

PLANNING SERVICES – USE OF PLANNING DELIVERY GRANT AND FEE INCOME

EXECUTIVE MEMBER: Cllr Blackwell; Cllr Williams

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Summary: The Town Planning functions of the Council: Development Control and Planning Policy, have been coming under increasing pressure due to the increase in the number of planning applications and the introduction of a new policy regime (Local Development Framework). Planning Delivery Grant (PDG) funding is awarded by the Government to assist in meeting the new demands being placed upon Local Authorities in their planning role, although the amount is dependant upon performance. The PDG settlement for 2005/06 has been announced and this report proposes activity to be funded.

Recommendation:	<ol style="list-style-type: none">1. To approve the proposals identified in the report, funded by Planning Delivery Grant for 2005/06 and development control fee income.2. To delegate to the Head of Regeneration authority to make any adjustments necessary within the overall parameters of the proposals made in the report.3. To agree to future fee income ahead of budget target being carried forward to reinvest in the Regeneration Service.
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Impact on delivering Copeland 2020 objectives: Town planning plays a central role in regeneration and in maintaining a good quality of environment so is central to delivering Copeland 2020 objectives.

Impact on other statutory objectives (e.g. crime & disorder, LA21): None directly although the proposals will give the additional staff resource necessary to be able to give fuller consideration to such matters as community safety.

Financial and human resource implications: Posts are to be funded for a fixed period from Planning Delivery Grant and on an ongoing basis from fee income. After the fixed period funding from PDG for permanent posts this would require the costs to be met from the Council's revenue budget, unless further external funding becomes available.
There is an opportunity cost to the proposal in that surplus fee income is currently used to support other areas of the Council's work. The establishment of these posts will have a significant positive impact on existing staff and, it is hoped, assist in retention. If workload is not maintained at existing levels a redundancy situation could arise.

Project & Risk Management: The proposals will be integrated within existing service delivery arrangements and present no additional management issues. The capital element of the proposal will be managed through the existing project plan for the implementation of the MVM system or other elements of the IEG process.

There is a risk that it will not be possible to recruit to the posts although this is mitigated by the recommendation to make them permanent.
There is a risk that fee income levels will not be maintained.

Key Decision Status

- **Financial:** Yes
- **Ward:**

Other Ward Implications: None

1. INTRODUCTION

- 1.1 The Town Planning functions of the Council: Development Control and Planning Policy, have been coming under increasing pressure due to the increase in the number of planning applications and the introduction of a new policy regime, the Local Development Framework. Planning Delivery Grant (PDG) funding is awarded by the Government to assist in meeting the new demands being placed upon Local Authorities in their planning role, although the amount is dependant upon performance.
- 1.2 PDG is designed to provide support towards any expenditure incurred by local authorities, particularly, but not exclusively, in respect of their planning functions. The grant is allocated on the basis of planning performance among local authorities and is intended to provide an incentive to meet or exceed key performance targets for planning.
- 1.3 The PDG settlement for Copeland Borough Council for 2005/06 has been determined at £318,056. This compares with £149,500 last year. There may be an additional settlement of £52,000 in recognition of performance on delivery of the new Local Development Framework (LDF) process that replaces the Local Plan. This element of PDG is expected to be announced in July 2005.
- 1.4 25% of the PDG award must be used as capital (approximately £80,000 based on £318,056).
- 1.5 The main criteria upon which the award is based is development control achievement and reflects outstanding performance by the team during the period assessed, even more commendable because of the very considerable pressure staff have been under due to an increasing number of applications and the many changes recently, which have seen a reduction in staffing levels.
- 1.6 PDG was originally intended to be a three-year programme, however, it is not clear that the initiative will in fact cease after this year.

2. ARGUMENT

2.1 Development Control

- 2.2 Performance in development control since the period assessed for PDG has fallen due to reduced staffing and increasing planning application numbers. In addition there will be more pressure upon the team as the support team is reduced through restructuring and two experienced planning staff are lost through taking maternity leave and one taking up a post with another Council. The implementation of the MVM system is also taking staff away from their duties to undertake training and as with any new process it will take time for staff to become familiar with, and use effectively, the system. Finally, there are no indications that the existing historically high numbers of applications, for which the team has not yet been geared up, are likely to fall.

2.3 Table 1 – Application Numbers and Fee Income

Year	Applications Received	Fee Income (£)	
2000/2001	570	142,974	
2001/2002	581	131,110	
2002/2003	725	217,487	
2003/2004	795	259,975	
2004/2005	825	203,000 (target)	274,160 (actual)
Totals	3,496	1,026,126	

2.4 The Government has indicated that it intends a higher proportion of the costs of development control to be born by fee income, as is already the case with building control.

2.5 It is expected that fee income will continue to increase, through a combination of fee increases and maintenance in the immediate future of the high numbers of applications. Planning fees increased by 25% in April 2005.

2.6 Table 2 – Cumbrian Development Control Workload and Staffing

Authority	Applications Received 2004/05	Full-time Planning Officers	Applications per case officer	PDG 2005 (£)
Allerdale	1,654	6 + Enforcement Off. + Conservation Off. Total 8	276	61,774
Barrow	836	5 + 1 trainee + 1 manager with caseload Total 7	167	320,885
Carlisle	1,509	9 + 2 technical for minor apps + 2 x Enforcement Offs. + 2 x Conservation Offs. Total 15	168	198,237
Copeland	825	4 + 1 planning assistant Total 5	206	318,056
Eden	1,258	7 + 2 x Enforcement Offs. + Conservation Off. + Access Officer Total 11	180	134,086
South Lakes	1,670	6 + 2 planning assistants + Enforcement Off. + Conservation Off. Total 10	278	0

2.7 It should be noted that the two areas with a greater caseload than Copeland achieved very little or no PDG due to poor performance. Performance at Copeland has already started to drop and action is needed now to stabilise it and lay the foundation for improvements in future years. It should also be noted that only Barrow and Copeland do not have dedicated officers to deal with enforcement, conservation and access. In Barrow and Copeland these functions are carried out by case officers, reducing very considerably their capacity to deal with planning applications. It

is intended to pursue with other districts and the County ways in which such specialist resources can be shared but this will require significant funding.

2.8 Planning Policy

- 2.9 The Planning Policy Team is one of the smallest of amongst district councils yet has a growing workload associated with the new Local Development Framework regime and with giving a planning input to issues including transport, environment and housing. At the same time a very tight and resource intensive time scale exists to complete the Local Plan through to adoption in 2006.

2.10 Table 3 - Cumbrian Planning Policy Section Staffing

Authority	Planning Officers	Tech. Staff	Other*	Total	PDG 2005 (£)
Allerdale	2.5 + 2 (being recruited)	1	2	7.5	TBA
Barrow	2.5	1	0	3.5	TBA
Carlisle	3.5	1	4	8	TBA
Copeland	2	0.5	0	2.5	TBA
Eden	3.5	1	1	5.5	TBA
South Lakes	3.5	1	1	5.5	TBA

- Other usually relates to conservation but there are 2 monitoring officers and a tree specialist (Carlisle)
- 2.11 Unlike development control the workload varies only slightly depending upon the size of the district. This is because every district has to go through the same processes. Where there is a difference this tends to be in for instance the number of objections received to the local plan because of the greater number of sites likely in bigger districts.
- 2.12 The Government Office for the North West wrote to the Head of Economic Development and Local Plans on 22 September 2004 reinforcing the issue of the growing quantity and complexity of work required from planning policy sections and questioning the adequacy of the staff resources available to Copeland. It was suggested that 3 or 4 would be the norm for a district such as Copeland.

2.13 Additional Work Demands

- 2.14 The numerous regeneration projects being developed across the Borough require a professional planning input from both development control and planning policy and integration within the LDF process but it has not been possible to achieve this within current resources, thereby potentially raising barriers to implementation.
- 2.15 Local Development Frameworks and Regional Spatial Strategies (RSS) have replaced the old system of local plans and structure plans produced under the framework of regional planning guidance. As with all new systems additional work will be created initially. The new system is

also intended to be more flexible with plans of more limited duration to better cope with changing demands and be more responsive, again creating additional workload. Finally, and most importantly, it is imperative to establish a strategic planning framework for West Cumbria that contributes to meeting the many challenges that the area faces. Work so far coming out of the RSS on annual housing completions, based on economic scenario trend research, runs quite contrary to aspirations for West Cumbria, indeed the whole of Cumbria. The main burden of work in this area will fall on the Regeneration Strategy Team.

2.16 Conclusion

- 2.17 In the light of the evidence on new demands upon the planning service it is considered that the case for increasing resources in planning is clear. In addition, the uses to which PDG can be put are clearly prescribed so by necessity must be used to assist the Council in achieving the objective of a high performing planning service.

3. OPTIONS TO BE CONSIDERED

3.1 Planning Officer Posts

- 3.2 The mainstay of the proposal is to recruit two additional professional officers, one in Development Control (DC) and one in Planning Policy. The DC post is proposed to be a permanent post, funded for five years by PDG and by planning fee income. The Planning Policy post will be in addition to an extra professional post already agreed through restructuring for the new Regeneration Strategy Team of which planning policy will be a part. The 'restructure' policy post is proposed to be permanent, funded for the first four years by PDG, and the additional post part time on a fixed term of two or three years (this is the subject to discussions with Allerdale Borough Council (see para. 3.4).
- 3.3 The only other option considered viable to employing staff direct is to retain consultants or otherwise get work done outside the authority. This would only be a short-term solution and would do nothing to build the capacity within the Authority as a base for future service improvement. This will, however, be examined as an option to address the short term pressure created by the loss of a part time professional officer on maternity leave.
- 3.4 Discussions with Allerdale Borough Council (ABC) have highlighted the possibility of sharing a planning policy post to work on the LDF, developing further the joint working already underway. This has only recently presented itself as an option so a view has not been developed. If it were to be progressed it would suggest that one of the additional planning policy posts be shared with ABC and jointly funded.
- 3.5 Should the joint post with Allerdale BC not progress it is suggested that the balance of the funding between posts be re-evaluated in order to secure a second full-time post for Regeneration Strategy.

3.6 Training Posts

- 3.7 One of the solutions to tackling the difficulty of recruiting qualified staff is to train local people. Two issues make it not suitable to consider this option in this instance. Firstly, a professional input is required now and cannot wait whilst a suitable candidate is recruited and trained. Indeed this would be a drain on the existing staff. Secondly, a school leaver would usually study full time for three years full-time then part time for a further three years, or full-time for four years. The distance from any recognised planning school makes this impracticable from West Cumbria.

3.8 Project Administrator

- 3.9 To address the unsustainable pressure being placed on the Regeneration Support Team and professional officers by the implementation of the MVM system it is proposed that an additional

person be recruited on a one-year contract to act as the project administrator. This resource is not currently available from the funds available for implementation of MVM.

3.10 Project Manager

- 3.11 The current MVM project manager, the Business Development Manager, is because of other duties not able to commit sufficient time to ensure that the MVM system is implemented as effectively and in as timely a manner as is required to start producing benefits and reduce costs. The proposal is to bring in a contract project manager.

3.12 MVM Capital and Mobile Kit

- 3.13 The remainder of the capital allocation will be used to support the cost of the MVM system and to purchase appropriate portable computers for planning officers to assist in flexible working and increase efficiency.

3.14 Specialist Advice and Consultants

- 3.15 There is a requirement upon local authorities to provide specialist advice on design, conservation and archaeological issues. The Council does not have the in-house expertise and will have to buy in this specialist advice, either from the private sector or from the County Council, subject to the latter agreeing and providing the necessary additional resources. Officers are currently in discussions with the County and other districts. In addition, consultants are periodically required to give advice on specific proposal, such as retail impact assessments, or produce development briefs for sites.
- 3.16 Several pieces of work such as a Conservation Area Review, Flood Risk Assessment, Housing Needs Survey and Housing Condition Survey are outstanding. In addition the LDF Action Plans will require funding. PDG will fund some of this work but it will have to be complemented by revenue budget increases as this area of work, including the costs of the Local Plan Inquiry, have not been fully funded in the past. It is assumed that the capital element of the PDG grant, using normal government guidance definitions, cannot be used for these studies but this will be investigated further.

3.17 Training

- 3.18 In recent years a one-day training event for staff and members by external providers has been well received and it is proposed that similar arrangements be put in place this year. This will be complemented by training in key areas of professional development such as the Local Development Framework, which will be over and above the training needs identified through usual channels and met by the corporate training budget.

3.19 Town Centre Management

- 3.20 Town Centre Management has reached the end of its three year funded period. The Council has committed £25,000 to support the partnership and the County Council £3,500. It is proposed to contribute £3,000 from PDG to ensure that the cost of employing the Town Centre Manager can be covered for this financial year, allowing the partnership time and staff resource to make plans for the future and to make funding bids.

3.21 Maternity Cover

- 3.22 A part time planning officer is due to commence maternity leave in August. The amount shown in Table 4 is to cover salary costs for up to a year as maternity leave is not budgeted for corporately and it is not practicable to make provision within departments.

3.23 Justification for Permanent Posts

- 3.24 Two posts in the proposal are recommended to be permanent, although funded for fixed periods by PDG and income. An existing permanent planning policy post is likewise funded through PDG until the end of this financial year. The reason for requesting permanent posts is that it is very difficult if not impossible in the current jobs market in West Cumbria to recruit qualified and experienced planning staff on fixed term contracts. Planning sections across the country have been building their teams, supported by PDG, creating even greater competition for increasingly scarce planners.
- 3.25 If there is no alternative funding available at the end of the PDG funded period or at any time the workload levels have reduced it will be necessary to make staff redundant. This is not a desirable course of action but already represents the reality of the situation in a service-based function, which is subject to fluctuations in workload. Further, recent legislation enhancing employment rights for staff on fixed term contracts means that there is little difference between their status and that of permanent staff.
- 3.26 The budget contains the suggestion that fee income surplus over the 2003/04 based budget be used to contribute to the costs of posts. This means that income previously used to fund other areas of the Council's activities will have to be foregone, effectively giving priority to planning services.
- 3.27 Planning fees increased by 25% on 1 April 2005. £16,838 has been carried forward from the under spend in Development Control in 2004/05 to contribute to the costs of the development control planning officer post.
- 3.28 One option that may present itself during the PDG funded period will be to use Gerschon savings as part of the reinvestment programme.

3.29 Table 4 - Costs Table

Proposal	Cost (£)	Funded by (£)		
		Revenue (PDG)	Capital (PDG)	Fee Income
Planning Policy Officer (agreed in restructuring) permanent - 4 years PDG funded*1	128,960	128,960		
DC Planning Officer (SO1-2) permanent 5 years PDG funded and fee income at £30k per annum for four years	161,200	25,200		136,000 (1 st year at 16,000)
Planning Policy Officer (SO1-2) CBC / ABC shared post (P/T) 3 years*1	47,830	47,830		
Project Administrator (Sc 1/2) 1 year initially	17,190		17,190	
MVM implementation: Project Manager	20,000		20,000	
Capital expenditure (may be beyond 2005/06)	39,810		39,810	

Proposal	Cost (£)	Funded by (£)		
		Revenue (PDG)	Capital (PDG)	Fee Income
including MVM*				
Mobile kit for planning officers – laptops PCs plus network connection and software	15,000		15,000	
Specialist advice and consultants, Housing Needs Study etc.*	49,240	49,240		
Training	4,500	4,500		
Town Centre Management	3,000	3,000		
Maternity leave cover	18,270	18,270		
Cost of proposals	505,000	277,000	92,000	136,000
Funding available - £318,000		238,000	79,000	
Potential £52,000 in addition for LDF		39,000	13,000	
Sub total		277,000	92,000	

- * - subject to clarification on the allowable use of the capital element of the programme. If the capital element can be used this will reduce the amount required from revenue which can then be used to support posts. The MVM system is budget for in the Council's IEG programme.
- *1 - the exact distribution of the funding for these posts will depend upon negotiations with Allerdale BC. Option 2 is to recruit an additional full-time, fixed term contract policy post.

4. CONCLUSIONS

- 4.1 If planning performance is to be maintained and improved, key performance indicators met and exceeded (and the resultant PDG recognition achieved if still operating), and planning's role in regeneration and environmental improvement established to the desired level, additional resources are required in the planning functions. Both teams have been working under extreme pressure for some considerable time and additional resource, if it can be secured, would have the additional benefit of lifting morale and will likely enhance performance.

List of Appendices

List of Background Documents:

Planning Delivery Grant Determination 2005

List of Consultees:

Corporate Team, Personnel Manager
Cllrs: Woodburn, Ashbrook, Blackwell, Williams;

