



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**

Officer Delegated Decision

12 January 2024

Nicola M^cCoy-Brown,
Director of Growth and Culture



Appointment of Capita Services – Building Control

To authorise the continuation of Capita contract for a further period of three months in relation to provision of staffing/resources for Building Control/East Midlands Building Consultancy and to authorise the virement of the appropriate budget from the salary savings to fund the entire contract.

Decision made by:	Nicola M ^c Coy-Brown
Decision:	Approve
Date:	12 January 2024
Public or Exempt:	Public (exempt appendices)
Reasons for exemption:	There is exempt information contained within Appendix A. This information is exempt under Paragraph 3 of Schedule 12A of the Local Government Act 1972 because it contains sensitive information relating to the financial or business affairs of a particular person (including the Council). It is considered that the public interest in maintain the content of Appendix A as exempt from publication outweighs the public interest in disclosing the information, as doing so would prejudice the Council's commercial position.
Conflicts of interest:	No
Policy compliant:	Yes
Details of delegation:	Delegated Authority is given by virtue of Part 3 (c) of the Councils constitution (section 27 Tendering) and section 2.18.3 of the Contract Procedure Rules which authorises a Director to agree to the award of contracts of the appropriate value.

Contact

Emma Whittaker, Assistant Director of Planning

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1 The Purpose of the Report

- 1.1 The Council's Corporate Plan (2020-2023) identifies that delivering growth of the economy and housing to meet the needs of our residents are fundamental to the success of the District. The Council will also seek to ensure continuous improvement of service delivery to be a high performing Council.
- 1.2 The Council's building control service plays an important role in meeting these aims in the Corporate Plan, as building projects are required to comply with the Building Regulations.
- 1.3 The Council is currently in a three-way partnership which is known as East Midlands Building Consultancy (EMBC), with South Kesteven District Council (SKDC) being the host authority. The partners are Newark and Sherwood District Council and Rushcliffe Borough Council. As the host authority, SKDC are responsible for the day to day running of the service, including staffing/resourcing.
- 1.4 Building Control is unique compared to other services provided by the Council in that it competes with the market (Approved Inspectors or AIs) for some of the workload and consequently the associated income. In addition to this fee-earning work, there are parts of the service which are non-fee earning, including the Council's statutory functions.
- 1.5 The Council has been using Capita to provide support to the service by supplying surveyors, supporting with plan checking and assisting with the out of hours service. This arrangement has been in place since April 2023 and expired on 31 December 2023.
- 1.6 There have been three rounds of recruitment since April 2023 and as a result, the team has recruited four officers, three trainee building control surveyors and one surveyor. EMBC is still carrying vacancies which continues to place pressure on the service.
- 1.7 Recruitment will continue to try and fill the vacant posts. In the meantime, continued support is required to ensure the team can continue to deliver the required level of service.
- 1.8 Capita can continue to offer a level of support, the intention being for the surveyor support to cease, with the plan checking and out of hours support continuing. The estimated costs are appended to this report (**Appendix A**). As this would be an extension to the existing contract, it would be on the same terms as previously. Capita would provide assistance with the out of hours service based on a Senior Surveyor and a Surveyor at a fixed hourly rate. The plan checking service fee will be a percentage of the application fee. These rates are competitive in relation to the market and other agencies.
- 1.9 This level of resourcing can be reviewed and increased/decreased as demand changes (a notice period is required). The plan-checking service would be carried out remotely and would allow the Surveyors to spend more time inspecting work.
- 1.10 It is anticipated a contract extension of three months will be sufficient to allow the new employees to all start employment at the Council and a further round of recruitment to take place.
- 1.11 Whilst the costs would initially be paid by SKDC, because this is a partnership, they will essentially be split three-ways. Additionally, the majority of the work the surveyor would carry out, plus the plan checking, would be fee-earning so can be recovered through the income received, rather than through the general fund contribution. The out of hours element would need to be paid for from the general fund contribution because it forms part of the non-fee earning work. The partnership currently holds a sizeable surplus on the

balance sheet which coupled with the salary savings from the vacant posts, will be sufficient to cover the costs of this interim arrangement.

2 Comments of Consultees

2.1 The EMBC Board, comprising of Officers from all three council's in the partnership, has been updated and consulted and is supportive of the approach recommended.

3 Available Options Considered

3.1 Several options have been considered. The Council could do nothing however, this would risk reputational damage, fail to maintain the market share and possibly loose further staff. This would have a detrimental impact on the Council's ability to fulfil its statutory duties.

3.2 Permanent recruitment began in April 2023 and whilst three employees were recruited, vacancies remain within the team, which need to be filled.

3.3 The Council could approach other recruitment consultancies to try and fill the roles, however this takes time and there is no guarantee this would be any more successful given recent experience.

3.4 Sharing of resources with other local authorities in relation to the out of hours service has previously been explored. The cost to the Council of using an adjacent authority would be considerably more than using a mixture of Capita and EMBC staff (see **Table 2 in Appendix A**).

4 Preferred Option

4.1 The preferred option is to agree to extend the contract with Capita for a further period of three months. This would provide the additional resourcing to cover the vacant surveyor posts (plan checking and two surveyors) plus assist with the out of hours resourcing.

5 Reasons for the Decision

5.1 The Council has a statutory duty to carry out building control functions and urgently requires additional resource to allow this to continue. Other options have been explored and are either not likely to generate the same level of resource provision and/or will cost the Council more. Failure to provide adequate resources will cause reputational risk to the partnership which will be difficult to recover from in the longer terms especially if the market share held by the Council falls significantly.

6 Financial Implications

6.1 As detailed in **Appendix A**, the cost of the interim arrangement can be funded from vacant posts in the service area.

Financial Implications reviewed by: Alison Hall-Wright, Assistant Director of Finance

7 Legal and Governance Implications

7.1 Building Control is a statutory function, and it is important that the service is adequately resourced to allow it to fulfil its duties. The relevant delegated authority is in place to facilitate this decision.

Legal Implications reviewed by: Graham Watts, Assistant Director, (Governance and Public Protection) and Monitoring Officer

8 Equality and Safeguarding implications

8.1 There are no equality or safeguarding implications arising from this decision.

9 How will the recommendations support South Kesteven District Council's declaration of a climate emergency?

9.1 The use of the remote plan-checking service will reduce travel required by surveyors.

10 Appendices

10.1 Appendix A – Additional details – EXEMPT FROM PUBLICATION

Signed by:

Nicola M^cCoy-Brown

Date: _____ **12th January 2024** _____