

REPORT TITLE: 3C Shared Services Partnership Agreement

To:

Cabinet Member for Finance and Resources, Simon Smith

Cabinet 15 July 2025

Report by:

Jane Wilson, Chief Operating Officer

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Wards affected:

All

Director Approval: Director Jane Wilson confirms that the report author has sought the advice of all appropriate colleagues and given due regard to that advice; that the equalities impacts and other implications of the recommended decisions have been assessed and accurately presented in the report; and that they are content for the report to be put to the Executive Councillor for decision.

1.	Recommendations
1.1	It is recommended that Cabinet: Approves the Partnership renewal agreement for 3C Shared Services (ICT, Building Control and Legal
2.	Purpose and reason for the report
2.1	Renewal of this partnership agreement is a key decision for the Council. Any disruption to these services would cause significant risk to the Council and therefore it is important to agree the extension of the 3C Shared Service agreement in good time, ahead of its expiry date in September.
3.	Alternative options considered
3.1	The Council could choose to give notice to the partnership, but this would be extremely expensive and disruptive.
4.	Background and key issues
4.1	Cambridge City, Huntingdonshire District and South Cambridgeshire District Councils have been sharing ICT, Legal and Building Control services since 2015. The Shared Services Agreement has been in place since then, having been renewed once, in September 2020. The current agreement lasts until 30th September 2025.

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| | <p>4.1.1 Building Control is a mature, award-winning service, and has not required any significant review prior to confirming that the Council wishes to proceed in the partnership. Key achievements over the last five years include:</p> <ul style="list-style-type: none">a. Shift of the financial model from 70/30 fee-earning/non fee-earning to 80/20 fee-earning/non fee-earning, resulting in a reduction of budget contribution for all three partner Councils (therefore a saving).b. All building control surveyors registered as Building Inspectors (RBIs) with the Building Safety Regulator (BSR) for the class and category of work they undertake for 3C Building Control, as outlined in the BSR Building Inspector Competence Framework (BICof).c. Implementation of the new Operational Standard Rules and key performance indicators introduced by the Building Safety Act 2022 for the building control profession.d. Incorporation of the Street Naming and Numbering function within 3C Building Control for all three partner Councils. <p>4.1.2 The Legal and ICT shared services have both been reviewed with the support of external consultants.</p> <p>4.1.3 Following the ICT service review, the outcome and recommendations of which were presented at Strategy and Resources Scrutiny Committee in September 2024 ahead of a decision by the Executive Cllr for Finance and Resources, a new post of Chief Digital Information Officer (CDIO) was created, and following a joint recruitment process by the partners the new postholder started in December 2025. Key changes to the service include:</p> <ul style="list-style-type: none">a. A drive to move the service from an Operational IT service to more strategic Digital enabling service; with a focus on driving efficiencies and service improvementsb. Creating a technical foundation that will enable future ambition; particularly in relation to utilisation of Data Platforms, Collaboration Platforms and AI capabilitiesc. Developing a culture of innovation and curiosity within the Council by utilising the breadth of experience, and access to peer Council and Partner networks, of the new CDIOd. Reducing the risk profile of the Council through enhanced assurance and adoption of industry standards and established governance frameworks |
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	<p>e. Ensuring that the service remains cognisant of the impacts of LGR, and minimises future cost/complexity wherever possible.</p> <p>4.1.4 Following the Legal service review, a number of changes are being worked through to ensure that the service is fit to meet the challenges of the next few years. These include:</p> <ul style="list-style-type: none"> a. Consideration of more effective recruitment and retention strategies b. The roll out of a more effective practice management system to allow better access and visibility for clients while driving better and more effective performance by the legal team. c. An enhanced range of KPIs. d. Better use and utilisation of client feedback to drive continuous improvement. e. Strategic alignment with all 3 partner Councils to ensure the legal practice is able to respond effectively to evolving priorities. f. Better and more effective communication strategy. <p>4.1.5 On the basis of these reviews and the agreed actions listed above, the Council is confident that the partnership is best placed to deliver these three important services.</p> <p>4.1.6 Local Government Reorganisation</p> <p>It is proposed to extend the Partnership Agreement for another five years, meaning until 2030. While LGR will inevitably create significant change before then, the agreement has a clear exit clause, and the Councils are therefore not restricted by LGR. In the interests of minimising change as much as possible in advance of the impact of LGR, signing the agreement is in the interests of the Council and all employees.</p>
5.	Corporate plan
5.1	<p>Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council</p> <p>This links to Corporate Priority 4, Modernising the Council to lead a greener city that is fair for all</p>
6.	Consultation, engagement and communication
6.1	<p>The recommendation to renew the agreement is in effect a continuation of the existing position. The two services that were reviewed undertook engagement activity with staff as part of those processes. The findings fed directly into the forward planning for both these services.</p>
7.	Anticipated outcomes, benefits or impact

7.1	The outcome of this decision will be the continuation of existing services, all of which are critical to Council delivery.																				
8.	Implications																				
8.1	Relevant risks																				
	The potential risk associated with this decision links to Local Government Reorganisation, which is still at too early a stage to be able to provide clear direction. This risk is managed by the exit clause mentioned at 4.1.6.																				
8.2	Financial Implications																				
	<p>Continuing to share these services will enable the council to deliver cost effective services that have increased resilience by virtue of their size. The costs of these services delivered through the 3C agreement are factored into both the Council’s current budget and the medium-term financial strategy. The detailed review of 3C ICT which was reported last September indicated that continuing the 3C model was the most cost-effective approach for Cambridge City Council.</p> <p>The cost of providing the three services is set out in the table below, using the 2025/26 budget with % allocation splits for each Council. Budgets fluctuate from year to year, but these figures give an indication of the financial commitment for the three Councils.</p> <table><tr><td></td><td>2025/26 Total £m</td><td>SCDC %</td><td>HDC %</td><td>City %</td></tr><tr><td>3C ICT Revenue*</td><td>£9.147</td><td>30%</td><td>34%</td><td>36%</td></tr><tr><td>3C Legal**</td><td>£1.522</td><td>38%</td><td>15%</td><td>47%</td></tr><tr><td>3C Building Control***</td><td>£0.495</td><td>33.3%</td><td>33.3%</td><td>33.3%</td></tr></table> <p>* ICT has some fixed costs which are split evenly and some costs based on consumption, and therefore the % changes every year as consumption changes</p> <p>** Legal costs are based on consumption and also change every year, as consumption changes</p> <p>*** Cost sharing has been split equally since 2022/23.</p>		2025/26 Total £m	SCDC %	HDC %	City %	3C ICT Revenue*	£9.147	30%	34%	36%	3C Legal**	£1.522	38%	15%	47%	3C Building Control***	£0.495	33.3%	33.3%	33.3%
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8.3	Legal Implications																				
	There are no adverse legal implications in the renewal of this agreement.																				
8.4	Equalities and socio-economic Implications																				

	As approval of the recommendation will mean the continuation of the existing services as is, there are no equalities and socio-economic implications.
8.5	Net Zero Carbon, Climate Change and Environmental implications
	As approval of the recommendation will mean the continuation of the existing services as is, the position in relation to net zero, climate change and environmental impacts, will remain the same as before the decision.
8.6	Procurement Implications
	There are no procurement implications associated with this decision
8.7	Community Safety Implications
	There are no Community Safety implications associated with this decision
9.	Background documents Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
9.1	No background documents were used to prepare this report.
10.	Appendices
10.1	The shared services renewal agreement
	To inspect the background papers or if you have a query on the report please contact Jane Wilson, Chief Operating Officer, jane.wilson@cambridge.goc.uk , 01223 457860