


Agenda Item No:	9	
Committee:	Cabinet	
Date:	26 February 2024	
Report Title:	Renewal of CNC contract for Building Control Services	

1 Purpose / Summary

- 1.1 For Members to consider and agree to renew the contract with CNC for Building Control Services.

2 Key Issues

- 2.1 The Council has a number of statutory obligations in relation to Building Control services including the assessment and making safe of dangerous structures.
- 2.2 On 18 September 2014, Full Council considered a number of options and agreed for the Council to join CNC Building Control which is a shared service across Fenland District Council, King's Lynn and West Norfolk Borough Council, Norwich City Council, Broadland District Council, hosted by South Norfolk District Council.
- 2.3 In 2014, agreement to this proposal represented a £52,000 per annum saving on our then in house team including £15k income from CNC occupying office space at the Boathouse.
- 2.4 Many of the reasons set out in the 2014 report are still relevant today in terms of costs of maintaining an in-house team, recruitment and workforce planning challenges in relation to maintaining qualified surveyors, uncertainty arising from competition from Approved Inspectors and the fact that legally we cannot make a profit from Building Control services, we must maintain a break even position over a 3 year period.
- 2.5 In 2014, Council agreed it would cost £60,000 per annum to enter the partnership representing a saving of £52,000 per annum. The Council currently pays £54,108 therefore costs have reduced over the period of the contract and represents an even greater saving than originally anticipated.
- 2.6 CNC still occupy space at the Boathouse, albeit last year they recently downsized their office space. This still represents £10k income (from £15k) to the Council. The offices CNC vacated have been relet.
- 2.7 Cllr Laws attends the CNC Board with fellow Councillors from the respective Councils to oversee the financial and regulatory operations of the partnership on a quarterly basis.
- 2.8 Alternative options have been considered but none of these provide the current benefits of being part of the CNC Partnership.

3 Recommendations

- 3.1 For Members to agree to the renewal of the contract for CNC to deliver Building Control services on behalf of the Council

Wards Affected	All
Forward Plan Reference	KEY/10NOV23/01
Portfolio Holder(s)	Councillor Dee Laws, Portfolio Holder for Planning and Flooding
Report Originator(s)	Nick Harding, Head of Planning Carol Pilson, Corporate Director
Contact Officer(s)	Nick Harding, Head of Planning Carol Pilson, Corporate Director
Background Papers	Full Council Report – Shared Service with CNC Building Control Services 18 September 2014

1 BACKGROUND AND INTENDED OUTCOMES

- 1.1 The Council has been a member of the CNC Building Control Partnership since 2014. The anticipated financial benefits have been achieved. This arrangement still represents value for money to achieve the Council's statutory obligations and therefore it is intended we remain a part of this arrangement into the future.

2 REASONS FOR RECOMMENDATIONS

- 2.1 The Council must make provision to deliver its statutory responsibilities in relation to Building Control services in an effective and efficient manner.

3 CONSULTATION

- 3.1 We have consulted with other organisations to ascertain the availability of other arrangements that may be more advantageous to the Council.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 We have considered a number of alternative options and discounted them because:
- 4.2 Bringing the service back in house – this would create an increased revenue burden of directly employing staff greater than the cost of the current partnership arrangement. Recruitment is difficult in this industry and there would need to be capital investment in technology etc to create a new team.
- 4.3 Alternative partnership arrangements – other partnership have been explored (South Holland District Council, East Cambs District Council, Peterborough City Council, 3Cs (Cambs City, Hunts & South Cambs Council consortium) and variously been discounted for one or more of the following reasons:
- No capacity to expand the service.
 - No desire to expand the service.
 - Awareness that expansion with another council has not been achieved in a timely way.
- 4.4 Ending the service arrangement with CNC would not be without cost:
- Staff transfer / redundancy cost
 - Data transfer cost
 - Other set up costs
 - Settlement of initial loan from CNC to FDC
 - Settlement of the FDC element of the CNC trading account

- 4.5 Given the national recruitment challenges in the Building Control world, leaving CNC is not without risks in terms of being able to recruit additional staff. Given the vacancies in CNC there is some risk that there are no staff available for transfer. If the Council brought the service back in house, then there is a risk around being able to recruit in time to be able to deliver the service. There would also be implications for the FDC accommodation.

5 IMPLICATIONS

5.1 Legal Implications

- 5.2 The Council has statutory obligations in relation to building control and the proposed arrangements set out in this report provide an option for ensuring they are fulfilled.

- 5.3 There are no procurement implications in relation to the proposals set out in this report as the delivery of services is achieved for an agreement under s.113 of the Local Government Act 1972.

5.4 Financial Implications

- 5.5 The arrangement with CNC costs the Council £54k per year which represents a significant saving on our original in-house costs. CNC operates a profit and loss account whereby profits are returned to the Council once our on boarding loan is repaid. Losses are retained by South Norfolk Council and are repaid by any profits in subsequent years. If profits are not sustained for a number of years to pay off the losses then South Norfolk Council retain the right to pursue the Council for these monies, however this hasn't happened to date.

5.6 Equality Implications

N/A.