

# **SOUTH THAMES GATEWAY BUILDING CONTROL JOINT COMMITTEE**

**10 JUNE 2015**

## **SOUTH THAMES GATEWAY BUILDING CONTROL MARKETING & PROMOTING SERVICES**

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

### **Summary**

This report deals with the use of part of the general reserve for the engagement of consultants to examine the most effective way of promoting the partnerships services.

### **1. Budget and Policy Framework**

1.1 The Joint Committee has a responsibility to explore all procurement opportunities and options for the delivery of Building Control Services and activities.

### **2. Background**

2.1 During the discussions of the expansion of the Partnership at the Joint Committee held on 25<sup>th</sup> March 2015, Members discussed the effectiveness of the way the three constituent Council's engaged and promoted the Partnerships services.

2.2 Members agreed that a paper should be submitted to the Annual General Meeting indicating how this could be achieved over the next year.

### **3. Director's comments**

3.1 The issue of marketing and promoting the Partnerships services had previously been considered when the application from the transformation bid was made in 2014.

3.2 The bid was for a sum of £15,000 to engage consultants to advise on how selling the Partnerships services could be more effective.

3.3 Four years ago we formed a consultancy to deliver complementary services to the building industry reflecting those that were on offer from

our competitors. Up to now this has been delivered on an ad hoc basis using the skills and experience of existing building control staff. We need to determine whether the market is right for us now to offer a commercial service and whether to offer that through a local authority company employing its own discrete workforce.

- 3.4 Currently 75% of the consultancy income is generated through various survey work carried for Medway's Housing department. This year an SLA has been signed guaranteeing work in this area for the next two years. Whilst Swale's housing is dealt with through a private company (Amicus), Gravesham currently has a housing stock of around 6,000 properties. At the last meeting Members agreed that the potential scope for the Partnership to carry out similar activities for Gravesham needs to be examined. There may also be opportunities to sell these services to Housing Associations in the private sector.
- 3.5 There may also be opportunities within the energy assessment arm for a more commercially based arrangement to be developed so as to not only compliment the building control service but also offer additional services which are currently provided by the private sector.
- 3.6 The engagement of consultants to examine the demand within the market and the strength of the competitive environment would be able to determine the necessary skills, qualifications and experience that would be required for a dedicated workforce. They would also be able to determine if this improved service would be more effective within a new delivery model, such as a local authority company. There may also be the opportunity to determine a proposed marketing strategy which could be implemented to ensure the success of the new venture.
- 3.7 In order to deliver this business opportunity, the Partnership must ensure that there are adequate resources to meet demand and the current arrangements of using transferred skills from building control staff would need to be replaced with taking on appropriate staffing resources potentially through a local authority company.
- 3.8 The Partnership has neither the expertise, capacity or funding to take this project forward presently, but sees this as an opportunity to win additional work and to provide a local service employing additional local staff members.
- 3.9 Members have previously agreed to meet a £15,000 required following the unsuccessful transformation bid, however, the opportunity has arisen to use part of the reserve to fund this investigation without placing any further burden, at this time, on the partner councils.

#### **4. Financial Implications**

- 4.1 The current reserve is just over £30,000 and the proposal would be to use up to £15,000 of this to fund the engagement of consultants and to

pay for legal advice to achieve this review of the consultancy. This engagement would be subject to a presentation to Members in September.

## **5. Legal Implications**

- 5.1 There are none directly from this report, however, further developments towards engagement of a local authority company would require further reports to come to Joint Committee.

## **6. Risk Management**

- 6.1 There are no risks directly from this report and one of the requirements of the consultants would be to provide a risk register for the proposal.

## **7. Recommendations**

- 7.1 The Joint Committee is asked to note the report and the proposal to engage consultants referred to in the Annual Report.

## **8. Suggested Reasons for Decisions**

- 8.1 The Joint Committee has a duty to agree the reinvestment of any surplus back into the Partnership.

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### **Background papers**

none