

**HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Building Control Shared Services Business Case

**Meeting/Date:** Overview & Scrutiny (Environmental Well-being) Panel,  
14 July 2015  
Cabinet Meeting, 16 July 2015

**Executive Portfolio:** Cllr Dew, Executive Councillor for Strategic Planning and  
Housing

**Report by:** Joanne Lancaster, Managing Director

**Ward(s) affected:** All

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**Executive Summary:**

- 1) Cambridge City Council (CCC), Huntingdonshire District Council (HDC) and South Cambridgeshire District Council (SCDC) have agreed to work in partnership to deliver a range of shared services and have agreed principles to underpin this approach.
- 2) This report provides the business case to establish a Building Control shared service between the councils and details the activities to create the Building Control shared service.

**Recommendation(s):**

To approve the business case and delegate the authority to the Managing Director, in conjunction with the Portfolio Holder for Strategic Planning and Housing, to make decisions and to take steps which are necessary, conducive or incidental to the establishment of the shared service in accordance with the detailed business case.

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## **1. WHAT IS THIS REPORT ABOUT/PURPOSE?**

- 1.1 The report describes why there are strategic and financial benefits to all three partners in creating a Building Control shared service for CCC, HDC, and SCDC. It contains the vision and strategy for the Building Control shared service and describes the services which would be provided. It also includes the timetable for implementation, including the transfer of staff from HDC and SCDC to CCC.
- 1.2 The report also contains a detailed financial model showing how savings will be achieved against baseline (starting) budget, and the cost benefit apportionment between the three partners.

## **2. WHY IS THIS REPORT NECESSARY/BACKGROUND**

- 2.1 When this matter was last reported, approval was given to develop a detailed business case and appoint an interim shared Building Control Manager to help develop the business case and the design of the new service.

## **3. OPTIONS CONSIDERED/ANALYSIS**

- 3.1 For some time, all three partner organisations have been considering a range of options, including insourcing/outsourcing of their Building Control services and the establishment of a shared service. More recently, CCC, HDC and SCDC have reached a broad agreement to establish a range of shared services, Building Control being one of these. The close geographic proximity of these three organisations combined with the high affinity in type of service provided has led to the conclusion that a Building Control shared service has merit. The financial model bears this out and is contained in the business case (Appendix A).

## **4. KEY IMPACTS/RISKS? HOW WILL THEY BE ADDRESSED?**

- 4.1 Section 11 of the business case describes the key risks and associated mitigation actions. The financial modelling undertaken during the production of this business case provides significant mitigation to the risks around lack of clarity as to how savings will be identified, tracked and apportioned back to the partners.

The other key risk area is that of staff transfers from SCDC and HDC to CCC. The detailed timeline and implementation plan for TUPE consultation and staff transition has been developed in order to mitigate this risk and maximise the possibility of smooth transition to establishment of a Building Control shared service.

## **5. WHAT ACTIONS WILL BE TAKEN/TIMETABLE FOR IMPLEMENTATION**

- 5.1 This business case will be presented during July 2015 for approval by all three partner councils. In parallel, the work required to prepare for going live on 1 October 2015 shall also proceed, including the identification of "Quick Win" projects which can help realise early benefits from the Building Control shared service.

## **6. LINK TO THE CORPORATE PLAN**

- 6.1 This business case is fully aligned with the strategic goal of ensuring services are provided in the most pragmatic, cost-effective manner. The economies of scale presented by a Building Control shared service will provide lower unit costs of service provision through economies of scale and increased buying power.

## **7. CONSULTATION**

- 7.1 CCC will become the Lead Authority for the Building Control shared service. As such, identified Building Control staff in HDC and SCDC will transfer under TUPE to CCC on the go-live date. Formal consultation with staff, Unions and Staff Council at HDC will take place during August 2015 in accordance with each council's policy on consultation. The consultation will be in respect of the proposed TUPE arrangements and a new management structure.

## **8. LEGAL IMPLICATIONS**

- 8.1 There are specific challenges to the Building Control Service contained in European Union procurement rules. Initial advice has been sought and further reviews of the legal advice on all of the shared services will continue throughout the run-up to implementation.

## **9. RESOURCE IMPLICATIONS**

- 9.1 Staff will transfer from HDC and SCDC to CCC when the Building Control shared service is established, currently planned to be 1 October 2015. All financial assumptions are set out in the business case.

## **10 REASONS FOR THE RECOMMENDED DECISIONS**

- 10.1 There are strategic, commercial and environmental reasons why the recommendation is to create a Building Control shared service.

## **11. LIST OF APPENDICES INCLUDED**

Appendix A – Business Case

## **BACKGROUND PAPERS**

November 2014 Cabinet papers.

## **CONTACT OFFICER**

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