

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF TECHNICAL SERVICES	EXECUTIVE COMMITTEE	5 MARCH 2024	10
PROPOSAL TO DEVELOP A WYRE AND FYLDE BUILDING CONTROL SHARED SERVICE			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of Lead Member for the Environment, Councillor Tommy Threlfall.

PURPOSE OF THE REPORT

This report seeks approval to commence work on developing a shared building control service between Wyre Borough Council and Fylde Borough Council.

This report does not seek approval to implement a shared building control service, that will be a subsequent decision of the Cabinet or Executive Committee of each authority.

Wyre Borough Council have received similar approval from its Cabinet in February 2024, the two decisions, taken contemporaneously, setting a clear statement of intent thus allowing detailed and involved exploratory work to commence.

RECOVERABILITY

This decision is recoverable under section 7 of part 3 of the constitution.

RECOMMENDATION

That the committee approve commencement of work on developing the shared service proposals as outlined in this report and delegate the Head of Technical Services to undertake the work with Wyre Borough Council to achieve this.

REPORT

BACKGROUND

1. Fylde Council and Wyre Council building control services are mandated by the duty set out in the Building Act 1984.
2. Building control is the process by which the Building Regulations are enforced and are set down by Government. They are a set of standards for the design and construction of buildings primarily established to ensure the health and safety of people in and around buildings through regulations for fire, structural safety, energy conservation and cover access for all, internet provision and other areas.

3. The Building (Local Authority Charges) Regulations 2010 (Charging Regulations) and associated Chartered Institute of Public Finance and Accountancy (CIPFA) guidance require local authority building control to set charges to recover the costs of carrying out the building regulation service.
4. Only a local authority can undertake enforcement of the Building Regulations

THE CASE FOR CHANGE

5. The Government are improving the professional standards and introducing regulatory oversight of all building control inspectors and organisations via a new framework for registration of the technical officers and a new monitoring system by the HSE as a regulatory oversight of the profession. These changes are part of the Government's response to the Grenfell tragedy of 2017 with the new primary legislation being the Building Safety Act 2022. The Building Safety Act will run alongside the Building Act 1984 with both pieces of legislation aimed at bringing about fundamental change to the building safety regime in England. There are new legal responsibilities of duty holders such as Client/Designer/Contractor which mirror those under the Construction (Design and Management) Regulations of 2015.
6. There is a new Building Safety Regulator (BSR) that works under the HSE and will oversee the safety and performance of all buildings rather than just higher risk premises. BSR have set out new requirements and standards that apply to the building control service.
7. Officer Registration with the BSR is compulsory from April 2024 and the ability of building control professionals to practice will be dependent upon the validation of levels of competency leading to a considerable increase in training requirements and validation of experience. From April 2024 only 'Registered Building Inspectors' may undertake many of the functions currently completed by Building Control Officers.
8. Councils can only discharge the statutory functions by using correctly registered Inspectors and it is the responsibility of the local authority to resource this.
9. A consequence of this is that many building control officers are leaving the profession meaning recruitment and retention of staff is increasingly difficult. It puts at risk both authorities' ability to maintain high standards of service delivery and income.
10. Smaller teams in both Fylde and Wyre councils tend to present lower efficiency and effectiveness. For example, they do not have the staff numbers or registration capability to cover leave or to deal with more complex projects or to dedicate to marketing and sales to increase market share and income, or train staff; an essential element in terms of maintaining competence in line with Building Safety Regulator requirement.
11. Nationally private sector competition has increased over recent years. Whilst market share at Wyre and Fylde remains at or above the national average, Als are looking at developing existing income streams as the scope of work available to them diminishes following implementation of the Building Safety Act 2022.
12. Fylde and Wyre Building Control services are experiencing similar issues. Working together, officers have been reviewing options for future service provision. Uncertainty around the changing regulatory framework has been a key consideration in the decision to recommend pursuing a shared service approach. Longer term there may be an opportunity to consider establishing a Local Authority Trading Company.

VISION FOR A SHARED SERVICE

13. Fylde and Wyre Building Control services are experiencing similar issues of lack of staff. Working together, officers have been reviewing options for future service provision.
14. The proposal is to explore merging the Building Control services of Fylde Council and Wyre Council. The intention at this stage would be for Wyre Borough Council to become the host or employing authority for the shared service however Wyre would then need to have sufficient delegated powers and insurance to cover the Fylde area.
15. The vision for the shared building control service is for a resilient and efficient service that ensures the building regulations are complied with and enforced across Wyre and Fylde ensuring safe, healthy, and fit for purpose buildings in our communities.
16. A shared service would have the legal capacity, skills, and expertise to meet the emerging competence requirements from the Building Safety Act and provide an environment of constant learning and development

helping our staff to improve their skills, gain sector-specific qualifications, adapt quickly to emerging requirements, and give confidence to our communities.

17. The shared service will deliver an enforcement regime demanded by the BSR and the Building Safety Act 2022.

A PROPOSED SHARED SERVICE

18. The proposal is to explore merging the Building Control services of Fylde Council and Wyre Council. The intention at this stage would be for Wyre Borough Council to become the host or employing authority for the shared service.

19. In addition to carrying out the Building Regulation function, the service would also undertake other associated statutory functions such as dealing with dangerous structures, demolitions etc.

20. It is anticipated that there would be a transition period, where each authority continues to operate in their current way, such as ICT, email addresses, office location etc. The ambition would be to work towards implementation of a shared service by 1 April 2025 at the latest.

STAFFING RESOURCES AND STRUCTURE

21. Bringing together the two building control teams should bring about an improvement in resilience, which is a key driver for the two authorities, however simply combining the existing teams without considering capacity, competency and succession planning is likely to result in the creation of a larger team with the same problems as at present.

22. Both teams need experienced technical officers, able to deal with the full range of work likely to be submitted to their authority and support staff who are capable and experienced in dealing with all aspects of technical support for the building control service.

23. A new structure needs to provide sufficient resilience and legal capacity to enable all core functions to be effectively and safely undertaken and enable focus to be given to promoting the service, maintaining existing and developing new customers as well as ensuring the 'new team' is best placed to support a growth agenda. Creating a hierarchical structure with career graded posts will enable the service to offer career development and progression and more flexibility with recruitment.

FINANCIAL & LEGAL MATTERS

24. Local Authority Building Control services operate on a cost recovery basis, essentially running at a breakeven position over a three-year period. The service consists of fee and non-fee earning services, for example there is a fee for discharging compliance with the Building Regulations. However, dealing with dangerous buildings or enforcement are non-fee earning. The regulatory changes outlined in this report place a greater emphasis on enforcement activity for the Local Authority and the implications of this can only be fully understood from April 2024.

25. The ambition for the shared service is that it should be able to operate on a cost recovery basis, essentially breaking even over a rolling three-year period. However, there is a considerable amount of work for finance teams at both Fylde and Wyre to be undertaken as part of this project to establish the position.

26. There is also an element of non-fee earning duties such as demolition, dangerous structures, safety at sports grounds and enforcement.

27. Much of the operation of the shared service will be set out in a Shared Service Legal Agreement, this will involve considerable work for both legal services teams which can commence following this decision.

28. The Corporate Director of Communities at Wyre Council will begin working with officers at Fylde Borough Council. This will include the establishment of a project team consisting of officers from both councils, the production of a detailed project plan and programme of activity as well as the drafting of a legal agreement which will set out the proposed governance structure.

NEXT STEPS

29. All alternative service delivery options, including a shared service arrangement, will be set out in detail in a subsequent report to the Executive Committee which will also include any future financial implications.

CORPORATE PRIORITIES

Economy – To create a vibrant and healthy economy	√
Environment – To deliver services customers expect	√
Efficiency – By spending money in the most efficient way	√
Tourism – To create a great place to live and visit	√

IMPLICATIONS

Finance	The only financial implications at this stage are officers time working up the proposal and this will be contained within the existing budget provision. All alternative service delivery options, including a shared service arrangement, will be set out in detail in a subsequent report to the Executive Committee which will also include any future financial implications.
Legal	There are legal implications at this stage to research viability and ensure legal functions are appropriately serviced.
Community Safety	None
Human Rights and Equalities	None
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	None

SUMMARY OF PREVIOUS DECISIONS

None

BACKGROUND PAPERS REVELANT TO THIS ITEM

Name of document	Date	Where available for inspection
None		

LEAD AUTHOR

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DATEFebruary 12th, 2024