



DERBY CITY COUNCIL

**COUNCIL CABINET
10 AUGUST 2004**

ITEM 18

Report of the Director of Development &
Cultural Services and Director of Finance

Development Control Action Plan

RECOMMENDATION

- 1.1 That Cabinet recommend Council to approve the Development Control Action Plan and the sources and level of related funding until 2007/08.
- 1.2 That the Action Plan be regularly monitored and reviewed to ensure delivery of the required outcomes, and the resource requirements to achieve them.
- 1.3 That Cabinet agree in principle that, subject to that monitoring and review, if future fee income or Planning Delivery Grant exceeds the revised levels planned for in Appendix 2, then such amounts will not be automatically available for reinvesting within Development and Cultural Services budgets prior to corporate consideration of how they are to be used as part of the corporate budget planning process.

SUPPORTING INFORMATION

- 2.1 Whilst development control operates mainly through professional staff in the Development Control and Land Searches section of D&CS Department, meeting Government targets for planning authority performance and the criteria on which Planning Delivery Grant is and will be based involves other aspects of the Development Division and a host of internal customers and stakeholders throughout the Council.
- 2.2 It is important that we approach service improvement in a range of areas, including teams dealing with Local Development Frameworks, design policy, heritage protection and transportation advice. For the early stages of the Planning Delivery Grant we have concentrated on raising the performance of existing staff, with some effect on performance figures but with some areas still behind Government targets. To sustain and extend that improvement we are increasing staffing (with council approval), although we have suffered delays because of recruitment difficulties. We have also concentrated on E-Planning Delivery, and a large proportion of committed expenditure is devoted to Business Process Re-engineering via consultants and the resulting IT hardware and software needed to implement consultants' recommendations. In one area – major applications – it is difficult to meet Government targets whilst maintaining quality of outcome and the community benefits which the Council seeks through S106 Agreements, but it is important that we continue to work hard towards that goal, at the same time as sustaining improvements we have already achieved.

Action Plan Inputs

- 2.3 Attached at Appendix 2 is the Development Control Action Plan for approval. This sets out planned spending totalling £968k on a series of improvements to the Development Control function over the period from 2003/4 to 2007/8. £28k has already been committed in 2003/04 leaving £940k remaining. £603k of this spending is to be funded from an Improvement Fund consisting of one-off or as yet unsecured future funding sources (Table 1), and £337k is funded from revising upwards base budget projections of fee income from 2004/5 (Table 2). These revised fee projections are believed to be sustainable and will be closely monitored during the action plan period.
- 2.4 The main elements of the plan from 2004/05 are:
- delivering service improvements through all areas of the planning function such as Section 106 and TIA applications
 - e-government proposals for improvements in systems to support the planning function and to deliver the Government's E-Planning Delivery 21 Point Plan
 - improvement to the working environment and physical support structure to improve customer service
 - introducing a proposed additional design policy post to meet service quality targets
 - further support to ensure we meet government targets for the new Local Development Framework
- 2.5 £400k of the total cost of the Action Plan is being funded from Planning Delivery Grant, which is a non ring-fenced performance related grant that can be used at the Council's discretion, although the Government has provided it to enable Council's to improve performance against planning targets. The available grant may well increase above this level as performance is expected to improve in time for determination of the 2005/6 grant. It is understood that the Government intends to continue Planning Delivery Grant for the next three years.
- 2.6 The Action Plan is a considered estimate of the resources needed to deliver a sustained and significant increase in resources for performance of the Development Control function. This will need to be reviewed through regular monitoring of inputs, outcomes and changes in Government targets. The Plan will also commit resources up to 2007/8, prior to the main budget process. In these circumstances it is necessary to clarify the principles applying to application of any surplus income as part of the proposal. Such income may not be required to deliver the Plan. As PDG is not ring-fenced by legislation, Cabinet will wish to take a view on whether any future fee income, or PDG which exceeds the levels planned should be used in support of the Planning function, Development and Cultural Services budgets generally, or other Council priorities identified in the Council's budget process. Determination of the 2005/06 Planning Delivery Grant is expected in February 2005, based on the performance in the period October 2003 to September 2004.

Action Plan Outputs

- 2.7 For E-planning the principal outputs will be achievement of 16 of the Government's 21-point plan by April 2005, and subject to other Corporate E-Government initiatives achievement of the other 5 in 2005-06 to meet an excellent standard.

- 2.8 For BVPI's relating to speed of decision we aim to meet all Government targets in a sustained manner, with the exception of major applications, where we aim to achieve continuous improvement towards the target at the same time as working on the speed of S106 Agreement completion. We also aim to do that without sacrificing quality of process and decision, which we measure by a local indicator on our appeal success rate.
- 2.9 When fully staffed we will also be able to contribute to meeting challenging targets for the Local Development Framework and to develop Local Development Documents such as a Design Policy Document (which will in turn assist the development control process).
- 2.10 Outputs will be closely monitored during the action plan period and are summarized at Appendix 3. A Focus Team consisting of Development Control Officers and a Finance Department representative has been established to monitor performance and deliver the service improvements. As yet the Government has not finalized all of the criteria for 2005-06 grant and is likely to announce the grant in phases.

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| Background papers: | None |
| List of appendices: | Appendix 1 – Implications |

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| IMPLICATIONS |
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Financial

1. The total cost of the action plan is £969k, with £940k remaining from 2004/05 to 2007/08. The breakdown of the remaining £940k is:

Base Budget revision

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| Ongoing service improvements to be met from increasing development control fee income budgets | £338k |
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One-off and unsecure funding

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|---|-------|
| D&CS departmental underspend carried forward from 2002/03 | £59k |
| Unspent Planning Delivery Grant for 2003/04 | £110k |
| Planning Delivery Grant for 2004/05 | £126k |
| Future estimated PDG for 2005/06 | £140k |
| Future estimated PDG fee income inflation from 2006/07 | £167k |
| | £940k |

Legal

2. There are no legal requirements to ring-fence Planning Delivery Grant.

Personnel

3. If agreed, a new Urban Design post will be established, subject to approval by Corporate Personnel.

Equalities impact

4. None directly arising.

Corporate objectives and priorities for change

5. Development Control and other planning functions contribute to Council objectives of creating job opportunities, a healthy environment and creating shops, commercial and leisure activities. Deciding planning applications more quickly whilst maintaining the quality of decision-making is one of the Council's priorities for change.

Appendix 2

Development Control Action Plan 2003/4 to 2007/8

All figures in £000's

02/03

03/04

04/05

05/06

06/07

07/08

TOTAL

Table 1- Development Control Improvement Fund

| INCOME | | | | | | | | |
|----------------------------------|-------------|-------------|-------------|-------------|------------|------------|-----------|-------------|
| Planning Delivery Grant | | -134 | -126 | -140 | | | | -400 |
| National fee increase over 3% | | | | | -78 | -89 | | -167 |
| Fee surplus 2002/3 | -127 | 63 | | | | | | -64 |
| TOTAL INCOME | -127 | -71 | -126 | -140 | -78 | -89 | | -631 |
| EXPENDITURE | | | | | | | | |
| COMMITMENTS | | | | | | | | |
| Business Support including Equip | | 19 | | | | | | 19 |
| Overtime Payments | | 4 | | | | | | 4 |
| Sub Total | 0 | 23 | 0 | 0 | 0 | 0 | 0 | 23 |
| AGENCY PAYMENTS | | | | | | | | |
| S106 Negotiation | | | 7 | 30 | | | | 37 |
| Heritage Advice | | | 4 | 0 | | | | 4 |
| CD Archiving and advice (DC) | | | 27 | 0 | | | | 27 |
| Highways | | | 8 | 8 | 8 | | | 24 |
| TIA Major Applications | | | 27 | 0 | 0 | | | 27 |
| Arboriculture | | | 8 | 8 | 8 | | | 23 |
| Sub Total | 0 | 0 | 81 | 46 | 16 | 0 | 0 | 142 |
| E-GOVERNMENT | | | | | | | | |
| CDLP Digitisation | | | 5 | 2 | | | | 7 |
| IT Hardware/Software | | | 15 | | | | | 15 |
| Submit-A-Plan | | | 3 | | | | | 3 |
| Computer Point Alterations | | | 3 | | | | | 3 |
| IEG Implementation Fund | | | 60 | 50 | 50 | | | 160 |
| Sub Total | 0 | 0 | 86 | 52 | 50 | 0 | 0 | 188 |
| OTHER | | | | | | | | |
| Office Improvements | | 5 | 2 | | | | | 7 |
| Office Alterations | | | 20 | | | | | 20 |
| Filing Systems | | | 12 | | | | | 12 |
| Contingency | | - | 24 | 24 | 25 | 25 | | 98 |
| Proposed Urban Design | | - | 20 | 39 | 41 | 43 | | 141 |
| Sub Total | 0 | 5 | 78 | 63 | 66 | 68 | 68 | 278 |
| TOTAL EXPENDITURE | 0 | 28 | 244 | 160 | 131 | 68 | 68 | 631 |
| BALANCE | | | | | | | | |
| Balance at Start of Year | 0 | -127 | -170 | -52 | -32 | 21 | 21 | |

| | | | | | | |
|------------------------|------|------|-----|-----|----|---|
| Balance at End of Year | -127 | -170 | -52 | -32 | 21 | 0 |
|------------------------|------|------|-----|-----|----|---|

Table 2- Ongoing Changes to 2004/05 DC Base Budget

| | | | | | | |
|--------------------------------------|--|-----|-----|-----|-----|------|
| ONGOING FEE SURPLUS | | -67 | -87 | -90 | -93 | -337 |
| Business Support including Equipment | | 16 | 17 | 17 | 18 | 68 |
| Planning Officers | | 40 | 59 | 62 | 64 | 225 |
| Overtime Payments | | 9 | 9 | 9 | 9 | 36 |
| Marketing Services | | 2 | 2 | 2 | 2 | 8 |
| ONGOING EXPENDITURE | | 67 | 87 | 90 | 94 | 337 |

Summary of outputs

| | Target | 2002-3 level | 2003-4 level | Remarks |
|---|------------------------|-----------------|-----------------|--|
| <u>Initial PDG Criteria</u> | | | | |
| Local plan up-to-date | Yes | Yes | No | 1998 plan has gone beyond 5-year threshold |
| Arrangements in place for replacement | Yes | N/A | Yes | Inspectors report expected January 2005 |
| BVPI 109A Major applications <13 wk | 60% | 32% | 36% | Charter put in place to make less volatile |
| BVPI 109B Minor applications <8 wk | 65% | 49% | 67% | |
| BVPI 109C Other applications<8 wk | 80% | 65% | 81% | |
| BVPI 188 % delegation | 90% | 89% | 91% | |
| <u>New Criteria for 2005-6 Calculation</u> | | | | |
| BVPI 204 % appeal success rate | National average | 64% | 84% | 100% in 1 st quarter 2004-5 |
| BVPI 205 | | | | |
| – 15 Service quality checks | Score as at March 2005 | N/A | N/A | Potentially complete by March 2005 |
| – 3 E-planning points on 21 Pendleton criteria | Up to 18 | N/A | N/A | Likely to reach 16 of 21 criteria by March 2005 |
| Plan making – likely to be completion of Local Development Schemes by December 2004 | 2 x LDS | N/A | N/A | On target to complete both Minerals/Waste Joint LDS and City Council LDS |
| [Assessment of BVPI's 109A, B & C will continue, with weighting towards the number of applications processed in the year and performance improvement] | | | | |

NB. Priority has been given in 2004-05 to E-Planning Delivery and a Business Process Re-engineering Review was completed in July 2004 for implementation August 2004 to March 2005.