end of the year position is included in Appendix 1 and shows a slightly improved position to that reported in January reducing the deficit to £179,000 from a predicted £216,000.

Fee Earning Applications Received
2008/09 compared to 2009/10



Fee earning applications are down 31.07%

3. Delivery Plan Summary Update

- 3.1 January to March would normally reflect a recovery in building control applications and income, however this year the bad weather in January brought the construction industry to a halt. January's income was therefore considerably down on expectation. It was hoped that work that had been put into abeyance in January would transfer to February's workload, however, this did not prove to be the case. February's fee earning applications was the lowest on record reflected by each of the three authorities, consequently the end of year outturn was adjusted to reflect the poor economic recovery through this last quarter of the year.
- 3.2 A briefing session for members was called to bring attention to the budgetary pressures as well as to consider a developing options appraisal for moving the consultancy services into a local authority company. Members accepted the report concerning the slow economic recovery, the low number of fee earning applications and consequent income and it was noted that this would require additional contributions to be funded from the partner authorities to make up the proposed deficit. Members also acknowledged the contribution of staff in trying to mitigate some of these pressures including the voluntary acceptance for reduced hours for 7 staff over a 6 month period. It was further acknowledge that during the downturn in fee earning applications staff resource had been switched to non-fee earning aspects of the core functions and that this had allowed for a retrieval in a number of areas such competent person schemes, Fensa and cavity wall insulations which need to be recorded for search and HIP enquiries. There was also a substantial increase during this time in the number of applications for disabled persons which generate both application validation and inspection processes but which do not generate any additional income.
- 3.3 The options appraisal for consultancy services was taken to Joint Committee in March. A great deal of market research had been carried out to determine level of demand for these services over the next year and it was proven that given the economic situation whilst clients still expected to be able to engage with their building control provider for these additional services, there was not a level of demand that would have warranted a move to a local authority company. Members therefore decided to encourage the expansion of the consultancy services in order to maintain and capture market share but not to move to a local authority company at this time.
- 3.4 In order to generate additional income and effectively use resources available to us negotiations have been ongoing with the Housing section at Medway Council for STG to carry out the clerk of works role for the Decent Homes programme. The current programme has been extended until the end of May, but agreement has been reached so that STG will take over this function on the new programme likely to be initiated in June of this year.

- 3.5 A lot of work has been carried out over the last quarter to finalise implementation of the new website. In order to ensure value for money the new website has been provided by an off-site supplier but trained STG staff will have immediate access so as to regularly update the site with current news and articles. The quarterly newsletter has been well received by customers with requests for previous articles on related topics. Interviews have been carried out with the Chief Executives of each of the three partner authorities to capture their endorsement for the partnership as well as light hearted reflections on their views and style of management. Full interview articles will be published in the June 2010 newsletter.

4. Use of resources overview

- 4.1 The implementation of the programme to reduce costs by staff volunteering to reduce hours commenced in January and the full effects of this will impact more generally on the 2010/11 budget. There will obviously be impacts on resources as this number increases to 7 over the year and their workload has to be picked up by staff that remain in the office. In order to offset some of this pressure and augment our service we have taken on 2 “future jobs fund” candidates who will be assisting in scanning and data input areas of the administration support.
- 4.2 The IT problems at the satellite office continue and there is reduced functionality of the now one computer that is now available there. There are also difficulties in printing from the MIS system. The solution to this has been examined and proven to be too costly as it would require an additional connecting line through to Swale which would cost in the region of £11,000. Further discussions are ongoing with both IT sections at Swale and Medway to try and enhance the resources currently available.

5. Performance risks/emerging issues

- 5.1 Poor weather in January and a slower than expected recovery in February has meant an adjusted pressure on the budget of £179,105 which has been reported to the partner authorities and their contributions are agreed for the end of year sign off of the budget. The proportions for each authority are as agreed in the constitution ie 20% Gravesham (£35,821), 53% Medway (£94,926) and 27% Swale (£48,358).
- 5.2 This is some £37,000 better than predicted in the January report reflecting a number of mitigation measures that were put in place during the year.
- 5.3 New charges legislation has been announced which is applicable from 1 April 2010 but has a transition period up until end of September 2010. The legislation requires a much more open and transparent transaction between local authorities and their customers in that it incorporates a standard hourly rate (to be determined by each authority) which will determine based on time spent on plan checking, validation and

inspection the cost of each operation. A risk analysis has to be carried out on each application as well so as to determine if the likely charge may go up or down dependent on the standard of workmanship. Each authority is required to publish a scheme which will indicate how this is going to be achieved and discussions are ongoing between authorities both regionally and nationally to discuss a way forward.

6. New ways of working and value for money

6.1 Remote Working

Unfortunately the upgrade to the MIS system has not taken place yet and has had to be renegotiated for application by 1 June. Further training will be required and therefore the use of remote working by surveyors is not likely to take place before the 2nd quarter of the year. Further work has been ongoing to support the use of standardised paragraphs in particular for plan checking and these have been loaded onto each surveyors tablet. Over the next few months further standardisation of paragraphs that can be used for inspection reports will be added to these downloads.

6.2 Decent Homes Surveys

Negotiations have been ongoing with the Housing section with regards to STG taking over the role of clerk of works for the Decent Homes programme. The current programme has been extended until May 2010 but it is anticipated that the new programme will commence in June and that we will be providing one surveyor to carry out the clerk of works role for the rest of the year. Three surveyors have undergone training by shadowing the existing clerk of works and we will be designing reports and monitoring sheets as required by those surveyors over the next month. It is anticipated that when we commence the role it will generate sufficient income to pay for the remainder of a surveyors post between June 2010 and March 2011.

6.3 Finance

The debt collection meeting was held with Gravesham in January and an up-to-date list of aged debt was given for them to consider, whilst they have agreed that the list was manageable details of how the scheme would be set up and pursued have yet to be agreed between the finance and legal departments. Further discussions will take place in the next quarter.

7. Workforce Development

7.1 Two candidates from the Future Jobs Fund scheme have been taken on to assist the administration support team with scanning and data input. These have already proved to be very successful appointments with both candidates being enthusiastic and already making substantial contributions to the administration operation.

7.2 One surveyor has now been trained and is now qualified on SAP Assessment and will assist on both code and energy assessments as well as being able to assist other surveyors in the checking of SAP calculations. Further surveyors will be required to go on this training which will be funded from the new financial year training budget as well as the agreed option that was taken to members in March. Kent Building Control have agreed to part fund one surveyor from each authority through a code for sustainable homes programme but because of the partnerships size we have negotiated two candidates that would be available.

7.3 Three members of staff have undergone training so as to be able to facilitate the clerk of works role within the Decent Homes programme.

One surveyor has successfully completed his degree course with the Association of Building Engineers through Hallam University Sheffield and is currently awaiting his membership interview due to take place in June.

7.4 Equalities training has been undergone with the majority of members of staff with the management team having had diversity impact training and managing people not stereotypes training.

7.5 A further member of the administration team is being trained on auditing the QA system so as to be able to assist before BSI inspections.

8. Data Quality

8.1 Fortnightly audits are taking place through all of the procedures so that a full report is available for the next BSI inspection in May 2010.

8.2 A management review meeting will take place to review all of the procedures and any corrective actions required following the audit.

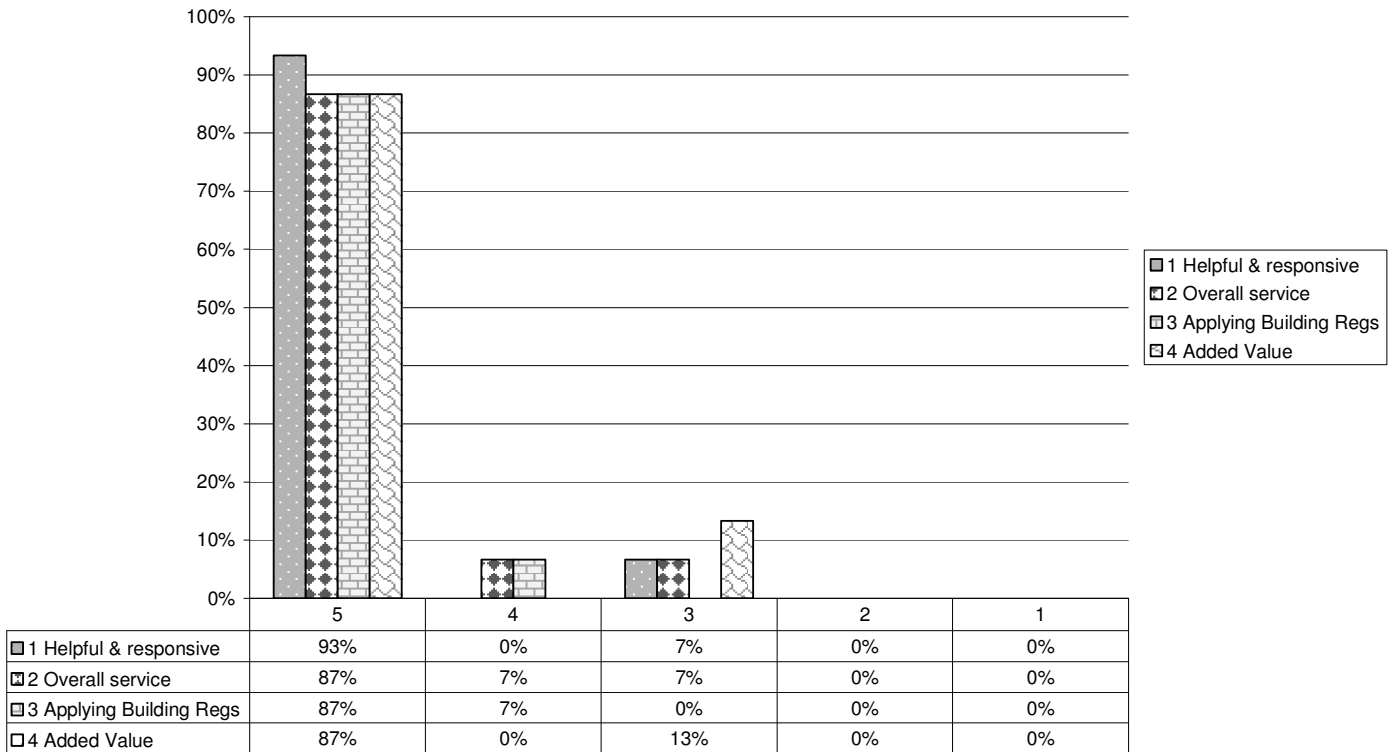
9. Access to service (equalities)

9.1 There continues to be a poor response to ethnicity monitoring through our questionnaire but following discussions in the equalities training this seems to be common place across the organisation. Alternative methods of collating information perhaps through regeneration community forums may be an alternative and further investigation will be ongoing through 2010/11.

10. Customer feedback and consultation

10.1 Below is a table showing our customer feedback:

Customer Feedback - January 2009 to March 2009



11. Benchmarking

11.1 A meeting of the Kent Building Control Benchmarking working group was held at STG in March to consolidate discussions and work that had been ongoing over the last 4 months to decide on which areas of work could be benchmarked against. These have now been presented to the wider group and have been accepted. Members of Kent Building Control will therefore be asked for benchmarking data on:

- registration and acknowledgement of applications within 3 days
- percentage of plans checked within 15 days
- percentage of plans checked within 10 days
- percentage of applications determined within 5 weeks or 2 months (as appropriate)
- percentage of completion certificates sent within 5 days of completion
- percentage of dormant sites contacted within 6 months of last inspection

11.2 Information on as many of these as can be reported on will be asked from each authority, data required relates to 2009/10. A number of authorities have also expressed an interest in taking part in a review of their service after filling in the quality performance matrix. Once the data has been collated a number of peer reviews will be carried out to give qualitative feedback to the participating authorities.

12. Sustainability

- 12.1 By resolving the issues at the satellite office we will be reducing staff travel and CO2 emissions.
- 12.2 All possible electrical equipment is switched off at the end of the working day in order to reduce energy consumption. Electronic mailing is used where possible.
- 12.3 Staff recycle paper, waste and toner cartridges and also take home food waste for composting.
- 12.4 Reduction in postage in dealing with electronic submissions for disabled applications.
- 12.5 Potential reduction in postage after determining the number of agents who are prepared to receive approval notices only with scanned plans retained at our office.

13. Partnership working

- Working in partnership with MEBP for work placements to give experience and understanding to students looking for career opportunities in the built environment.
- The business buddy scheme with Hundred of Hoo School for New Construction and Built in Environment Diploma.
- Partnering agents increased by one this quarter bringing us to a total of 19 partners.
- Partnership with Medway Access Group to evaluate developments.
- Active partnership with Fire and Rescue Service based within offices here.
- Partnership with Southern Water, in particular sewer agreements and Regulation H4.
- Partnership with Structural Engineering Consultant.
- Partnership with Construction Skills Council using Ambassador for Construction Skills Council Champion.

14. Financial Implications

- 14.1 There are no direct financial implications as a result of this report.

15. Legal Implications

- 15.1 There are no direct legal implications as a result of this report.

15.2 Legal Implications from Swale Borough Council will follow.

16. Risk Management

- 16.1 As this report reflects on the final quarter of the last financial year there are no risks associated with it.

17. Recommendations

17.1 It is recommended that Members note the report.

18. Suggested Reasons for Decisions

18.1 The Joint Committee has a key role in monitoring the activities of the Partnership.

Lead officer contact

Tony Van Veghel, Director, South Thames Gateway Building Control Partnership, Compass Centre, Chatham Maritime, Kent, ME4 4YH
Tel: 01634 331552
E-mail: tony.vanveghel@stgbc.org.uk

Background papers

None

APPENDIX 1

March 2010 Monitoring Statement for STG Building Control Partnership

Subjective Description	Current Year Total Budget	Total Actuals and Commitments Year to Date	Manager's Forecast	Manager's Variance
Admin Staff	1,294,785	1,240,594	1,240,594	(54,191)
Relief&Temp St	0	60	60	60
VDU/Eye Tests	0	17	17	17
Medical Referrals	0	0	0	0
Allowances	16,883	8,090	8,090	(8,793)
Clothing Allowance	2,000	625	625	(1,375)
Call Out Fees	9,819	8,769	8,769	(1,050)
Employee Related Insurance	1,554	1,554	1,554	0
Staff Training	8,000	5,131	5,131	(2,869)
CRB Checks	0	36	36	36
	1,333,041	1,264,875	1,264,875	(68,166)
Repairs Maint Buildings Gen	1,600	2,219	2,219	619
Electricity	4,000	7,818	7,818	3,818
Gas	1,500	2,358	2,358	858
Rents External	56,000	54,430	54,430	(1,570)
Non Domestic Rates	22,000	26,208	26,208	4,208
Water & Sewerage Charges	600	749	749	149
Contract Cleaning	6,000	7,159	7,159	1,159
Trade Refuse	0	23	23	23
Premises Security	0	0	0	0
Premises Insurance	0	700	700	700
	91,700	101,663	101,663	9,963
Vehicle Insurance	321	321	321	0
Public Trans	500	112	112	(388)
Park Fees	250	126	126	(124)
Staff travel -Leased Mileage	16,000	10,887	10,887	(5,113)
Casual User	1,500	75	75	(1,425)
Essential User 0	44,000	36,461	36,461	(7,539)
	62,571	47,981	47,981	(14,590)
Equip/Furn/Mats	1,500	1,573	1,573	73
Equip Rental Leases Licences	3,400	5,054	5,054	1,654
Books/Pubs/News0	1,000	2,651	2,651	1,651
Refreshments at Meetings	2,000	294	294	(1,706)
Printing Stat & Gen Off Exps	0	163	163	163
Printing Stat Chargeable	0	44	44	44
Printing Stat Non Chargeable	0	0	0	0
Printing	4,500	2,689	2,689	(1,811)
Stationery	5,200	9,001	9,001	3,801
General Office Expenses	1,000	1,148	1,148	148
Microfilming	500	0	0	(500)
External Audit Fees	1,845	2,000	2,000	155
Agency Staff Security	1,400	4,051	4,051	2,651
Consultants Fees	12,000	3,225	3,225	(8,775)
Consultants Fees Chargeable	0	4,860	4,860	4,860
Consultants Fees Non Chargeabl	1,000	1,239	1,239	239
Consult Fees Part P Electri	1,000	8,705	8,705	7,705
Consultant FeesSTG Consultancy	0	580	580	580
Land Registry Fees	1,000	1,128	1,128	128
Pager Mobile Phone	1,500	1,512	1,512	12
Call Costs	0	111	111	111
Line Rental	0	93	93	93
Postage	12,000	7,693	7,693	(4,307)
Computer Hardware	2,000	2,212	2,212	212
Computer Software	23,000	23,985	23,985	985
Subsistence	2,000	869	869	(1,131)

Subscriptions	8,000	5,787	5,787	(2,213)
All Risks Insurance	1,000	1,000	1,000	0
Publicity	8,000	3,310	3,310	(4,690)
Miscellaneous Expenses	0	26	26	26
Advertising	4,000	2,524	2,524	(1,476)
Compensation For Complainants	0	2,500	2,500	2,500
	98,845	100,026	100,026	1,181
Fin Mgmt SLA	0	10,000	10,000	10,000
Exchequer SLA	0	10,000	10,000	10,000
Fin Supp SLA	20,000	0	0	(20,000)
HR SLA	11,000	3,910	3,910	(7,090)
Org Dev SLA	0	2,900	2,900	2,900
Adv & Cons SLA	0	1,092	1,092	1,092
HR Ops SLA	0	849	849	849
HR Resource SLA	0	1,101	1,101	1,101
H&S SLA	0	1,148	1,148	1,148
IT Comp SLA	33,800	28,800	28,800	(5,000)
IT Business SLA	0	0	0	0
Legal SLA	10,000	(2,332)	(2,332)	(12,332)
	74,800	57,468	57,468	(17,332)
Conts from Public Bodies	0	0	0	0
Conts from OLAs	(427,758)	(606,864)	(606,864)	(179,106)
Contributions From Reserves	0	0	0	0
	(427,758)	(606,864)	(606,864)	(179,106)
Fees & Charges General	(5,600)	(5,986)	(5,986)	(386)
Land Charges Fees	(20,000)	(30,895)	(30,895)	(10,895)
Building Control Fees	(1,165,599)	(882,808)	(882,808)	282,791
BldCtFeeConsultSTG Consultancy	(10,000)	(1,952)	(1,952)	8,048
Bldg Ctrl Regularisation	(32,000)	(34,866)	(34,866)	(2,866)
Bldg Cont Fees Part P	0	(613)	(613)	(613)
BldCtFees PartPPart P Electric	0	(6,398)	(6,398)	(6,398)
Miscellaneous Receipts	0	(1,632)	(1,632)	(1,632)
	(1,233,199)	(965,149)	(965,149)	268,050
TOTAL EXPENDITURE	1,660,957	1,572,013	1,572,013	(88,944)
TOTAL INCOME	(1,660,957)	(1,572,013)	(1,572,013)	88,944
TOTAL RECHARGES	0	0	0	0
TOTAL NET	0	(0)	0	0