

OFFICER DECISION RECORD SHEET

Name of decision maker: Assistant Director – Planning Development & Regeneration

Service Area: Planning, Development and Regeneration

Title of Decision: Extension of the Council's Service Level Agreement with Hertfordshire Building Control Ltd.

Reasons:

In December 2019, Dacorum Borough Council became the eighth shareholder in Hertfordshire Building Control Ltd (HBC), a consortium company originally set up and owned by seven of the Hertfordshire District and Borough Councils in 2016. These comprise Three Rivers, Hertsmere, Welwyn Hatfield, Stevenage, Broxbourne, North Herts and East Herts.

DBC's joining of HBC was approved by Full Council. Background is set out in the report to Cabinet on 10 September 2019.

HBC has been set up to deliver Local Authority Building Control services – a statutory function under the Building Act 1984 - on behalf of the shareholding authorities, which now includes Dacorum Borough Council.

The original seven authorities concluded a five year agreement with HBC, which expires on 16 August 2021. This was made clear to DBC at the time of joining the enterprise with the need to review the arrangements in advance of that time, either by concluding a new agreement with HBC or withdrawing its shares and considering other options either individually or collaboratively.

HBC has proposed at this stage that a further one-year extension to the agreement is concluded. The effects of the Covid19 pandemic have had an effect on the work priorities in the short term of all local authorities, and of HBC itself. To allow for more time to consider a review of the effectiveness of HBC as an enterprise to deliver the authorities' statutory Building Control services, it is considered both prudent and expedient to agree a simple one-year extension to the current arrangements.

The ongoing performance and operation of HBC on behalf of the authorities is managed and governed by the HBC Board, on which all eight Councils are represented, in Dacorum's case by the Corporate Director for Housing and Regeneration. The Board is supported by an operational commissioning panel made up of senior managers from the Council and in the case of Dacorum this is the Group Manager for Development Management and Planning.

The report to Cabinet on 10 September 2019 explained that Dacorum would be joining HBC on a five year basis, but noting that the agreement would need to be refreshed with agreement of the other seven Councils as it ran to August 2021 only. The report also set out that a six month extension to this point would be permissible.

The purpose of this Officer decision is therefore to make this extension period into a full twelve months.

A deed of variation to the Service Level Agreement has been prepared to which all eight Councils will be signatory. All other terms and conditions in the agreement will remain the same.

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Reports considered:
Officers/Councillors/Ward Councillors/Stakeholders Consulted: Cllr Graham Sutton, Portfolio Holder for Planning and Infrastructure Cllr Graeme Elliot, Portfolio Holder for Finance and Resources Mark Gaynor, Corporate Director for Housing and Regeneration Accountant for Housing & Regeneration Sara Whelan, Group Manager Development Management and Planning Andrew Linden, Team Leader, Procurement
Financial Comments: The one year extension will be on the same terms and conditions as now. The fees may increase, but the cost should not be substantial. The existing budgets under cost centre DB100 is sufficient to meet the planned expenditure related to this contract. Darren Flanagan, CEO & Regen accountant 19 Oct 20
Deputy Monitoring Officer Comments: Completion of the deed of variation is necessary to maintain continuity of building control services. Deputy S151 Officers Comments: The cost of the extension of the HBC contract will be met from the service approved budgets.
Implications: Value for Money: DBC entered into membership of the HBC enterprise for a number of reasons, including the achievement of value for money. In-house management of this statutory service had become very expensive due to the need to staff it by agency staff, and the shortage of suitably qualified and experienced staff that could be appointed within the Council's pay structure. Financial: DBC's participation in the HBC enterprise, with attendant costs, is fully budgeted for. The agreement extension would be on the same terms that exist currently. Risk: If the extension to the current agreement is not concluded, then the operational requirement to provide Local Authority Building Control services in the Borough of

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Dacorum will revert back to DBC as it is a statutory requirement. The Council, given its joint ownership of HBC, no longer employs any Building Control professionals nor administration staff to support it and therefore currently has no capacity. It would have to rely on expensive agency staff adding costs to the Council. Furthermore, as Building Control is a competitive service, it would have to build up new business from customers from a very low base with a large risk of under achievement of income necessary to support the service.