

CABINET

PLANNING DELIVERY GRANT ALLOCATION 2007/8

Report of Head of Planning Services

22nd January 2008

PURPOSE OF REPORT				
To secure agreement for the expenditure of the 2007/8 Planning Delivery Grant allocation.				
Key Decision	<input checked="" type="checkbox"/>	Non-Key Decision	<input type="checkbox"/>	Referral from Cabinet Member
This report is public				

1. RECOMMENDATIONS OF Councillor Eileen Blamire

- A) That the spending proposals set out in the body of the report under Option 1 be agreed.
- B) That the general fund revenue budget and general fund capital programme be updated to take account of these proposals, subject to there being a nil impact on the Council's resources and the outcome of the 2008/09 Budget Process.

2. INTRODUCTION

The Planning Service operates statutory functions which are in high demand. Planning functions nationally have been under significant pressure and recognition of this was the basis of the Government's Planning Green Paper in 2002. For the last four years the Government has allocated Planning Delivery Grant to correct the under investment that there has been in the planning process over the last decade with the aim of improving and speeding up the planning process.

In 2003/4 and 2004/5 the City Council received modest amounts of grant (£75,000 and £99,900 rounded). These sums were used to outsource some Development Control work to assist with capacity problems, and to purchase expertise to develop

the Services Information Technology to meet the Government's new e-planning agenda.

For 2005/6 the City Council received a grant of £575,000 in recognition of the significant improvement in performance, and progress towards meeting the Government's improvement agenda for planning. It has been cited by the Government Office as a good example of an improving authority. In 2006/7 the grant amounted to £391,400 (rounded).

This year's allocation is **£240,800 (rounded)**.

The grant is targeted at improving planning performance but is not ring fenced and it is open to the Council to determine how to use the additional resources. Should Cabinet choose not to direct the grant towards planning improvements this could prejudice any future awards and impact adversely on planning performance.

2. PROGRESS SO FAR

Like many authorities nationally the City Council's Planning Service has benefited substantially from Planning Delivery Grant. The grant has enabled staff resources to be improved especially in the area of Development Control where the case officer ratio to caseload is now closer to the national standard of 150 cases per officer per year.

There has been significant improvement in the electronic delivery of services with members of the public and agents now able to view and submit planning applications on line.

Performance with the determination of planning applications to the three BVPI targets is now consistently above the target level and progress against the BVPI benchmarks for the Local Development Framework is also on target.

This is the last year in which Planning Delivery Grant will be awarded in this form. To date it has been divided between rewarding Development Control performance, Plan Making (Local Development Framework), and e-Government performance. In future years the Government intend to award performance related grants against progress on the preparation of Local Development Frameworks, and the delivery of more challenging housing completions.

The main challenge this year is to maintain progress on performance on all fronts, and to develop new techniques to ensure that developments pay for the increased burden they place on supporting infrastructure. The importance of maintaining performance cannot be over emphasised. A temporary reduction in performance on determining major planning applications in 2005/6 resulted in the authority being labelled as a Best Value Planning Authority (despite the title, this labelled the Council as within the poor performing category). Performance in that area has now improved again and a bonus was paid in last year's grant to recognise that improvement.

Although the Council's performance meets the Governments targets, when compared with all other authorities in England and Wales, its performance remains in the lowest quartile. Cabinet have said that Planning is one of the services that they consider to be a priority and wish to see a report that details what it would take to make the service a top quartile performer.

The Government is making it very clear that the high profile it is giving to the planning process will feature strongly in the aim to deliver sustainable communities and the housing growth now seen to be a national priority. It can be assumed therefore that the City Council's performance through its planning functions will feature strongly in future assessments

3. PROPOSED SPENDING PLANS

The spending plans for this year's award aim to build on the service improvements made to date and generally fall across three areas: -

- Outsourcing Consultancy work to support the LDF process
- Investments in Information Technology, and
- Investments in staff resources – to improve S106 performance and electronic mapping of TPO's

Consultancy Work

This includes work to form the evidence base for the Local Development Framework, and contracts to provide services for Development Control and systems improvement. The items are :- *(all figures are rounded)*

- a) £50,000 Updates of current studies for Local Development Framework to keep evidence base up to date pre Examination in Public (profiled over three years).
- b) £50,000 Revised Conservation Area Appraisals to address new BVPI targets.
- c) £12,000 extend current contract for external consultant case worker processing minor planning applications (08/09).

Investments in Information Technology

- d) £32,700 CAPS Uniform upgrade for Planning and Building Control (over 4 years) (07-11)
- e) £8,000 Limehouse software upgrade for Forward Planning (LDF) (07/08)
- f) £24,000 3 years technical support for Limehouse software for LDF. (08-11)
- g) £5,000 Introduce new visual presentation equipment for Planning and Highways Regulatory Committee. (07/08)
- h) £19,100 Hardware upgrade to run the corporate EDMS system. (07/08)

Investments in Staff Resources

- i) £30,000 two year contract for part time Officer to negotiate and track expenditure on Section 106 contributions. (08-10)
- j) £10,000 One year project to assist in electronic mapping and revision of Tree Preservation Orders. (08/09)

4. BUSINESS OBJECTIVES

One of the main objectives of the investments which are proposed in this report is to ensure that the Service can maintain progress towards the production and adoption of the Local Development Framework, thus securing continuing external funding from the Government in future grant allocations, and maintaining the good reputation of this Council after submitting the region's first Core Strategy for examination.

With the proposed investments in Information Technology, the Service is aiming to use its external funding to avoid the significant calls on the Revenue Budget through growth items, which would have been necessary to keep up with the Government's demands for improved capability in this area. A significant part of this piece of investment will be for the improvement of corporate systems.

In the investment in staff resources, we are addressing two emerging areas to which Members have indicated a wish to see a more proactive approach. Throughout the City Council, and among other partner agencies, there is great interest in securing contributions for infrastructure and services arising from development proposals. The Government in the new Planning Bill is encouraging the use of Section 106 agreements to ensure that all major developments are making their proper contribution to infrastructure.

The County Council have dedicated staff negotiating and calculating contributions to services and infrastructure provided by that Authority. If the City Council is going to make similar progress, and have the resources to monitor the implementation of investments secured in this way, an additional staff resource will be required. The proposal is for a temporary post initially to assess the effectiveness of such a role. There is an urgent need to address this issue because there is a pending increase in major applications justifying the making of Section 106 contributions to infrastructure occurring. Without an effective means of securing contributions there is a risk that the community will not be getting maximum benefits from new developments. The aim is that this post should become self-financing after two years, being charged as part of the Section 106 process.

When examining the issue of Corporate Performance, there is currently an argument that the Planning Service should concentrate on retaining performance in the lowest quartile and using any spare resources when they occur on improving quality of Service provision. If, however, the Council wanted to strive to change this position it would need to be sure that it could pursue higher quartiles from a starting point of some strength. By ensuring that the current service investments strongly maintain the improvements which have been made since Planning Delivery Grant was introduced, the Council can retain such an option.

5. DETAILS OF CONSULTATION

Information Services have been consulted on the IT requirements to ensure that the EDMS project is implemented fully in Planning.

6. OPTIONS AND OPTIONS ANALYSIS (INCLUDING RISK ASSESSMENT)

Option 1: To agree the distribution of Planning Delivery Grant as suggested in the report. This option supports the Service Management Team's objectives in making investments which maintain the improvements already undertaken in recent years and ensure that the Service is ready to respond to the significant planning challenges facing the Council in the future.

Option 2 : To treat this year's Planning Delivery Grant as a significant revenue income and use it to subsidise current Service delivery and ease pressure on

the Revenue budget generally. This option would have the benefit of easing this year's budget position, but would either result in new growth items having to be generated to deliver the essential Service infrastructure improvements which Government performance targets demand, or an abandonment of programmed improvements. The later scenario would result in the Council's performance position slipping back and affect the potential for receiving future grant applications. It would also increase the risk of the City Council being listed again as a Best Value Planning Authority and affect future CPA assessments.

Option 3 : To agree to some of the expenditure headings but retain a proportion of the grant to cover costs incurred in planning appeal. This option would involve using £78,000 of the grant to cover the costs awarded against the Council in the Mayfield Chicks planning appeal, as was considered in the corporate performance review team (PRT) report. The use of this amount of the funds would require some of the items identified in the report being dropped. Although all the items identified for investment are important, those less crucial to maintaining business performance, which would need to be forgone to release funds to pay the costs, are item b) Revised Conservation Area Appraisals and item i) part time Section 106 Contributions officer. Dropping these two items would release £80,000 to cover the costs. This would obviously mean delaying business development in the area of Conservation Area Appraisals and income generation through Section 106 contributions. However, this is a matter for Members to decide and the option is a viable alternative.

7. OFFICER PREFERRED OPTION AND COMMENTS

Option 1 is the preferred option. Planning Delivery Grant is awarded to help Local Planning Authorities invest in improving their services and giving them the capacity to operate effectively in place shaping and delivering the sustainable communities agenda. Just as importantly it is a grant rewarding the performance of the Council's Officers and they are highly motivated by seeing significant investment returns for their efforts. This Council is aiming to improve its CPA rating; continuing improvement in Planning, one of its most high profile Services, is important to achieve this.

8. CONCLUSION

Previous years' significant investment in the Service has already resulted in a step change in service provision. This puts the City Council in a good position to demonstrate that it has mainstreamed planning as a corporate function and has a commitment to performance management. Failure to capitalise on this position could lead to the embarrassing situation where performance reduces and the initiative is lost. Further investments as proposed will maintain the momentum of modernisation, and the recognition this Council deserves as one of the most improved authorities in the region.

RELATIONSHIP TO POLICY FRAMEWORK

The objectives of the Community Strategy and Corporate Plan need to be translated into spatial planning policies in the Local Development Framework. Policy needs implementing through Development Control decisions. The City Council cannot do this and meet the Government's targets for efficient service delivery without these measures.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability etc)

The national agenda for planning heavily promotes greater public involvement and inclusion, together with a clear sustainability agenda. This challenge cannot be risen to effectively without new investment in this front line service.

FINANCIAL IMPLICATIONS

In terms of the recommended option, this would have no net impact on the budget. Most of the expenditure proposed relates to one off costs or budget streams with no ongoing implications.

The Limehouse software originally installed and further upgrade recently implemented to produce the Local Development Framework has ongoing maintenance costs which for the years 2008/09, 2009/10 and 2010/11 will be covered by PDG, or within the Local Development Framework budget. There are no contractual obligations with Limehouse beyond 2010/11, however the need to either continue with the current version or to upgrade will be continually monitored and will be subject to Service budget being available.

Should Members choose to support some or all of the proposals outlined in Option 1, then this will need to be fed into the 2008/09 Budget Process to be agreed and for the General Fund Revenue Budget and General Fund Capital Programme to be updated.

For Option 2, this could generate savings of up to £240,800 for the draft revised budget but against this, various growth items would need to be considered, as referred to in the body of the report.

In terms of Option 3, this would result in around £80K savings against the draft revised budget, which could then be factored into the budget process. The implications on service delivery are also highlighted in the report, however.

SECTION 151 OFFICER'S COMMENTS

Cabinet is advised to consider the need for further investment in planning services against other potential investment needs and priorities, and its budgetary requirements and proposals (see items elsewhere on the agenda).

LEGAL IMPLICATIONS

None arising from the report.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

Service Business Plan 2007/8
Internal Audit report 04/0567 Planning.

The Planning System matching expectations and capacity: Audit Commission.

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