

SOUTH THAMES GATEWAY BUILDING CONTROL JOINT COMMITTEE

20 September 2012

SOUTH THAMES GATEWAY BUILDING CONTROL BUSINESS PLAN 2012/2017

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

Summary

The report sets out the revised business plan for the second term of the partnership covering a five year period 2012-2017 and seeks approval for this draft to be sent for consultation to partner authorities.

1. Budget and Policy Framework

1.1 The Constitution states that before 1 October each year the Joint Committee is required to approve and send its draft Business Plan for the following year to each Partner Authority for comments.

2. Background

2.1 The Joint Committee's Constitution sets out the process for approval of the Partnership's Business Plan each year and the timing required to ensure that each Partner Authority is able to incorporate associated budget requirements into the financial planning process for the subsequent year. The stages to this process are as follows:

- Before 1 October each year the Joint Committee is required to approve and send its draft Business Plan for the following year to each Partner Authority for comments
- Each Council has 35 days (from receipt) to provide comments to the Secretary of the Joint Committee on the draft Business Plan
- The Joint Committee is then required to meet to consider any comments received and agree any revisions to the draft Business Plan.
- By no later than 5 January the Joint Committee has to send a revised draft to each Partner Authority for their final approval.

- Each Partner Authority must advise the Secretary to the Joint Committee whether it approves or rejects the revised draft Business Plan by no later than 10 days before the Annual Meeting of the Joint Committee (The Joint Committee will formally adopt the Business Plan at its Annual meeting).

2.2 There are also provisions in the Constitution of the Joint Committee stipulating the process and timescales for agreeing amendments to the Business Plan during the course of each year.

3. Executive Summary

3.1 In March 2012 Members agreed unanimously for the Partnership to continue into a second term from October 2012 to September 2017 and this was formally agreed through each of the partner authorities Cabinets. This plan sets out the objectives, financial arrangements and delivery plan over that period.

3.2 The construction industry was badly hit by the recession of 2008 and has shown very little sign of recovery. Forecasts are for a gentle rise in activity around 2014/15 but very little before that. By utilising the skills and expertise of the staff, the Partnership has been able to maintain a first class service to customers whilst increasing its offer by incorporating additional work through the consultancy.

3.3 A Government consultation on future changes to the building control system at the beginning of 2012 is likely to result in a number of changes for building control bodies both in the public and private sector. There is a focus on sustainability issues and the interaction with “green deal” and potential for additional enforcement powers for local authorities to try and raise standards particularly in the domestic market.

3.4 Investment in IT is critical in delivering the business plan objectives over the next 5 years with further improvements through customer self-service, application tracking and mobile working where we will be able to increase our capacity without increasing staff numbers or costs.

3.5 The forward projection is for a small recovery of between 4% to 5% in 2014/15. An increase in residential developments should see a rise in the demand for energy calculations through the consultancy. When there is significant activity in this market there will be a further investigation into a business case for the consultancy to become a local authority company.

3.6 The possibilities of expanding the Partnership by additional authorities will be examined through out the next 5 years as opportunities arise. This may have to take account of a change in office arrangements, as our current lease will expire in March 2015. With the advancements of

mobile working we anticipate a 15% saving in accommodation costs post 2015.

- 3.7 The next phase of the Partnership will not only consolidate the successes of the past 5 years but also continue the expansion of services, staff development and improved customer service which the investment of the three partner authorities has allowed.

4. Financial Implications

- 4.1 Section 7 of the Business Plan details a five year financial plan covering the next term of the Partnership.
- 4.2 This includes contributions payable by the constituent authorities that will be ratified by their acceptance of the Plan.

5. Legal Implications

- 5.1 Where appropriate these are set out in the report and in the Business Plan. The Business Plan makes provision for partnership working with private architects. This will be done under the recognised Local Authority Building Control Partnership scheme.

6. Risk Management

- 6.1 Should fee earning applications and therefore income fall below expectations and outside of any mitigating proposals put forward to enable a zero based budget there may be further calls on the contributions from each of the partner authorities. However, this would be only applied for as a last resort.

7. Recommendations

- 7.1 That the Joint Committee approves the Business Plan for consultation as set out in the summary of this report.

8. Suggested Reasons for Decisions

- 8.1 The Joint Committee has a duty under the Memorandum of Agreement to formally consult with partner authorities on the draft Business Plan.

Lead officer contact

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Background papers

None