

CABINET

30 July 2003

DEVELOPMENT SERVICES (PLANNING) PRINCIPAL PLANNING OFFICER  
RESOURCES

REPORT OF THE DIRECTOR OF DEVELOPMENT SERVICES

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RECENT REFERENCES:

PTP191 - Development Services Growth & Savings and Staff Resources Report - Jan 2002  
EN5 - Detailed Revenue Budget Report - Nov 2002  
CAB 597 - Development Services Business Plan - Feb 2003

EXECUTIVE SUMMARY:

In February, Cabinet agreed to the use of the Planning Delivery Grant award to assist with improving performance within the Planning service, as set out in the Development Services Business Plan.

A sum of approximately £33,000 was allocated from the Planning Delivery Grant 2003/4 to engage additional temporary staff to help the department handle major planning applications and to assist with the performance targets on speed of determination. It is proposed that the use of this money is converted into a permanent post for 2003/4 for the remainder of the year and beyond. By investing in additional staffing at this time, a larger award of Planning Delivery Grant is possible for 2004/5 and 2005/6.

Due to a significant award of Planning Delivery Grant in the South East of England, many local authorities have been able to invest in additional personnel resources. There is a shortage of suitably qualified staff in the market place and it is proving difficult to secure *senior temporary staff* of a high calibre. It is likely that the service would be more able to appoint a permanent post and thus benefit from continuity of appointment, efficiency and quality.

The Planning Delivery Grant award is not guaranteed for 2004/5 or 2005/6 and has not been confirmed beyond this time. However, Winchester City Council are currently on target, based on the current criteria for the award (which include increased performance on speed of determination) to receive a significant sum of money for 2004/5.

(continued)

This proposal has the support of the Development Services Management Team. It has also been discussed with the Chief Executive, Director of Finance, Director of Personnel the Environment and Development Portfolio Holder and the Environment and Access Performance Improvement Committee.

The creation of an additional post outside the approved establishment also requires the approval of the Personnel Committee. As it does not meet until 8 September it is proposed that the Chief Executive's emergency powers be exercised on behalf of that Committee in consultation with its Chairman and the Mayor – as required by the Constitution in the case of non-executive decisions.

RECOMMENDATIONS:

- 1 That Cabinet approve an increase in the salary ceiling for 2003/04 of £27,000 for an increase in establishment of 1 additional Principal Planning Officer post.
- 2 That the Chief Executive be asked to exercise his emergency powers, in consultation with the Chairman of the Personnel Committee and the Mayor, to authorise the increase in establishment accordingly.

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RESOURCESREPORT OF THE DIRECTOR OF DEVELOPMENT SERVICES1. Introduction

- 1.1 Performance against the Development Services' key priority target for the speed of determining planning applications improved in 2002/3 compared to 2001/2. In 2002/3, the development control service achieved the "planning standards" minimum target for Major applications (45% of all Major applications were determined within 13 weeks). In 2001/2 the performance achieved for the Major application category was only 35%.
- 1.2 The government has set challenging targets for improvement. The ODPM requires that all planning authorities should determine 60% of all Major applications within 13 weeks by 2006. Following the Green Paper "Planning: Delivering a Fundamental Change" (December 2001), the ODPM have introduced the Planning Delivery Grant (PDG) award, as an incentive to improve performance. Local authorities will only be eligible for future awards if their planning services can demonstrate performance improvement. Approximately 65% of the PDG total of £130 million for 2004/5 will be based on performance improvement on the speed of determination within all three categories of planning applications: Major, Minor and Other. **It is likely that the emphasis will be placed in future on the performance improvement on Major applications.**
- 1.3 It is proposed that by investment in the planning service, by an increase in establishment of 1 Principal Planning Officer, Winchester City Council may gain larger Planning Delivery Grant awards in the future.

2. Investment in performance for financial incentives

- 2.1 Any increase to establishment has to be very carefully considered given the Council's financial position. However, the Government has provided considerable financial incentives for performance improvement on the speed of determining planning applications. It is proposed that the permanent appointment of 1 Principal Planning Officer be met by the PDG award in 2003/4 and anticipated PDG awards in 2004/5 and 2005/6. This is based on performance improvement results to date and the current ODPM criteria for PDG award.
- 2.2 For 2003/4, the Council received £297,000 from the ODPM Planning Delivery Grant (PDG). This was from a national total of £50 million – **the total PDG fund, will increase to £130 million for 2004/5 and £170 million by 2005/6.** For 2003/4, the PDG expenditure has been allocated to a number of areas to deliver service improvement. These were agreed by Cabinet and included in the Development Services Business Plan in February 2003.
- 2.3 A sum of approximately £33,000 was allocated from the PDG 2003/4, to engage additional temporary staff to help the department handle major planning applications and to assist with the performance targets on speed of determination. It is proposed that the use of this money is converted into a permanent post for 2003/4 and beyond. By

investing in additional staffing at this time, a larger award of Planning Delivery Grant is possible for 2004/5 and 2005/6.

2.4 The award of Planning Delivery Grant for 2004/5 onwards will mainly be based on improvement against the development control targets for speed of determination by category. It is estimated that performance improvement on the three categories of applications will contribute about 65% of the total award. The remaining 35% (approx.) of the award will be granted on several other criteria as follows:

- better incentives for top performing authorities;
- **better incentives for performance on major applications;**
- enhanced grants for South East areas (due to high housing demand/growth); and
- allocations for Enterprise Areas.

2.5 There will be no minimum amounts awarded to authorities who do not meet any of the above criteria. The performance will be based on October 2002 to September 2003 results in comparison to the previous year. So far the latest performance compares favourably:

#### **October 2001 to September 2002**

All applications in 8 weeks – 66%  
 Major applications in 13 weeks – 32%  
 Minor applications in 8 weeks – 40%  
 Other applications in 8 weeks – 72%

#### **October 2002 to date (at 1<sup>st</sup> July 2003)**

All applications in 8 weeks – 74%  
 Major applications in 13 weeks – 49% (17 points improvement)  
 Minor applications in 8 weeks – 51% (11 points improvement)  
 Other applications in 8 weeks – 80% (8 points improvement)

2.6 At an ODPM Regional Seminar on 12 June 2003, the message was that, whilst the Treasury have not ring-fenced the money, the ODPM's intention is that the money is to be used to secure further improvement in performance and drive planning delivery. A future criterion for the award will be an examination of how each authority had invested in the service. *Winchester City Council has invested the PDG in improving services. Provided we "deliver", we should be well placed to secure further and possibly higher PDG for investment in the planning service in 2004/5 and 2005/6.*

### **3. Staffing and Workload Issues**

3.1 The planning development control workload is at a critical level and performance is difficult to maintain and continually improve upon. This has been affected by some staff turnover at this level in the department and there is a national scarcity of high calibre, suitably qualified and experienced staff in the job market.

3.2 Due to the need for delivery of housing development, the government is currently focusing attention on the speed of determination of applications particularly for the Major category of applications. The major category includes applications for:

- Dwellings – 10 or more

- Offices/R&D/light industry – over 1,000 sq metres
- Heavy ind./storage/warehousing
- Retail distribution & servicing
- All other major developments

3.3 The number of Major planning applications decided by Winchester City Council has increased in the last year, compared to the previous year by 64%:

July 2001 to June 2002

- Major applications decided : 28
- All applications decided: 2,556

July 2002 to June 2003

- Major applications decided: 46
- All applications decided: 2,590

3.4 It is anticipated that Major application types will increase in the shorter-term, whilst it is difficult to predict the profile of application category in the longer-term. In the shorter-term Broadway Friarsgate, West of Waterlooville and potentially Winchester North developments will create additional and significant workload in this category.

3.5 Despite the high levels of workload overall and the shift in workload towards an increase in Major applications, performance has improved in the last two financial years. However, the 45% performance on Major applications is the *minimum standard* that local authorities are expected to achieve, to avoid the risk of special measures being introduced by the ODPM. The planning development control service needs to make continuous and substantial efforts to improve further, in order to achieve the challenging targets set by the ODPM.

Application Type	2001/2	2002/3	ODPM Target by 2006
Major	35%	45%	60%
Minor	41%	43%	65%
Other	74%	77%	80%

3.6 Whilst there are a number of factors that can assist with improving the speed of determination (e.g. such as faster processing of legal agreements), additional and permanent staff would provide some of the most efficient use of Planning Delivery Grant money to assist with performance improvement. It is considered most prudent that this additional resource is focused towards Major application determination.

#### 4. Future commitment

- 4.1 Whilst the PDG is not guaranteed and there is no formal agreement that the Council will receive any grant award in 2004/5 or 2005/6, there is a strong likelihood it will receive a considerable grant award in 2004/5. In 2005/6 the criteria for award are likely to be changed to some degree and may seek to reward authorities that can also demonstrate a high quality built environment, top 25% "higher performers" and performance enhancement in the major application category.
- 4.2 Major applications attract higher planning fee income, so it is anticipated that there may be some planning fee surplus in future years. This could supplement any PDG award in ensuring the financial viability of the permanent post.
- 4.3 Planning authorities in the South East of England are experiencing a high turnover in planning staff, including senior planning staff. Winchester City Council have recently had two senior planning officers leave the planning development control service to the private sector (planning consultancy practices). Whilst career development was the reason for both of these officers leaving the Council, Personnel are undertaking a market analysis to update salary comparisons. This will help to ensure that salary levels for Principal Planning Officers are sufficiently competitive at Winchester City Council.

#### 5.0 Risk Assessment

- 5.1 There is some risk that there may not be sufficient budget to resource this additional, permanent member of staff in the short term and a greater risk in the long term. On balance, the risk is fairly small in the short-term.
- 5.2 It is likely that should the PDG award and planning income surplus not be sufficient to cover the permanent appointment, then the establishment could be reduced by 1 senior appointment. At worst, there may be a need to make a post redundant and this could also incur additional costs.
- 5.3 There is a risk that, without this appointment, the Council will forgo possible planning grant because it cannot make the required improvements in its service.

#### 6.0 OTHER CONSIDERATIONS:

##### The Development Facilitation Best Value Improvement Plan (BVIP)

The BVIP, Improvement Area 2.0 – Determining Planning Applications, identified an action to identify further improvements to the speed of determining planning applications, whilst maintaining quality of service.

Without the proposed increase in permanent staff resources, it will be unlikely that the Development Control service will not be able to meet ODPM target of 60% of Major applications determined in 13 weeks by 2006 as well as maintain the input to the quality of the built environment and retain customer satisfaction.

#### CORPORATE STRATEGY (RELEVANCE TO):

1. Providing sufficient staff time and resources to provide good quality services, dealing with enquiries and decisions quickly, sympathetically and effectively and being responsive to the needs of the public.

2. The Corporate Strategy includes as a key priority, an improvement in the performance on the speed of determining planning applications, in line with government targets and priorities.

RESOURCE IMPLICATIONS:

1. One Principal Planning Officer post at scale 6, with a salary of approximately £31,500 per annum at SCP43 (employer's annual cost of £40,000).
2. There is an allocation of £33,000 of the Planning Delivery Grant for 2003/4 that could be utilised to finance this post, for the remaining 8 months (approximately) of this financial year. This has previously been approved for use for additional staffing, albeit temporary, and is included in the current year's budget thus no referral to Principal Scrutiny Committee is required. In seeking approval to make a permanent appointment to this post Cabinet is asked to be mindful of the potential implications for future years' budgets.
3. Additional information is given under section 5, Risk Assessment.

BACKGROUND DOCUMENTS:

1. "Planning: Delivering a Fundamental Change" (Green paper), December 2001
2. Letter from John Stambollouian, Head of Planning Development Control, ODPM, 9 April 2003.
3. Presentation at GOSE/ODPM Seminar, Richard Neville-Clarke, ODPM, 12 June 2003 ODPM correspondence on the criteria for the Planning Delivery Grant.

APPENDICES: None