

<b>Committee(s)</b> Planning & Transportation	<b>Dated:</b> 02/06/2020
<b>Subject:</b> District Surveyors Annual Report 2019/20	<b>Public</b>
<b>Report of:</b> Carolyn Dwyer, Director of the Built Environment	<b>For Information</b>
<b>Report author:</b> Gordon Roy, District Surveyor & Environmental Resilience Director	

### Summary

The purpose of this report is to update the committee on the workings of the District Surveyor's office which reports to it for the purposes of building control, engineering services for the City's major infrastructure and to provide resilience to buildings and businesses within the square mile that maybe affected by climatic and environmental risks. To provide members with a better understanding of the District Surveyor it was agreed to submit annual reports to the committee for information.

### Recommendation(s)

Members are asked to:

- Members are asked to note the report as information.

### Main Report

#### Background

1. The principle role of the District Surveyor's Building Control Service is to ensure that all building work complies with the requirements of the Building Act 1984 and the Building Regulations 2010. Building Regulations are minimum standards laid down by Parliament to secure the health and safety of people in or about buildings with an increasing emphasis on improving energy efficiency, sustainability and accessibility. The building control section is also responsible for notices submitted under Section 30, London Building Act (Amendment) Act 1939 for temporary demountable structures.
2. In offering this Building Regulation regulatory service within the City, the District Surveyor's Office is in direct competition with approximately 90 private firms operating as corporate Approved Inspectors authorised to offer a building regulations approval service. The number of private companies offering this service has decreased from 96 last year, due to issues in the insurance industry where a number of firms were refused insurance cover.
3. In addition, Dangerous Structures within Inner London are dealt with under the London Building Acts 1930-1939. Responsibility for dealing with them is delegated, by your committee to the District Surveyor.
4. This service is provided on a continuous basis, 24 hours a day throughout the year to ensure public safety. A record of all calls is maintained on the CAPS Uniform software.
5. Other responsibilities placed upon the District Surveyor include:

- Maintaining a register of all work under the control of Approved Inspectors.
  - Registering certificates under the Competent Persons Schemes.
  - Processing and recording Demolition Notices.
  - Advice to the Community and Children's Services on Marriage Licence applications on the technical standards in relation to Health and Safety.
  - Advice to the Planning Service on major Planning Applications on the design of Sustainable drainage systems. This service has been extended from April 2020, to include Fire Safety and Energy Statements, which are additional requirements for major planning applications under the Local Plan.
6. Advice and guidance on technical and procedural requirements are made freely available to other areas of the City of London Corporation and the public upon request.
  7. The engineering team are responsible for the City's 5 river Bridges, approximately 80 Highway Structures and a number of Statutory Reservoirs on which they report separately to your committee and Open Spaces Committees respectively. They also provide advice on major Infrastructure Projects to protect the City's interests.
  8. The Environmental Resilience team, formed in June 2019, aims to improve the resilience of the City Corporation and the Square Mile to environmental impacts including flooding, fulfilling the City Corporation's statutory duties as Lead Local Flood Authority under the Flood and Water Management Act 2010.
  9. The Building Regulations are the primary means of government ensuring acceptable building standards and raising them when necessary.
  10. Following the Grenfell tragedy, the Government appointed Dame Judith Hackitt to conduct a review into the Building Regulations and Fire Safety, and in the summer of 2019 the government published proposals for reforming the building safety system. A briefing paper for your information, is attached in Appendix A of this report. The government have also recently announced a new Building Safety Regulator to whom we are likely to need to report to in the future.

## **Current Position**

11. As referenced earlier in the report the Building Regulations function of the District Surveyor's office is open to extensive competition. This competition has steadily increased since its introduction to the commercial market in 2001.
12. The workload into the office is affected by the fluctuating extent of building work within the City as much as it is by the degree of challenge from private competitors. Workload this year has also been affected by the Approved Inspector insurance issues, where a number of projects have had revert to the City District Surveyors for compliance checks, as required under The Building (Approved Inspector etc.) Regulations 2010. This work is complex and time consuming but essential to ensure the safety of buildings. Table one shows the number of applications and Initial Notices received by the City District Surveyors office over the years 2015 to 2020. It also shows the market share percentage enjoyed by the District Surveyors for each of these years, which has remained

steady over these years. However, in the last year our market share has increased by 6%.

**Table 1**

Market Share					
	Yr. 2015/16	Yr. 2016/17	Yr. 2017/18	Yr. 2018/19	Yr. 2019/20
City of London Applications	266	216	248	244	300
Initial Notices Received	750	763	773	791	697
Total Number of Applications	1016	979	1021	1035	997
City of London Market Share	26%	22%	24%	24%	30%

13. The market share is only one way to measure the amount of work. From an analysis of the Initial Notices received, the vast majority of the work that Approved Inspectors are employed on is generally office and shop fitouts. The District Surveyors office is employed on the full spectrum of construction work with approximately 70% of the new buildings, requesting the District Surveyors provide the Building Regulation service.

14. A summary of the Building Control workload is shown in table two:

**Table 2**

Building Control Stats					
	2015/16	2016/17	2017/18	2018/19	2019/20
Corporate Complaints	1	0	0	0	0
Jobs Commenced	263	224	237	205	278
Jobs Completed	197	138	188	142	186
Full Plans Applications Submitted	183	126	159	110	174
Building Notice Applications submitted	66	66	63	73	78
Partnership Applications	6	11	9	24	10
Regularisations	11	13	17	28	29
Cross Boundary	N/A	N/A	N/A	9	9
Total Number of Applications	266	216	248	244	300
Competent Person Notifications	472	333	739	827	376
Dangerous Structure Call Outs	27	32	29	33	23
Site Inspections	1812	1457	1603	1537	1759
Income	£1,353,248	£1,295,411	£874,660	£957,150	£1,058,245
Market Share	26%	22%	24%	24%	30%

15. Tables 1 and 2, are showing that while the total number of Building Regulation applications remains steady, the percentage requesting the City of London to be their Building Control Body has increased. The department has prioritised ensuring the team are technically competent to work on major projects and are able to provide an efficient service, and this investment in our team members is paying dividends.
16. Workload in the year 2019/20 appeared healthy but analysis was undertaken on applications received in a calendar year and their respective fee income was plotted and the results are found in table three:

**Table 3**

Year	Number of Applications	Fees Generated
2012	303	£1,064,276
2013	322	£1,782,056
2014	282	£1,176,908
2015	280	£1,210,007
2016	228	£847,099
2017	236	£531,836
2018	246	£778,279
2019	266	£1,091,265

17. Large scale development within the City of London occurs over a number of years, and the associated fee income for these projects is received over this time, rather in a single payment. When just looking at overall income for a particular year as shown in Table 2, the fee income is from new as well as old applications which are currently in the process of being constructed. The analysis of Table 3 suggests that large scale construction activity is starting to grow, following the events of 2016 and the Brexit vote.
18. Since 2016 we have been monitoring the market, training our staff, and concentrating our marketing to major developments particularly around the advantage of having the City of London as their building control body over the lifetime of a building and not just, it's initial construction. This change, has ensured that fit-out applications in buildings where we have agreed this approach with the building owner, are now being submitted to the City rather than an Approved Inspector, increasing the demand for our services. Owners such as British land, acknowledge the trust and experience of our service, and as a consequence, this has improved the divisions business activity.
19. Applications in the early part of 2020 were also monitored as they were showing increased activity, on the previous year. Further analysis over the last five years was undertaken and the results are shown in table 4. Construction was showing signs of accelerating activity until the COVID-19 epidemic arrived during March 2020. At this time, it is unclear how construction activity over 2020/21 will be affected, but the division is in a strong position.

**Table 4** Applications and fees generated in January to March, over the last 5 years.

	2016		2017		2018		2019		2020	
	No of Apps	Fees Generated	No of Apps	Fees Generated	No of Apps	Fees Generated	No of Apps	Fees Generated	No of Apps	Fees Generated
Jan	17	£11,732	25	£23,996	21	£30,132	24	£28,777	32	£234,000
Feb	16	£12,212	10	£33,160	26	£132,051	15	£53,034	38	£64,972
Mar	22	£36,869	18	£32,735	19	£105,546	21	£47,724	20	£39,899
<b>Total</b>	<b>55</b>	<b>£60,813</b>	<b>53</b>	<b>£89,891</b>	<b>66</b>	<b>£267,729</b>	<b>60</b>	<b>£129,535</b>	<b>90</b>	<b>£338,871</b>

20. Dangerous structure call outs remain constant over the last three years with 23 reported dangerous structures investigated. There were no significant incidents, however one dangerous building did require our specialist contractor to be called out, to remove the danger.

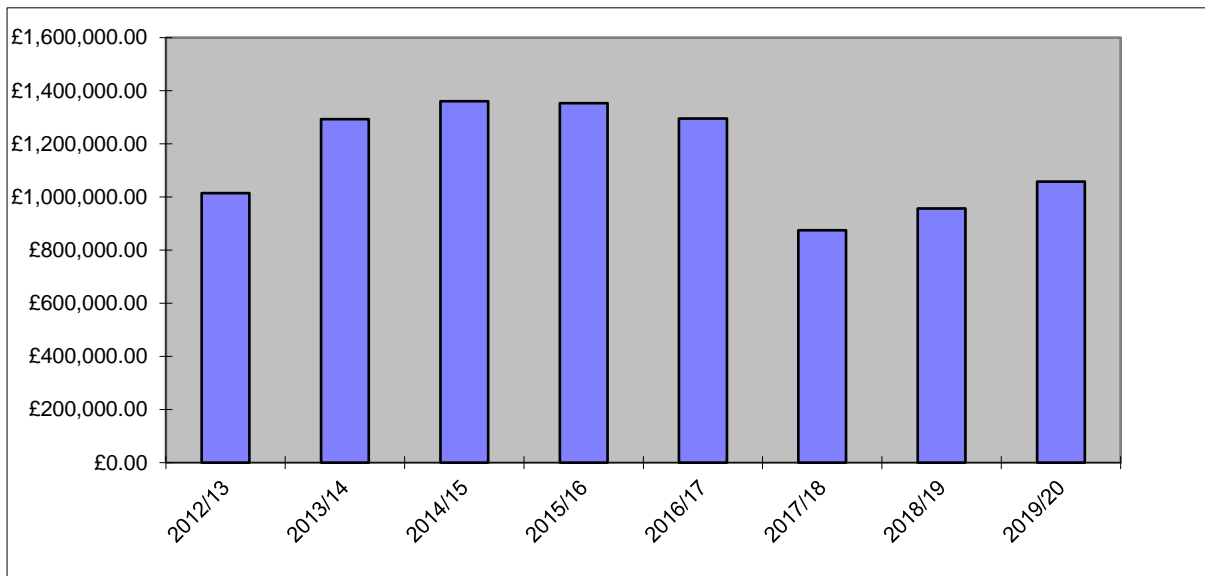
21. Other areas where Building control services have been requested include:

- Special and Temporary and Special Structures-(including structures for the Lord Mayors Show)- 31 applications.
- Approvals in Principal for Engineering Team- 29 applications.
- Marriage Act applications to carry out a technical assessment for the premises prior to a Licence being issued- 18 applications.
- Fire Risk Assessments- 2 applications
- Sustainable Urban Drainage System (SuDS)- providing the technical advice and assessment for major planning applications- 24 applications.
- Demolition Notices-7.

22. The fundamental Review took considerable amount of management time but had little effect to the running of the building control elements of the division, however it had a significant effects on the Engineering Team where a number of Projects had to be “paused” and the teams workload reallocated to projects not effected by the Fundamental Review. (Bridge House Estate projects). The team were also busy with the tenders for our two bridge inspection contracts and finalised the appointments for a six-year period. The new contracts were awarded to the respective existing incumbents following an extensive, competitive European Contract process and will provide a continuity for the inspection programme. The team were also heavily involved producing a revised Bridge replacement Strategy for the five river crossings to inform the Bridge House Estates task and Finish group review.

23. The Engineering team also successfully awarded the Contract for re-waterproofing London Bridge and the associated replacement of Bridge bearings and dealing with a delayed start, negotiating TfL requirements so works could commence at the end of this reporting period.
24. With the proposed relocation of the Museum of London to Smithfield's, the engineering team have been working on the waterproofing on a number of bridges around Smithfield and Snow Hill, as well as carrying out investigations to the bridge at Lynsey Street.
25. Income for Building Control in the year 2019/20 increased on the previous year, and continues the slow recovery from the effects of 2016. Two large projects submitting their applications in April 2019, (6-8 Bishopsgate and 1 Leadenhall), and the division secured all the fit-out works for the completed buildings at 100 Liverpool Street, The Scalpel and 22 Bishopsgate.
26. The number of applications and income are not the only measure of the workload for the division. Large developments have extended contract periods which spread work and fees over several years. With the fees being taken in stages the fee associated with the initial application provides a better measure of the work carried out by the office at any time. Table five shows fee generation from applications between 2012 to 2020. Again, this shows that income from applications is increasing.

**Table 5**



27. Fees and charges for Building Regulation work are governed by The Building (Local Authority Charges) Regulations 2010 and the City are required to approve a Building Regulation Charges Scheme. In 2010 the charges scheme was approved and has been reviewed annually to ensure the principles of the Regulations, to ensure full cost recovery of the service, was being maintained. The scheme was amended in March 2018, and in March 2020 a further report was submitted to your committee recommending a new charges scheme, for commencement from April 2020. This proposal was agreed and has been implemented from the 6th April 2020.

28. As requested by the Committee, an annual report will be submitted for review to ensure the fees are set at an appropriate rate to ensure cost recovery.

### **Major Projects that Completed in 2019/20**

29. A number of the Building Control team's major projects completed in 2019/20 and these included:

- 52-54 Lime Street (The Scalpel)
- 60-70 St Marys Axe.
- 1 Bartholomew Lane

30. The Bank Station Project completed tunnelling below the Mansion House and the Engineering team have been working with The Keeper of the House and London Underground, to advise the City Surveyor and understand why the settlement was greater than expected, undertake repairs during the summer closure and working towards final inspections and reinstatement of the stain glass window next year, The Thames Tideway project has been very busy with the tunnel just reaching their Blackfriars Site and considerable work to ensure protection of the BHE Bridges as well as approvals for the complicated float out of the new Fleet Culvert and protecting the rest of the City's infrastructure in this area.

### **Environmental Resilience team**

31. The Environmental Resilience Team has secured Environment Agency funding to develop a strategy to assist with implementation of the Thames Estuary 2100 Plan in the City. Work on this Riverside Strategy is underway with input from a range of external bodies and officers from across the City Corporation.

32. The team has developed resources to help reduce the risk of flooding in the City including flood risk briefing notes for a number of riverside sites, a register of ownership and state of repair data for flood risk structures and awareness raising material to help fulfil our duties under the Flood and Water Management Act 2010.

33. Recognising that resilience to climate change is a key objective for the City's future, the team has been instrumental identifying the primary risks for the Square Mile and commissioning work to develop an Adaptive Pathways approach to reducing these risks.

### **Staff**

34. The District Surveyors Division has a team of 31, 24 within Building Control team, 5 within the engineering team, and the District Surveyor. In addition, the Environmental Resilience team has 2 posts which are officers, seconded into the team, as specialists in this field. The Building Control team has a number of officers of various seniority and specialisms to reflect the work we do. These include structural engineers, chartered surveyors, a fire engineer, and services

engineers. On the 30<sup>th</sup> April 2020, our specialist drainage engineer retired. Training has been provided to all team members on this subject, so our intention is not to replace this specialist. All members of the engineering team are civil engineers.

35. The development of staff remains a high priority to ensure they can provide an excellent and competent service.
36. Building Control in August 2019 started its first professional Building Control Apprentice, on a four-year University based training programme, with a second apprentice now appointed who will join the division this summer. This will provide resilience to the Division, where recruitment can be extremely difficult.
37. We continue to actively seek out potential clients and win new work, with discussion continuing with major developers and land-owners, such as British land. Pre application agreements have been signed regarding 1-2 Broadgate, 2-3 Finsbury Avenue, Custom House, 55 and 70 Gracechurch Street, and the application for moving the Museum of London to Smithfield's has recently been submitted. We are also providing early advice to the Courts Project team.
38. We are optimistic for the future and continue to market the service at every opportunity.
39. The London District Surveyors Association (LDSA) represents the heads of Building Control in the 33 London authorities. The District Surveyor office continues to support the work of the LDSA and is represented on all its major committees, including its executive committee. Gordon Roy, the District Surveyor and Environmental Resilience Director has been elected as Junior Vice President of the association and will have his Presidential year in 2022.
40. To help steer both the regulatory format and technical standards, staff participate in full consultation with government and have been involved with the industry committees and working parties following the Hackitt enquiry regarding fire safety. This has also required our engineers, to work with the fire engineers at Edinburgh University to examine new construction techniques particularly around the use of timber in buildings.
41. Close working with the London Fire Brigade ensures a coordinated response on fire related issues is fed back to clients, and we continue to have regular discussions with their fire engineering team.
42. Regular reviews of our workload and performance are carried out and reviewed in the light of regular customer surveys.
43. Performance standards are measured by means of Key Performance Indicators which indicated in table six, KPI's 2020.



**Table 6**

	LBC1	5 week apps 90% within 19 working days			LBC2	8 week apps 90% within 26 working days			LBC3	Completion Certificates Issued 85% within 10 working days		
		Apps.	Success	%		Apps.	Success	%		Final Inspections	Success	%
<b>2019/2020</b>												
Apr		6	6	100%		6	5	83%		12	12	100%
May		5	5	100%		6	5	83%		7	7	100%
Jun		2	2	100%		9	9	100%		11	11	100%
Jul		4	4	100%		8	8	100%		12	12	100%
Aug		4	4	100%		11	10	91%		12	12	100%
Sept		7	7	100%		4	4	100%		15	15	100%
Oct		4	4	100%		4	4	100%		17	17	100%
Nov		4	4	100%		5	5	100%		15	15	100%
Dec		5	5	100%		10	10	100%		8	8	100%
Jan		4	3	75%		12	10	83%		33	33	100%
Feb		8	8	100%		9	8	89%		12	12	100%
Mar		13	12	92%		11	10	91%		11	11	100%
<b>YEAR TOTAL</b>		<b>66</b>	<b>64</b>	<b>97%</b>		<b>95</b>	<b>88</b>	<b>93%</b>		<b>165</b>	<b>165</b>	<b>100%</b>

44. The Building Control division operate a Quality Management System which was externally audited in August 2019 and received re-accreditation. This re-accreditation of the Building Control Quality Management System means that the division has been providing an accredited management system, continuously for 26 years.

45. The District Surveyor’s office uses the Building Control module of CAPS Uniform software to record all applications and records. This is the same software that the Planning department use for their purposes. The use of a common system enables easy abstraction of information for building searches and shared information. The software was part of the corporate IDOX/M3 replacement programme which has been postponed but we are hopeful that this will resume shortly.

**Highlights**

46. The LABC London Building Excellence Awards 2020 were due to be held at the Guildhall on the 1<sup>st</sup> May 2020 but have been unfortunately postponed. There were 2 City of London projects nominated for an award. They included 1 Bartholomew Lane, and Kaleidoscope at Farringdon.

**Conclusion**

47. This report describes the background of building control, the engineering team and the environmental resilience team within the City of London and the work of the District Surveyor’s office over the last year and looks positively forward to the challenges ahead.

**Appendices**

- Appendix A- Proposed Building Regulation changes and the Building Safety Bill.

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