

REPORT TITLE: FUTURE ARRANGEMENTS FOR DEVELOPMENT
MANAGEMENT IN THE SOUTH DOWNS NATIONAL PARK

15TH SEPTEMBER 2021

REPORT OF CABINET MEMBER: Cllr Russell Gordon Smith

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WARD(S): ALL WARDS WITHIN THE SOUTH DOWNS NATIONAL PARK

PURPOSE

In April 2011 the South Downs National Park Authority (SDNPA) became the local planning authority for the part of the district which lies within the park boundary. Since that time the council has successfully delivered a development management service, including enforcement, on their behalf through a series of agreements which set out the terms and conditions of this arrangement for both parties.

This relationship is a good example of strong partnership working which has benefitted both authorities.

In June this year the SDNPA wrote to the council offering the option of continuing with this arrangement, under a new and revised agreement, beyond September next year when the current agreement ends. The proposal is for a further two year period (September 2024) with the option to extend for an additional two years if both authorities agree (September 2026).

It is considered that the financial proposal is reasonable for the council and continuing to provide a development management service for the SDNPA until September 2024, with the ability to extend this by agreement to 2026, has benefits for both authorities. It would also ensure that decision making is retained at the most local level for the 40% of the district inside the park.

RECOMMENDATIONS:

1. That the Corporate Head Regulatory, in consultation with the Cabinet Member for the Built Environment, be authorised to agree the detailed payment and operational arrangements with the South Downs National Park Authority.
2. Cabinet authorises the Service Lead – Legal to approve and enter into a new agreement for the delivery of development management services (including planning enforcement) on behalf of the South Downs National Park Authority for a period of 2 years from October 2022, with provision to extend the agreement for a further period of 2 years subject to the agreement of both parties.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 Tackling the Climate Emergency and Creating a Greener District
- 1.2 Development Management has an important role to play in ensuring that development permitted in the 40% of the district within the park is as sustainable as possible, in accordance with the SDNPA's adopted Local Plan, and national planning policy.
- 1.3 Homes for all
- 1.4 Planning decisions support the delivery of new homes, and improvements to existing accommodation, to help meet the needs of the population living inside the park.
- 1.5 Vibrant Local Economy
- 1.6 Development Management decisions help to support the creation of new employment opportunities as well as existing business based in this part of the district.
- 1.7 Living Well
- 1.8 The park is a fantastic leisure and recreational resource which provides a range of opportunities for residents of the district and visitors to the area. Planning decisions support these activities by allowing new facilities which improve opportunities whilst protecting the landscape and other qualities of the park in accordance with national park purposes.
- 1.9 Your Services, Your Voice
- 1.10 The option recommended above is that the council continues to provide a development management service on behalf of the SDNPA. This will mean that most planning applications in the park will continue to be determined by the council meaning decision making is kept at the most local level.

2 FINANCIAL IMPLICATIONS

- 2.1 Under the current arrangement with the SDNPA the council has set a budget of £450,000 per year (income) and, in the last two years, this work has generated £462,000 (2019/20) and £445,000 (2020/21). The income is made up of a fixed payment for enforcement with development management cases and most appeals charged to the SDNPA at agreed rates. Hence there can be variations in payments received from one year to the next with the amount determined by the volume and type of applications and appeals which are dealt with.

- 2.2 The SDNPA has proposed a 1.5% increase in the rates for the planning application case work handled by the council, with the enforcement and appeal payments remaining at the current level, and has stipulated that this is linked to increase in performance standards relating to speed of validation and decision making on applications the latter criterion based on the type of development. There would be financial penalties for performance falling below the new standards. The proposed requirements are considered reasonable and the council has to date already performed at a level which would meet or exceed these revised standards.
- 2.3 Whilst the new rates paid to the council would only be likely to increase annual income slightly it is considered that the offer is reasonable notwithstanding the fact that council costs can increase over time. The cost of delivering the service is estimated to be about £445,000 per annum but the exact figure will vary to a limited degree from one year to the next depending upon the work undertaken. This includes development management, and other staff costs and internal consultees that provide advice on planning case work, as well as an allowance for overheads, although there are a few other areas of work not specifically included that add to this figure, but not significantly.
- 2.4 Whilst there would be savings available to the council if the service was recovered by the SDNPA, primarily connected to staff resources to reflect the reduction in work, there are overhead costs which would remain unchanged such as office accommodation. This being the case it would not be feasible for the council to reduce its costs to a level that was equivalent or close to the income received each year so it is financially favourable to continue delivering the service based upon the offer made by the SDNPA. As stated above, income actually received in the last two years closely aligns with the council's estimated costs. As mentioned above at 2.2 the revised performance standards are regarded as acceptable and the council has already been meeting these under the current agreement.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The current agreement came into effect in October 2017 and was initially for a three year period with option to extend for two more years by mutual agreement. Last year the council agreed with the SDNPA to continue to deliver the service for the additional period which ends on 30th September 2022.
- 3.2 There are no further legal implications now, other than entering into the new legal arrangements for providing a development management service for the SDNPA for a further period of two years (until September 2024), with the option of an additional two years if both authorities agree (September 2026).

4 WORKFORCE IMPLICATIONS

- 4.1 The staff responsible for delivering the service for the SDNPA are employed by the Council. In the event that the Council decided to stop providing this

service then a redundancy situation may arise. If this is the case, there is a statutory duty to consult with staff and trade unions ahead of any proposals being implemented

5 PROPERTY AND ASSET IMPLICATIONS

5.1 None.

6 CONSULTATION AND COMMUNICATION

6.1 Not applicable.

7 ENVIRONMENTAL CONSIDERATIONS

7.1 None directly related to the decision to continue to provide a development management service for the SDNPA but, as set out in section 1 above, planning decisions are intended to protect the landscape and other qualities of the park in accordance with national park purposes and to achieve sustainable development.

8 EQUALITY IMPACT ASSESSEMENT

Not applicable.

9 DATA PROTECTION IMPACT ASSESSMENT

9.1 None required.

10 RISK MANAGEMENT

Risk	Mitigation	Opportunities
<p>Financial Exposure</p> <p><i>Stopping the delivery of a development management service for the SDNPA would result in a loss of income of c£450,000pa and it would not be feasible to achieve savings equivalent to this.</i></p>	<p><i>Recommended that the council accepts the SDNPA's offer to continue providing the service on their behalf.</i></p> <p><i>It is also proposed to retain a payment floor and ceiling of 20% which further limits the risk of substantial financial variations each year for both authorities.</i></p>	

Exposure to challenge <i>No significant risk.</i>		
<i>Innovation</i> <i>The standard of service delivery is determined by the SDNPA requirements.</i>	<i>Ensure that planning is resourced to meet the SDNPA's requirements and continues to provide a good quality service during the lifetime of the new agreement.</i>	
<i>Reputation</i> <i>Poor performance below the standard required by the SDNPA could result in reputational damage.</i>	<i>Ensure that planning is resourced to meet the SDNPA's requirements and continues to provide a good quality service during the lifetime of the new agreement.</i>	
<i>Achievement of outcome</i> <i>Failure to deliver the service required by the SDNPA could result in them ending the arrangement and delivering the service directly or appointing another party on their behalf.</i>	<i>The council has strong record of performance over the last 10 years. Maintaining this standard will minimise the risk.</i>	
<i>Property</i> <i>None.</i>		
<i>Community Support</i> <i>None.</i>		
<i>Timescales</i> <i>The current arrangement with the SDNPA ends in September 2022 after which they would recover the service if a new agreement is not put in place.</i>	<i>Making a decision now to continue the arrangement beyond September next year will allow plenty of time for a new agreement to be completed.</i>	

Project capacity		
None.		
Other		
<p>If the Council no longer delivers a service for the SDNPA it may be viewed by some as a less locally focussed and accountable decision-making process.</p> <p>If the SDNPA recovers the service, it could either deliver it directly or could commission another party to carry out development management on its behalf.</p>	<p><i>Agree to continue with delivering a development management service in accordance with the offer made by the SDNPA.</i></p>	

11 SUPPORTING INFORMATION:

11.1 Background

11.2 The council has been delivering a development management service successfully for the SDNPA, which includes enforcement, since the SDNPA became a local planning authority in 2011. There have been a series of agreements put in place during this time setting out the financial and operational arrangements for service delivery.

11.3 The current arrangement was agreed by Cabinet in July 2017 (CAB2948 refers). This was for an initial period of three years ending September 2020 but with the option of a two year extension if both authorities agreed. This option was exercised so the current arrangement will end on 30 September next year. The SDNPA has been pleased with the quality of the service provided by the council and therefore is prepared to offer the opportunity for the arrangement to continue subject to a new agreement setting out terms and conditions for both parties.

11.4 SDNPA offer

11.5 The SDNPA wrote in June offering the council the opportunity to continue to deliver a development management service on its behalf for a further period of 2 year (until September 2024) with the option to extend for an additional two years (until September 2026) if both parties agree.

- 11.6 A small increase in the rates paid to the council for application caseloads is proposed (1.5%) with no change to the amount of funding for enforcement and appeals. This increase is linked to higher performance standards relating to speed of validation and decision making on applications with the latter criterion based on the type of development. There would be financial penalties for performance falling below the new standards.
- 11.7 The current costs of providing the service have been reviewed (c£445,000 per year) and, as set out in the Financial Implications and Risk sections above, it is estimated that the likely level of income (£450,000) for the council is broadly in line with these costs
- 11.8 It is also important to recognise that whilst the council would be able to reduce costs in the event that the SDNPA recovered the service it would not be possible to realise savings that would be the same or close to the income that would be lost. Council costs factor in overheads for example and so whilst certain savings, such as adjustment in staff resources, would be achievable other costs would be unchanged. It is therefore financially favourable to extend the arrangements for a further initial period of two years.
- 11.9 In addition there is also the benefit of retaining decision making at the most local level which may be perceived more generally as reinforcing local democracy. If the council ceased the arrangement after September next year all decisions would be made by the SDNPA directly. They could decide to deliver the service themselves or commission another party to provide it for them.
- 11.10 Conclusion
- 11.11 Both in financial and democratic terms it is considered that the best option is to enter into a new agreement with the SDNPA to continue to provide a development management service on their behalf until at least September 2024. The council and SDNPA can review how the new agreement is working for both parties before this time and then decide whether to extend the period for another two years.

OTHER OPTIONS CONSIDERED AND REJECTED

11.12 The council is under no obligation to provide a development management service for the SDNPA. However, over the last ten years, this partnership has worked well for both authorities and, as explained above, it is considered financially favourable for the council to continue with the arrangement as well as ensuring decision making remains at the most local level. For these reasons the option of ceasing to provide the service beyond next year inside has been rejected.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB2948 –Continued arrangements for the delivery of development management functions in the South Downs National Park. July 2017.

CAB2504 – Future arrangements for the delivery of development management functions in the South Downs National Park.

CAB2024 South Downs National Park Delegation of planning decision to local authorities.

Other Background Documents:-

None

APPENDICES:

None.