

# LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>CABINET</b>	
<b>DATE OF DECISION</b>	<b>January 31 2024</b>	
<b>REPORT TITLE:</b>	<b>Building Safety Act and Building Control Readiness</b>	
<b>CORPORATE DIRECTOR / DIRECTOR:</b>	<b>Nick Hibberd, Corporate Director of Sustainable Communities, Regeneration &amp; Economic Recovery Heather Cheesbrough, Director of Planning &amp; Sustainable Regeneration</b>	
<b>LEAD OFFICER:</b>	<b>Richard Patterson, Head of Building Control Email: Richard.patterson@croydon.gov.uk</b>	
<b>LEAD MEMBER:</b>	<b>Cllr Jeet Bains, Cabinet Member for Planning and Regeneration</b>	
<b>KEY DECISION?</b>	<b>No</b>	
<b>CONTAINS EXEMPT INFORMATION?</b>	<b>No</b>	<b>N/A</b>
<b>WARDS AFFECTED:</b>	<b>All</b>	

## 1 SUMMARY OF REPORT

- 1.1** The report proposes a strategic response to the current dynamic landscape of the building industry, regulatory changes, and Building Control in particular arising from the introduction of the new Building Safety Act and the establishment of the Building Safety Regulator, prompted by the Grenfell tragedy and subsequent Hackitt Report and Public Inquiry. It outlines the transformation of the Council's Building Control service to effectively address these major changes, together with the existing longstanding challenges relating to resourcing and fee income. The primary goal is to establish a service that is not only operationally resilient but also financially viable, sustainable, and highly efficient.
- 1.2** The recommended programme helps further several of the Mayor's Business Plan outcomes and priorities, including:
- The council balances its books, listens to residents, and delivers good sustainable services
  - Priority: Ensure new homes are safe, well-designed and in keeping with the local area

The proposed changes to the service resonate with the broader vision of balancing fiscal health alongside the delivery of quality services.

## 2 RECOMMENDATIONS

For the reasons set out in the report and its appendices, the Executive Mayor in Cabinet, is recommended:

- 2.1 to note the content of this report and endorse the ongoing in-house transformation of Croydon Building Control
- 2.2 to note Croydon Building Controls intent to sign up to the Framework Agreement in respect of regional working through a Hub arrangement for the facilitation of Section 13 requests from the Building Safety Regulator under the Building Safety Act 2022

## 3 REASONS FOR RECOMMENDATIONS

- 3.1 The advent of the Building Safety Act and the establishment of the Building Safety Regulator mark a pivotal moment reshaping the landscape of building safety management and provisioning of Building Control services. These transformative regulations usher in a new era, requiring a strategic response from Croydon Building Control. Recognising the vast impact of these changes, a comprehensive 5-year transformation program has been initiated. This program aims not only to meet the evolving statutory requirements but also to strengthen the service, making it resilient, cost-efficient, and commercially robust. The vision is a turnaround programme which will position the service on a robust commercial platform to complement the local authority context of a trusted provider and to better respond to the opportunities of in-house fee generating work, which would otherwise be lost to the private sector. The retention and recycling of these monies, allows these to support and maintain a statutory service.
- 3.2 The transformation into a robust, resilient, and commercially astute service creates a strong platform from which further collaboration opportunities can be progressed on terms favourable to the Council and maintains its role as a lead authority in pan-London relationships and influence.

## 4 BACKGROUND AND DETAILS

### Building Safety Act and Building Safety Regulator

- 4.1 The Building Safety Act (BSA) received Royal Assent on 28th April 2022, and comprises of two significant phased implementation dates 1st October 2023 and the 1st April 2024. Secondary legislation continues to be drafted and introduced at short notice but ongoing engagement through the London District Surveyors Association (LDSA) and Local Authority Building Control (LABC), who represent the voices of local authority Building Control services in London, and England and Wales respectively, continues as they try to negate any negative implications arising from this.
- 4.2 The Grenfell Tower fire shone a spotlight on the regulatory system in the UK and acted as a catalyst for change, initiating the subsequent 'Independent Review of Building

Regulations and Fire Safety' by Dame Judith Hackitt and the Public Inquiry, both of which in turn have ushered in the biggest paradigm shift in the Building Control regime in a generation since its commercial sector inception 40 years ago – key developments include:

- transfer of overall oversight from the Department for Housing, Local Government and Communities (DHLUC) to the Health and Safety Executive (HSE).
- the creation of the new Building Safety Regulator (BSR) endowed with robust statutory and regulatory powers, headed up by a Chief Inspector of Buildings signifies a fundamental alteration in the regulatory landscape.
- the BSR assumes the role of the Building Control Authority (BCA) with statutory responsibility for compliance with Building Regulations in all High-Risk Buildings (HRB's). Local authorities are engaged by the BSR as Building Control advisors within the Multi-Disciplinary Team (MDT) in conjunction with the Fire Service in the first instance (the reversion of which to the public sector is a significant reversal of the previous stance of depending on the market);
- at a London-wide level, the creation of a collaborative Hub supported by LDSA in the City of London to service the High-Risk Building requirements of the BSR on behalf of pan London Authorities.
- the BSR will oversee the safety and standard of all buildings and the registration of the Building Control profession all of which will have significant implications for local authorities.
- a new competency framework is underway mandating local authority BC Surveyors and Registered Building Control Approvers (RBCA), formally private sector Approved Inspectors (AI's) to prove their competence against the Building Inspector Competence Framework (BICoF) to become Registered Building Inspectors (RBI's). This involves a formal application process, portfolio assessment, examination, interview, and a commitment to Continuing Professional Development (CPD) representing an additional workload obligation equivalent to c. 0.5 FTE across the current Croydon Building Control (CBC) surveyor's teams).
- any surveyor not on the Register by April 2024 will no longer be able to undertake restricted activities and functions.
- Croydon will be required to employ an adequate number of Registered Building Inspectors (RBIs) to carry out restricted functions including plan checking and site inspections. Decisions and certification must be verified by a suitably validated RBI.

- the BSR has introduced new Operational Standards Rules (OSRs) for Building Control bodies. These will require information to be collected to enable the Regulator to assess and analyse the performance of all Building Control Bodies (BCB's). It will be vital that they have robust and auditable processes and procedures and employ adequate numbers of Registered Building Inspectors (RB'Is) to carry out restricted functions including plan checking and site inspections, or face sanctions including being placed in 'Special Measures.'
- this confluence of regulatory developments reflects a pivotal moment in reshaping the approach to building safety and Building Control in the UK. It is expected that local authority Building Control will take a more active role in enforcing market compliance in a more regulatory focused way as opposed to the collaborative approach adapted to thrive in a highly competitive market – this is not perhaps unexpected given the Grenfell backdrop and having the HSE as the umbrella organisation.
- in entirety, this creates seismic change and a new regime across the industry but putting stress on an already challenged operating model. These changes will be experienced most acutely in London which has significant resourcing issues, the tallest and most High Risk Buildings.

## **Transformation of Croydon Building Control**

- 4.1 Croydon Building Control (CBC) plays a crucial role in regulating the built environment within Croydon, safeguarding the public by implementing and enforcing Building Regulations and related legislation. However, the service faces a unique challenge, being the sole statutory and regulatory local authority service contending with competition from the private sector
- 4.2 The financial strain on CBC has been palpable, marked by steadily declining fee income since 2016/17, with consequential budgetary pressures, and recruitment and retention challenges. The service's fragility, relying on a few key individuals, poses increased corporate risk. The imperative for change was underscored by the consequential increasing corporate risk and the new duties and responsibilities arising from the Building Safety Act
- 4.3 In 2017, immediately following Grenfell an extensive Peer Review was conducted to evaluate the service's adherence to regulations, processes, and standards. This comprehensive assessment revealed an overall alignment with regulatory requirements, highlighting compliance in terms of regulations, processes, and systems. Notably, the review concluded that operating within a competitive environment did not distort technical judgments.
- 4.4 However, a significant concern surfaced during the review, emphasising the critical issue of inadequate resources. The identified lack of resources was flagged as a key

risk, highlighting the potential impact on the service's overall effectiveness. The findings underscored the imperative for a transformation in the operating model to address the identified shortcoming.

- 4.5 Despite the recognised imperative for transformation, the initiation of work on the transformational process was temporarily paused in anticipation of the outcomes of the Hackitt Review.
- 4.6 In November 2021, CBC resumed its transformation plans enlisting the expertise of iESE, a public sector consultancy with proficiency in Building Control transformations. The first phase, an initial scoping and position exercise highlighted the instability and unsustainability of the current service, emphasising the urgent need for change to ensure affordability for the Council, compliance with statutory obligations, and alignment with the needs of local residents and businesses.

### Alternative Options Considered

- 4.7 A detailed analysis of options which appraised the future delivery of Building Control services concluded in October 2022. Following this, an outline business case for the preferred future delivery option was prepared.

Option	Basis
Option 1	Do nothing
Option 2	Retain in-house but reconfigure as an appropriately funded service to assure service quality, minimise corporate risk and avoid further net cost deterioration.
Option 3	Retain in house as statutory only service (noting discontinuing the Service entirely is not an option as Building Control is a statutory service).
Option 4	Formal collaborative working with neighbouring authorities.
Option 5	Outsource the Service.
Option 6	Creation of an arms-length local authority trading company ('LATC') including seeking AI accreditation for that venture.

- 4.8 Do nothing (option 1) is only viable in the short-term - deferring a decision would accelerate service decline, posing a risk of catastrophic failure. Option 3), operating as

a statutory-only service, was deemed unsustainable upon detailed review. This would not provide an offer which would attract and retain staff.

- 4.9 Collaboration (option 4) would be logical and should not be ruled out in future in some form, but extensive dialogue with neighbours revealed a lack of interest in pursuing this path. Neighbouring authorities bar one, have smaller and less robust services, with a lack of permanent management and a shortage of staff. Collaboration conversations will continue; however, this will not provide an immediate solution.
- 4.10 Outsourcing the service (option 5) Soft market testing subsequently indicated limited market interest, with corresponding prohibitive charge out rates (especially in the additional statutory non fee earning work of Dangerous Structures where a 24/7-365 call out service to attend site within a two-hour window must be provided with suitably qualified/experienced Surveyors/Engineers), rendering Outsourcing unviable.
- 4.11 The remaining options were: 2) Re-resource In-house, 6) Create an arms-length trading company. Each of these was reviewed in detail considering what it looks like for the Council and customer, SWOT, growth opportunities, risk management/deliverability, financial profile, and critical success factors. For the trading company option, a commercial appraisal was completed to qualify and quantify the growth market.
- 4.12 The decision between the Internal (fully stabilised) option and the Trading option is finely balanced, contingent on the Council's perspective as to whether it is prepared to invest for the longer-term future to reduce net Service costs significantly, forego the longer-term opportunity to generate significant commercial income that could potentially mean the Service could be operated on a no net-cost basis.
- 4.13 On the basis that the Council must meet the challenge of the BSA now and maintain a robust statutory service, internal stabilisation (option 2) is being progressed with peer collaboration to be embedded in business planning and the current pan London working to be further explored. Internal stabilisation provides the right conditions if a trading company is considered appropriate in the future. However, option 2 does rely on the Council's commitment to fully resource the service. Failure to do so would essentially equate to 'Do Nothing' and render the option unviable.
- 4.14 In May 2023, a comprehensive Turnaround Plan was formulated, outlining a phased approach to the transformation of CBC in preparation for the imminent Building Safety Act (BSA) and the potential opportunities it may bring:

**Phase I: Stabilisation/Platform Building:** re-resourcing for compliance, risk assurance, and to enable efficiency/build the income growth platform

**Phase II: Building Safety Act Response:** buy into the collective Hub solution and resource up to deliver related HRB work (noting such resource is expected to be substantially Central Government funded) – this may presently facilitate further income generation/collaboration opportunities.

**Phase III: Build External Fee Income:** Build external fee income: active business development and marketing of core service and offering (some) complementary services within the administrative area.

**Phase IV: In-Tandem Internal Leadership Support/Collective Commitment to:**

- secure the internal market i.e., internalise work currently provided to external contractors that could be delivered internally to save the Council money and help build delivery capability to support further external income growth;
- allow the Service to operate in a commercial manner by following market practices as far as practicable and compliant (in HR staffing practices etc.); and
- enable ICT to support efficient working practices

**Five SMART outcomes are identified as required through the Turnaround Plan, being:**

- Meeting statutory obligations (including recent changes)
- Managing corporate risk and improving reputation
- Reduction in net cost of service c/o increased fee income to the Council (over-time)
- Provision of a reliable service to local residents and business
- Being best placed to take advantage of collaboration opportunities as they present.

### **Preparation and Readiness of the Service to meet the BSA**

- 4.15 Considerable progress has been accomplished in Phases I and II, involving collaborative efforts with professional organisations at both pan London and national levels cumulating in the pivotal achievement of the formulation of a Hub proposal to govern the distribution of work on HRB's. The London Hub, hosted by the City of London, plays a central role in offering HRB projects initially to the Local Authority Building Control teams within the respective borough it is being constructed within, with subsequent outreach to surrounding boroughs if the host lacks capacity. Not all boroughs have Building Control Surveyors qualified to the highest competency standard, which is necessary to work on these HRB's, therefore collaboration with neighbouring boroughs has become imperative to support colleagues, especially as new arrangements take root
- 4.16 The service has actively engaged in providing advice and collaboration both directly to the Department for Housing, Local Government, and Communities and the Building Safety Regulator and through active participation in professional bodies to ensure that emerging legislation aligns with the purpose and objectives of all Building Control Bodies.

## Recruitment

- 4.17 The service has been energised with the successful recruitment of five trainees, facilitated through a government scheme, under the New Burdens initiative, aimed at supporting Local Authorities with High-Risk Buildings. This initiative not only contributes to a more diverse age profile but also signals a transformative direction for a service that has suffered years of disinvestment. External funding covers salaries and training costs for these recruits, and the service, recognising the additional burden of unqualified staff, provides mentorship and pastoral support, over the course of their three-year training and examinations, they are anticipated to become increasingly self-supporting and, crucially, income-generating.
- 4.18 A strategic focus is placed on technical staff and succession planning. Recognising the importance of a well-structured forward-looking plan, the service is committed to nurturing talent within its ranks and ensuring a seamless transition into senior technical and leadership roles through its career development plan.
- 4.19 It needs to be recognised however, that Building Control surveyors are in high demand across the private and public sectors. These people are highly skilled and tested through challenging examination and registration processes. To attract a sufficient number of appropriately trained staff is extremely challenging, innovative remuneration and reward packages need to be developed, in accordance with the Council's People and Cultural Transformation Strategy a range of measures are being taken to improve talent attraction to Building Control in conjunction with the Council's HR team: -
- (i) development of the Council's LinkedIn social media employer profile, with an enhanced council profile, using feature jobs, and branding to improve the council's online presence and employer image. This aims to attract inactive, as well as active job seekers to work for the Council in skills scarce occupations.
  - (ii) review of the council's market supplement policy to ensure the counter is sufficiently placed to attract skills scarce talent from the hyper-competitive London Labour market.
  - (iii) Working with specialist search agents, who are able to find and attract skills scarce talent from the labour market to work for the Council.
  - (iv) Refreshing the council's recruitment policy to enable candidates to apply for jobs in a simple, straightforward way
  - (v) Migration from the Council's current e-recruitment platform, Taleo to Oracle Recruitment Cloud, to provide a better online experience and functionality for candidates
  - (vii) Working with the communications team to enhance the Council's employer brand image, providing a clear benefits package of working for the council, as well as video material from Council staff of the rewards of working for the Council.
- 4.20 To fortify its commercial endeavours, the service is currently recruiting into a new Commercial Development Manager (CDM) role. This new role is 'business critical' for the service as this strategic addition aims to enhance the service's capabilities in navigating commercial aspects and exploring new avenues for growth, ensuring a resilient and sustainable public service function



## **Digitisation, Marketing and CRM system**

- 4.21 Investments are underway to drive the services commercial profile into a digitally advanced era. A dedicated focus on digitisation under the new CDM involves the establishment of a comprehensive customer database, an innovative marketing strategy, and the creation of a dynamic BC microsite, linked back to the corporate main site. This digital transformation is not only poised to enhance internal processes but will also mark the launch of a fully transformed service, offering improved accessibility and engagement.

## **Internal Opportunities**

- 4.22 Croydon Building Control has historically served as a cornerstone in construction knowledge, providing invaluable services and trusted advice to various teams and directorates within the Council. Drawing upon an extensive corporate memory, coupled with a wealth of documents and drawings, the service holds the key to unlocking significant fee income. This income, derived from recycling council funding, serves to strengthen this essential statutory service. However, it will be essential to navigate the nuanced landscape introduced by the Building Safety Act (BSA), which seeks to delineate Local Authority Building Control teams from assuming any regulatory authority on their own projects as a conflict of interest.

## **Neighbouring Boroughs and Pan London Collaboration**

- 4.23 Regular meetings with neighbouring boroughs are held at Director level to sound out what planning and activity is underway to address the new requirements. This has helped to inform earlier option appraisal work and to understand the potential opportunities for collaboration. A key concern is the 'poaching' of staff from one London authority by another, which is driving pay to unsustainable levels, and creating instability. Whilst understandable on an individual level, this requires a pan London response orchestrated through London Councils to potentially explore a unified pay award.
- 4.24 A London Hub agreement has been drafted between the 32 London boroughs and the City, who have agreed to host the Hub on their behalf. The Hub is to provide a single point of contact for the BSR for all works on HRBs in London. The Hub allows S.13 of the BSA requests to be channelled through a single point of contact and a coordinated response to be facilitated. The prioritisation of local Authority Building Control services over the private sector is a welcome step in recognising the unique and trusted role of these services. It also gives some comfort that investment in Council Building Control services would be rewarded through some this potential income stream. The Hub model encourages collaboration and potentially a step towards a more strategic

approach to the provision of Building Control services within London. Prior to this, individual boroughs were very constrained by their borough boundaries, with few cross-borough partnerships and shared service approaches

#### **Timeframes to deliver a relaunch of CBC in April 2024.**

4.25 With the foundational steps in place, the turnaround plan started in earnest during the first half of the fiscal year 2023/24.

- **Continued execution in 2023/24 (July 23 - April 24):** This included the implementation of fee increases effective from 1st October 23, initiating the recruitment process for a dedicated Business Development resource, and broader re-resourcing efforts to enhance stability and meet increased statutory obligations.
- **Critical Recruitment (July 23 - December 23):** A key component of the transformation is the recruitment of a new Commercial Delivery Manager. This critical role will be pivotal in driving the commercial aspects of the transformation, ensuring effective financial strategies, and supporting the overall success of the initiative.
- **Collective Hub Solution Implementation (July – December 23):** Simultaneously, efforts will be directed towards buying into the collective Hub solution to meet the requirements of the Building Safety Act thus positioning the service advantageously within the changing regulatory landscape.
- **Marketing Enhancement (August 23 – February 24):** A strategic initiative to reverse the decline in income, including exploring new opportunities and repositioning the service in the competitive landscape whilst parallel focus will be on improving marketing efforts, including the development of a micro-site. This initiative is crucial in enhancing the visibility of the service, communicating its strengths, and attracting potential clients in a competitive market.
- **Optimising ICT Core Systems (August 23 – March 24):** To bolster efficiency and adaptability, the optimisation of CBC's core ICT systems and mobile working practices will be a priority. This involves streamlining technological infrastructure to align with the evolving needs of the service.
- **Continuous Evaluation and Adaptation (Ongoing):** Throughout the transformation journey, continuous evaluation and adaptation will be imperative. Regular assessments against key performance indicators, financial targets, and market dynamics will inform adjustments to the strategy, ensuring its relevance and effectiveness.

- 4.26 In essence, the outlined timeframes and strategic actions present a comprehensive roadmap for the transformation of Croydon Building Control, aligning internal capacities with external market demands and regulatory changes

## **5 CONSULTATION**

Consultation with the CBC team has been integral to the development of transformation options. This was facilitated through an initial workshop with iESE and has been supplemented by an anonymous staff survey with ongoing updates and feedback at team meetings and a presentation to the Corporate Management team. A back to the floor exercise with the Cabinet Member for Planning and Regeneration has also helped inform the direction of travel. Following the appointment of the Commercial Delivery Manager capacity will allow engagement, marketing, and business development with existing customers to be a priority, along with the investigation of new partnerships (including inhouse opportunities) and activities to gain greater customer insight through surveys and greater cross selling through relationships in the Planning and Regeneration teams. The use of a Customer Service Management (CRM) application will help collect data on the users of the service and help inform continuous improvement through the Service's Quality Management System (QMS).

## **6 CONTRIBUTION TO COUNCIL PRIORITIES**

- 6.1 The Review of Building Control is key to delivering Priority 4 in the Mayor's Business Plan "Ensure new homes are safe, well-designed and in keeping with the local area." and Priority 1 "Get a grip on the finances and make the Council financially sustainable"

The Business Plan states that we will:

Priority: Review the building control service to ensure it can fulfil current statutory duties and new obligations relating to building safety.

Priority: Redesign services to improve efficiency and enhance residents' experience.

## **7 IMPLICATIONS**

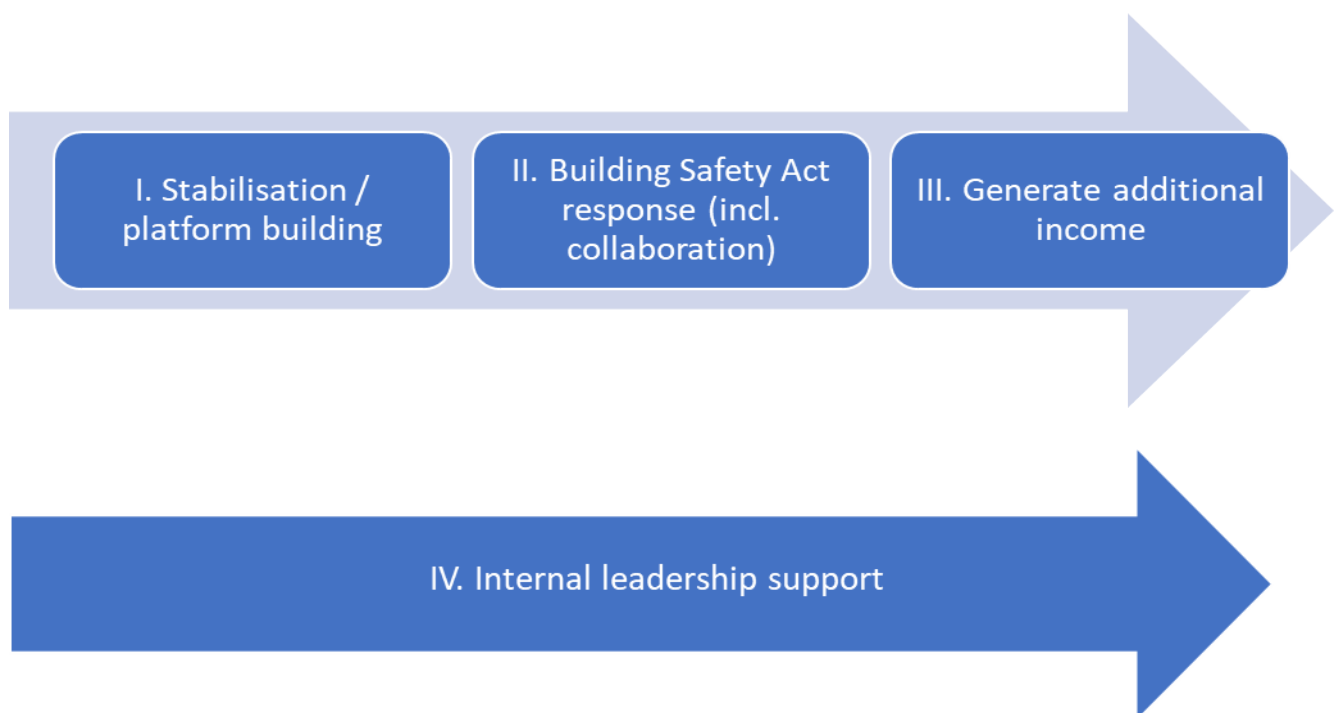
### **7.1 FINANCIAL IMPLICATIONS**

With reference to the Financial Outcome, the following comments are made:

- 7.1.1 It has taken over five years for the Service to decline into its current position (including a reduction of 50% of historic fee income levels) - it will take a similar period (not allowing for any construction downturn or recession) to fully effect income recovery (at least without incurring significant overhead on a risk-basis). That being said, a material marginal financial improvement should be made after three years.
- 7.1.2 Regardless of the financial model, the overall cost of Building Control to the Council will increase significantly courtesy of the need to re-resource the Service to provide

risk assurance and meet additional regulatory requirements (notwithstanding additional Central Government BSA funding).

- 7.1.3 The expected corporate cost of Building Control over the next five years is £4.08m under the Growth model versus £4.98m under Steady State - that means an overall favourable outcome of £0.90m over 5 years for the Council in pursuing Growth.
- 7.1.4 Given the risk managed approach to growth together with the uncredited upside opportunities, the Growth model is considered robust and deliverable.
- 7.1.5 Transformation funding of £450k has already been allocated and this will be fully deployed over five-years under the Growth model (noting a sum of at least £100k would be required under the Steady State model for ICT enhancement and basic marketing).
- 7.1.6 The overall payback on the transformation funding is c. 3 years, which is considered realistic given the starting position.



Transformation funding of £450k has been allocated to 1) invest in dedicated, experienced commercial management resource; 2) optimise current ICT; 3) re-invest in marketing and 4) re-invest in staff commercial training plus external critical friend support. This is not a new path for the Service, much of the above was historically present but progressively removed in response to cost pressures and the lack of qualified staff, this is the fundamental reason fee income has halved driving the overall adverse (unsustainable) financial position.

### **7.1.7 Revenue and Capital consequences of report recommendation**

The Building Control service has been allocated £450k of Transformation, £100k in 2022/23 and £350k 2023/24.

	Current Year	Medium Term Financial Strategy – 3-year forecast		
	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26
<b>Revenue Budget Available</b>				
Expenditure Income				
<b>Effect of decision from report</b>				
Expenditure Income				
<b>Remaining Budget</b>				
<b>Capital Budget available</b>				
Expenditure Income	100	350		
<b>Effect of decision from report</b>				
Expenditure Income	100	350		
<b>Remaining Budget</b>	0	0		

### 7.1.8 The effect of the decision

As this is an update on the Service Progress on their Transformation then there are no direct financial implications other than continuing spend as allocated to transform the Service.

### 7.1.9 Risks

There is a risk that the budget allocated will slip into the 2024/25 financial year to maximise the potential of any Transformation.

There is a risk that any benefits that will be realised if inhouse consultation is undertaken with Croydon Building Control on their capacity and capability to offer such services in house is not endorsed.

Comments approved by Darrell Jones Acting Head of Finance (Sustainable Communities, Regeneration & Economic Recovery) on behalf of the Director of Finance. Date 24/11/2023

## **7.2 LEGAL IMPLICATIONS**

7.2.1 The recommendations in this report are to note only and no decisions are being requested as part of this report.

7.2.2 In relation to in-house Building Control transformation, the Council has the power to charge for certain Building Control services pursuant to the Building (Local Authority Charges) Regulations 2010. The Council must have a charging scheme and the setting of charges must comply with the overriding objective set out in section 6 (“Principles of charging scheme: overriding objective in determining charges”) of the Regulations. Section 6(3) states “the overriding objective is that the authority must ensure that, taking one financial year with another, the income derived by the authority from performing chargeable functions and providing chargeable advice (“chargeable income”) as nearly as possible equates to the costs incurred by the authority in performing chargeable functions and providing chargeable advice (“chargeable costs”).”

7.2.3 In relation to the ‘Hub’ arrangement, at the request of the Building Regulator the Council has the power under Section 13 (“Local authorities and fire and rescue authorities: assistance etc to regulator”) of the Building Safety Act 2022 to do anything for the purpose of “(a) facilitating the exercise by the regulator of a relevant function, or (b) enabling the relevant authority to facilitate the exercise by the regulator of a relevant function”. The Building Regulator has the power to direct the Council to do anything specified under (a) or (b) above, with the consent of the Secretary of State.

Comments approved by the Head of Commercial & Property Law on behalf of the Director of Legal Services and Monitoring Officer. (Date 07/12/2023)

## **7.3 EQUALITIES IMPLICATIONS**

7.3.1 The Council has a statutory duty to comply with the provisions set out in the Equality Act 2010. In summary, the Council must in the exercise of all its functions, “have due regard to” the need to comply with the three arms or aims of the general equality duty. These are to:

- eliminate unlawful discrimination, harassment, victimisation, and any other conduct prohibited by the Act;

- advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- foster good relations between people who share a protected characteristic and people who do not share it.

7.3.2 As identified, this is an amendment to an existing arrangement (and not a new proposal). Building Control is a statutory service accessible to all residents, regardless of their characteristics (protected or otherwise). The Service prides itself on its ability to support all residents effectively and Transformation is a pressing necessity to ensure that this can continue to be the case against the backdrop of externally imposed pressures. The proposed changes are about investing in the service and its staff to provide a more professional, consistent, and regularised service with staff training given greater priority and Croydon Building Control given first refusal on inhouse work before it is procured externally.

7.3.3 An EQIA has been carried out and show no negative impact on any protected group arising from this proposal.

Comments approved by Naseer Ahmad on behalf of the Equalities Manager. (Date 15/01/2024)

## **OTHER IMPLICATIONS**

### **7.4 HUMAN RESOURCES**

7.4.1 In recognition of the urgent need to recruit highly skilled and technical staff, continuing conversation needed with HR on how this can be accommodated and facilitated within the Council's People and Cultural Transformation Strategy.

7.4.2 Recognise the need for a new Building Control workforce strategy, especially considering the compulsory statutory registration for becoming a Registered Building Inspector (RBI) and the effect this will have on the supply and demand of the limited pool of existing Building Control Surveyors (especially those at the highest Band C / Level 3, who will be the only RBI's authorised under law to work on High Risk Buildings (HRB's).

7.4.3 This will require lateral thinking from HR business partners as to how the necessary financial incentives and rewards can be enabled within the tight restraints presently practiced, to enable the service to retain and recruit these RBI's not only in the face of stiff financial competition from the private sector but also from other councils who are not as far advanced in their thinking as Croydon facing serious staffing shortages which otherwise would result in sanctions from the BSR.

7.4.4 Facilitate recruiting commercial staff with employment package flexibility.

7.4.5 The other main workforce implications are set out in section 4.19 of the report

Comments approved by: Dean Shoesmith, Chief People Officer. (Date 17/1/2024)

## **8 APPENDICES**

8.1 *N/A*

## **9 BACKGROUND DOCUMENTS**

9.1 [The Building Safety Act - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/legislation/the-building-safety-act) - Information relating to the Building Safety Act, which was granted Royal Assent on 28 April 2022.