

**RENEWAL OF BUILDING CONTROL PARTNERSHIP**

**SUMMARY AND RECOMMENDATIONS:**

This report considers a proposal to renew the Hart and Rushmoor Building Control Partnership as a shared service between the two authorities to discharge the statutory building control functions for both areas for a further five year period.

The cabinet is recommended to approve the renewal of the Hart and Rushmoor Building Control Partnership to provide a shared building control service for a further five years until 31 March 2026, unless terminated earlier in accordance with the provisions of the agreed Deed.

**1. INTRODUCTION**

- 1.1. This paper provides details of the proposal to extend the Partnership between Hart DC and Rushmoor BC to provide a Building Control service for another five-year term.

**2. BACKGROUND**

- 2.1. Hart District Council and Rushmoor Borough Council entered into a shared service to form a Building Control Partnership in July 2015. This arrangement was set out in a legal deed with an initial term of five years, ending on 30 June 2020. By exchange of letters in June 2020, the term of the Deed was extended until 31 December 2020, to facilitate a review of the service and the consideration of renewal for a further term.
- 2.2. Local Authorities have a statutory duty to provide a Building Control function under the Building Act 1984.
- 2.3. The Councils originally agreed to establish a Partnership to fulfil their respective building control statutory functions as a result of both authorities experiencing a reducing workload with a small workforce within the competitive Building Control market, where independent Approved Inspectors were becoming increasingly active. The Building Control team is based out of Rushmoor's offices in Farnborough, and currently numbers five

building surveyors, a small technical support team and a Partnership Manager.

- 2.4 The partnership has worked successfully and has been competitive with an estimated 70% of the local market. The service is continuing to develop with the intention to move to a more mobile and digital approach. This has been delayed due to uncertainty about the IT provider for Hart DC. However, the first stage will be implemented in January 2021. Building Control faces a changing legislative environment due to the Grenfell tragedy and the response to Climate Change with new responsibilities likely to emerge in 2021.

### **3. DETAILS OF THE PROPOSAL**

#### **General**

- 3.1. Building Control provides a range of services to the community centred around the enforcement of the Building Regulations 2010 which is a statutory requirement for all Local Authorities.
- 3.2. The Partnership has enabled Rushmoor BC to achieve operational resilience and financial stability from a potentially unworkable situation previously. A recent audit review of the service has found that the Partnership had been highly successful, delivering excellent customer service since its inception, winning back a good portion of market share and providing a solid efficient service for the benefit of residents and businesses in both areas.
- 3.3. The renewal of the Deed retains the core principles of the original structure but reflects both the financial reality of the Partnership and an improved oversight following a recent audit review of the Partnership by RBC.
  - The original Deed set a 50:50 split of costs within the Partnership but it became clear that analysis of the fees and application numbers weighed the costs to a 60:40 split towards Hart DC. Thus the Steering Group who have operational oversight of the service met and agreed that costs should be split 60% to Hart and 40% to Rushmoor in 2018. However, the agreement was set outside the formal structure of the original Deed and so the decision was made to formalise this principle going forward. Application fees are set on a cost recovery basis only so effectively the higher the income the greater the cost. In addition, the draft Deed also provides a mechanism to review this on an annual basis as patterns of work change across the areas.
  - The Partnership was audited last year and a number of issues were highlighted including the need for increased oversight. Unfortunately, a senior management post giving specific line management was unfilled at Hart DC and the Steering Group did not meet officially for the last 18 months of the Partnership term. The new Deed has implemented the recommendations of the audit report in full.
  - The new Deed also reflects that the Partnership has been in place for over five years. Several clauses have been amended following a

review with legal to modernise the wording to reflect issues around GDPR and data protection and staffing arrangements.

## **Consultation**

- 3.4. The renewal of the Deed has been overseen by Legal and Finance at both RBC and Hart DC and is in its final stages of oversight by Hart DC legal team .
- 3.5. The Deed has a Steering Group who oversight the workings of the Partnership and it sets out the agreed approach to oversight. The Steering Group is comprised of both Heads of Service and Portfolio Heads for each LA and the Partnership Manager.

## **4. IMPLICATIONS (of proposed course of action)**

### **Risks**

- 4.1. The Proposed renewal of the Partnership represents a continuation of the currently successful working arrangements. The renewal of the Partnership will ensure that RBC have continuing resilience to provide a Building Control service for the next five years.
- 4.2. The changes to the allocations of cost in accordance with workloads and fees rather than by a fixed formula helps ensure that authorities costs and income are aligned and neither is advantaged or disadvantaged by changes in income and cost.

### **Legal Implications**

- 4.3. No additional Legal implications other than identified in Deed.

### **Financial and Resource Implications**

- 4.4. The changes within the deed so that allocation of cost reflects workload will in the short term provide a positive benefit for Rushmoor. The fact that costs will be aligned with income ensures that they are appropriately allocated across the authorities in line with the resources required to deliver the service in the respective areas.

### **Equalities Impact Implications**

- 4.5. None

### **Other**

- 4.6. None

## **5. CONCLUSIONS**

- 5.1. RBC must provide a Building Control function and the continuation of the Partnership has shown that this is an effective option to discharge our responsibilities. Staffing resilience and the benefit of a shared work space has given improved financial status to the service. BC work in a very competitive market where private Inspectors chase every application and only good service and customer care result in return business.
- 5.2. Rushmoor BC have duty to provide the service and to make sure its provided in a modern, commercial manner with good customer care. The renewal of the Partnership will ensure the service is delivered well, meets all regulatory requirements in an ever changing world and with additional resilience to a provision by a single Council.

## **BACKGROUND DOCUMENTS:**

Internal Audit Update Licensing and General Purposes Committee 28 September 2020

<https://democracy.rushmoor.gov.uk/documents/g825/Public%20reports%20pack%2028th-Sep-2020%2019.00%20Licensing%20Audit%20and%20General%20Purposes%20Committee.pdf?T=10>

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