

Item



3Cs BUILDING CONTROL SHARED SERVICE AND GREATER CAMBRIDGE PLANNING SHARED SERVICE – 2017/18 ANNUAL REPORTS

To:	Executive Councillor for Planning and Transport	
Report by:	Fiona Bryant, Strategic Director	
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Relevant scrutiny committee:	Planning and Transport Scrutiny Committee	26/06/2018
Wards affected:	All	

Non – Key Decision

3Cs BUILDING CONTROL SHARED SERVICE AND GREATER CAMBRIDGE PLANNING SHARED SERVICE – 2017/18 ANNUAL REPORTS

1. Executive summary

- 1.1. This report provides summarises the performance for the 3Cs Building Control Shared Services, and the Greater Cambridge Shared Planning Service during 2017/18.
- 1.2. The principle of producing a single annual report for both the 3Cs and greater Cambridge (2Cs) shared services was agreed at committee in July 2015.
- 1.3. The overarching annual report for the 3Cs Shared Services, submitted to South Cambs and Huntingdon District Council Committees for scrutiny, includes ICT, Legal and Building Control Shared Services. At the City Council, only the Building Control service falls under the remit of this Committee, and therefore the annual report is extracted from the overarching report and enclosed below.

- 1.4 Greater Cambridge Shared Services Annual Report covers the Waste, Planning and Internal Audit services, and is submitted to South Cambs District Council Committee for scrutiny but at the City Council, only the Planning Shared Service falls under this Committee's remit and therefore the service report has been extracted and is included below.

2. Recommendations

2.1 The Executive Councillor is recommended to:

- Note the content of this report.

3. Background

- 3.1 In July 2015, Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council each approved a model for sharing Legal, Building Control and ICT services. The three services went live within 3C Shared Services in October 2015 with a commitment to provide an Annual report.
- 3.2 The Shared Planning Service forms part of the Greater Cambridge Shared Services (2Cs). The business case for a Shared Planning Service (SIAS) between Cambridge City Council and South Cambridgeshire District Council was approved by both Councils in 2017. The service went live in December 2017.
- 3.3 The overarching Shared Service performance is monitored through the Greater Cambridge Shared Services Management Board (containing the lead directors from each authority), Greater Cambridge Chief Executives Board and 2C Joint Advisory Group (comprising of the leaders of Executive Councillors from each of the Councils). The Shared Planning Service also has a member led steering group.
- 3.4 The service business plans for the Shared Building Control and Planning services were approved by the City Council, Huntingdon District Council and South Cambs District Council committees in March 2018.

The business plans provide information on the priorities, key performance indicators and budgetary profiles for 2018/19.

4.0 3C Building Control Annual Report 2017/18

4.1 Introduction

4.1.1 3C Building Control was set up in October 2015 with the following objectives:

- Protection of services which support the delivery of the wider policy objectives of each Council.
- Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having

in place a robust model to control the operation and direction of the service.

- Savings through reduced managements costs and economies of scale.
- Increased resilience and retention of staff.
- Minimise the bureaucracy involved in operating the shared service.
- Opportunities to generate additional income, where appropriate.

4.1.2 The creation of a shared service was envisaged to further improve capacity in certain areas (for all three Councils) by expanding the skilled team with management arrangements that enable resources to be deployed effectively and efficiently and the adoption of best practices and processes. Another advantage of the service was to address the issue of recruitment and retention in local authority building control services by creating an organisation that offers greater opportunities for career progression. This includes new posts to enable the recruitment of apprentices and graduates, as well as adopting a career grade for building control surveyors. The configuration of the new service also provides flexibility in the delivery of additional services such as street naming & numbering, considerate contractor scheme, construction monitoring and other potential fee earning opportunities.

4.1.3 The combined net budget of the non-fee-earning account of the building control services for the three partner authorities before setting up the shared service was £338,520 and a savings target of 15% equating to £51,000 was set. Fee earning figures could not be included in the calculation as this is ring fenced monies.

4.1.4 Given the commercial nature of the service only limited information has been included in this public Annual report. A detailed Business Plan for 2018/19 which contained more of the service detail was approved at partner committees in March 2018.

4.2 General Progress to Date

4.2.1 The Building Control service has made considerable progress during 2017/18 with the following delivered:

- A. Recruitment of permanent Head of 3C Building Control
- B. Marketing Strategy implemented
- C. Implement the ISO 9001: 2015 quality management system across the service

With all these now delivered the service is working flexibly across the whole area with office locations at the Guildhall in Cambridge and Pathfinder House in Huntingdon.

4.2.2 Recruitment to the service has been positive during 2017/18; there was a planned issue with resource and consequently service provision due to termination of agency contractors and the lag between recruitment and appointment of permanent members for the team.

The ability to recruit and retain qualified and experienced staff has been an on-going issue for the service in terms of delivery and financial benefits. It is important that the service retains the existing staff members; leadership and motivational techniques will become embedded within. In addition it is important to ensure sufficient succession planning is in place. In order to achieve this a full service review will be undertaken during the new financial year.

4.2.3 3C Building Control has added value to a variety of key projects for all partners during 2017/18, notably:

- The team are working on a number of schools within the 3C area including new buildings and extensions. The service has also provided consultation on school projects outside the area which will result in further applications under the Partner Authority scheme.
- The service continues to oversee many of the new homes on the Southern fringe developments at Clay Farm and Trumpington Meadows sites.
- The team continues to provide expert advice and support to several important developments on the Cambridge Biomedical Campus at Addenbrookes.
- The team are collaborating on the extensive £300M+ first phase development at North West Cambridge for the University of Cambridge, this includes the University Primary School, student accommodation, large supermarket and other retail units and 500+ residential units, nursery school and community facilities.
- The team has successfully tendered for the next phase of the New Museums Site in the centre of Cambridge.
- The service has entered a training contract with the CIOB (Chartered Institute of Building) to enable the professional membership of the team and to facilitate the provision of CPD (continuous professional development) opportunities for local agents and contractors to attend.

4.3 Finance

4.3.1 Income has remained stable over the last nine months and although less than the budgeted forecast the service has rationalised costs as much as possible to compensate.

Financial Year 2017/18 ends with a loss of **£25,696** to the fee earning account.

Building Control	Budget £	Actual £
Expenditure	-1,778,910	-1,534,111*
Income	1,779,400	1,534,113
VARIANCE		2

**includes contribution from reserves as detailed below.*

The reserves at the beginning of 2017/18 were £310,233. The loss to the fee earning account of £25,696 has been deducted from these reserves. The starting position for the reserves for 2018/2019 is £284,537. The reserves are monies to be retained for works in progress from one financial year to another.

3C Building Control	2017/18	Overspend 2017/2018	2018/19
Reserves	310,233	-25,696	284,537

The service will also undertake a review of the fees during the first quarter on the new financial year.

It is a requirement that each Council contributes to the non-fee earning account for all statutory works the service is unable to charge for. This currently equates to 30% of the work undertaken by the service. The budgeted contribution from each Council is detailed below, as the service rationalised expenditure this had a positive impact on the actual contribution from each council resulting in a total variance of £52,046.

Contribution from Councils	Budget £	Actual £	Variance £
Cambridge City C	202,140	179,462	22,678
Huntingdon DC	147,670	131,106	16,564
South Cambridgeshire DC	114,130	101,326	12,804
TOTAL	463,940	411,894	52,046

This is a much better position than the previous financial year (2016/2017) when the overspend to the reserves was in the region of £95,000.

fee*Cost for Apprentice of £35,622 is included as an expenditure against the 3C Building Control budget however this should have been accounted in the corporate budget where the budget for Apprentices is currently underspent.

- 4.3.2 During 2017/18 the market share for 3C Building Control was 53% with the Private Sector taking around 47%. Considering the pressures on resources during the early part of the year a planned business decision was made not to procure work that could not be fulfilled to the service standard.

4.4 Customer Feedback

- 4.4.1 The service has a variety of customers. Initial customer feedback was obtained from Agents in November 2017. This was a one off survey which will be repeated again during the new financial year. Response rate was 10%, considered satisfactory.

- 4.4.2 A series of questions were asked and the responses collated. This has informed the strategy for the service and fed into the business plan and marketing strategy.

Does our service meet your needs	●	75% confirmed yes
How would you rate our communications	●	50% found them unsatisfactory
Would you use 3C again	●	16% answered no
Would you recommend our service	●	67% answered yes

- 4.4.3 Customer feedback was also obtained from householders; this is forwarded at the completion stage of every project via an online survey. These are collated periodically and the responses informed the strategy for the service and fed into the business plan and marketing strategy.

How easy was it to understand the application process	●	100% confirmed yes
How successful was your project	●	87.5% confirmed yes
How easy was it to get hold of building control	●	12.5% answered not at all
How helpful was your surveyor on site	●	100% confirmed yes
Would you use 3C again	●	75% confirmed yes
Would you recommend our service	●	12.5% answered no

- 4.4.4 With the new team members embedded into the service, focus will move towards increasing discretionary services in the new financial year.

The marketing of the service has been identified by the new Head of Service as a key area for its on-going success. A marketing strategy has been produced and is being implemented. Some of the activities underway are:

- Local Continuing Professional Development events have been held in the operational area for customers and citizens.
- Team members are participating in the planning roadshows hosted by South Cambridgeshire District Council.
- Team members also participated in a community event with Kiers at Northstowe.
- The service has 15 finalists in the 2018 LABC National Building Excellence Awards East Anglia region.
- Team members have presented for Anglia Ruskin University to students and to the University of Cambridge Architecture students.
- Social media activity is increasing with LinkedIn the next area to target.

5.0 Shared Planning

5.1 Background

5.1.1 The Greater Cambridge Shared Planning Service went live in April 2018 with the following objectives:

- To create and deliver an effective programme for the creation of a single, unified "Greater Cambridge" planning capability serving the Planning Committees of each of the participating Councils.
- To build a shared capacity and capability within the combined teams (and provide opportunities to support others) in a way that seizes opportunities for efficiency and quality improvements by providing services and products (including additional charged services) that meet the needs of users and the community at the lowest net cost.
- To deliver a service that can be flexible - in deployment and delivery.
- To build/retain a reputation for professionalism, staff development, the delivery of high quality outcomes and competent "business management" amongst peers and partners.

5.1.2 Although there were differences in how each of the two Council's planning teams operated, they were facing similar challenges - namely, how to manage with fewer resources, yet provide the high quality and often specialised planning advice that Councils rely upon. Each Council also recognised the need for a change of culture in the commissioning and delivery of planning services.

5.1.3 At the time each council struggled to recruit and retain planning staff, and was increasingly reliant upon external providers to meet its needs, especially on major projects. Nationally, standalone planning services teams were facing challenges to maintain a staffing level that provides the specialists they need across a wide range of planning disciplines. A shared service solution to join forces and create a critical mass of capability, target efficiencies, and actively seek to take advantage of income generating opportunities was approved.

5.2 General Progress to Date

5.2.1 Following agreement in principle reached in 2015, in July 2017 the decision was made for the Planning Services at SCDC and CCC to join together into a new shared service to provide all of the functions of the District Councils operating as the Statutory Local Planning Authority for the "Greater Cambridge" area.

5.2.2 A number of activities have been completed during 2017/18 or are already underway to assist in the delivery of this project.

- A project board was put in place consisting of Stephen Kelly, Senior Management and Project Manager, the board meet on a 3 weekly basis to review the project progress and project work streams.
- An experienced project manager (Mike Holmes) with change and planning experience was recruited to assist with the delivery of the project.

- PRINCE2 methodology is in use for the project management with detailed working documents in place i.e. communications plan, stakeholder's analysis and risk/issue logs.
- Project Initiation Documents were approved by the SCDC/CCC Joint Advisory Group.
- The proposed Business Case for the formation of the Greater Cambridge Planning Service was approved by SCDC and CCC Members in July 2017.
- A Communication and Stakeholder plan was set and agreed.
- A monthly staff newsletter has provided updates for staff in SCDC and CCC on progress of the projects with a Q&A section to address concerns and questions. Regular staff briefings have been held.
- A Member steering group was set up and meets regularly to review the project progress and give advice when needed.
- Regular highlight reports have been provided to the Steering Group and Executive Members in SCDC and CCC.

5.2.3 An initial consultation on the proposals for the new Greater Cambridge Planning Service, which included the proposed New Management Structure and the TUPE transfer of staff from CCC to SCDC, took place between August and September 2017. The outcome report was published on 23 November 2017. This was followed by a second consultation, started on 4th Dec 2017, which proposed a revised management structure. The consultation ended at the end of January 2018 and the outcomes report was published in February 2018.

As a result of the consultation the management team is now in place with the two Assistant Director roles currently going through the recruitment process in May/June 2018.

5.2.4 ICT requirement have been assessed and soft marketing has been carried. A preferred supplier has been procured and a project manager engaged to deliver the system during 2018/19.

5.2.5 With the anticipated increased use of the Greater Cambridge brand throughout the year a number of areas will be addressed to assist in this being a success i.e. review of internal and external facing websites, redesigned templates, stakeholder communications and workshops, use of local and national media.

A logo for the Greater Cambridge planning Service has been approved by a Joint Advisory Group and a workstream is underway to carry out branding in a controlled manner over the coming months.

5.2.6 Once the senior management structure is in place and posts are appointed to, the senior management team will focus on the development of the complete structure and further define the future operating arrangements. This will involve analysis of workloads, demand on the service and processes with a view to adopting best practices and maximising efficiencies. This stage will include a review of the activities which are undertaken outside the current services (having regard also to TUPE), for example trees and landscaping,

and an assessment of the impact of the new planning service on wider council's service areas that are not in scope, for example the existing customer contact arrangements. The development of the specialist services capability will also be covered during this phase.

Once this structure is developed a further formal consultation process will be carried out with staff and unions in accordance to the agreed policies at both partner authorities. Implementation will then be delivered on a phased work programme.

5.2.7 The service will continue to maintain a presence at both Cambridge and Cambourne. Nevertheless, one of the aims of the service is to work in a flexible and agile way aligned to both partners' individual office accommodation and future investment and delivery strategies. There will be no immediate changes in the locations of individual teams until the future structure is known – although collaboration between officers in different offices engaged on specific tasks is expected to increase.

5.2.8 Once the office accommodation is reviewed it is expected that a phased implementation of any accommodation changes, to meet wider corporate programme timelines will be required, learning the lessons from previous shared services projects.

5.3 Finance

5.3.1 The net costs for the 2017/18 (service still separate) is recorded in the table below.

	Income	Expenditure	Net cost
CCC	2,042,780	3,755,650	1,712,870
SCDC	2,266,050	7,186,287	4,920,237

5.3.2 Financial savings have been profiled over the coming years but the emphasis is currently on consolidation of the new shared service and on business delivery.

5.4 Customer Feedback

5.4.1 As the service only launched on April 1st 2018, the 2017/18 year was largely focussed on staff consultation and feedback in the setting up of the service. Throughout the next stages of the service establishment and transformation, focus on staff and stakeholders will continue. A stakeholder plan is incorporated into the communications plan and identifies stakeholders and the appropriate channel and level of communication required.

5.4.2 The member steering group, comprising portfolio holders, and key officers from both Local Authorities, continues to act as a focus for core feedback from partners.

5.4.3 In terms of the wider customer base the service already operates a feedback process for SCDC decisions and is expecting to review and extend that process through implementation of the new ICT solution. In spring 2018, the service proposes to carry out multi-site “road shows” targeted at residents to raise awareness and improve openness about the service and its objectives amongst users. Both Services hold bi-annual “agents” forums and SCDC has a quarterly Parish Forum of which 2 each year are focused primarily on planning matters.

5.4.4 Through 2018, the service will continue to reach out to the development community via Local Bodies (Cambridge Ahead, Cambridge Construction Awards) and targeted partnership working with public (County, GCP and CA). Once the full managed team are in place, capacity to extend the dialogue with key landowners/promoter’s developers building upon existing lines of communication will grow. The service is already fully embedded in the area forums at the City and networked with local community bodies such as FeCRA, University, and Cambridge PPF etc.

6.0 Conclusion

6.1 The Annual Report is for information.

6.2 The Planning Service has only gone live in 2018/19 but with an established Head of Service in place for the Building Control Service, and approved business plans for 2018/19, the services are in a positive place to deliver the benefits set out in the original business plans.

7. Implications

a) Financial Implications - The financial implications have already been accounted for in the medium term financial planning for each of the authorities.

b) Staffing Implications (if not covered in Consultations Section) - There are no additional staffing implications.

c) Equality and Poverty Implications - Not required for this report

d) Environmental Implications - None for this report

(e) Procurement - None specific related to this report
Any procurement relating to the service provision is carried out in line with Councils’ policy

(f) Consultation and communication - As reported

(g) Community Safety - None.

8. Background papers

These background papers were used in the preparation of this report:

- Shared Service Quarterly reports

9. Appendices

None

10. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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