


Agenda Item No:	4	
Committee:	Overview & Scrutiny	
Date:	6 March 2017	
Report Title:	2017 Planning Shared Service Annual Review	

1 Purpose/Summary

To update Overview and Scrutiny on the Shared Planning Service with Peterborough City Council since it was implemented in Autumn 2015.

2 Key Issues

- The Shared Service arrangement went live in January 2016 following Council approval of the proposal and governance arrangements and Staff Committee agreeing the shared structure.
- The estimated total annual savings of £237k, of which Fenland District Council's proportion is £137k have been delivered.
- Performance indicators across both Councils are being met and resources are being shared across both teams.
- The partnership has been a success and there are future opportunities for more synergies between the teams and opportunities for income generation for both Councils.
- Over the next 12 months further development of the shared service will take place to ensure performance levels are maintained, income is generated and both Councils respond to the Housing White Paper.

3 Recommendations

That Overview and Scrutiny are requested to:

- Note the attached report.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	<p>Cllr Will Sutton, Deputy Leader & Portfolio Holder for Neighbourhood Planning</p> <p>Cllr Peter Hiller, Peterborough City Council Cabinet Member for Growth, Planning, Housing and Economic Development.</p>
Report Originator(s)	<p>Nick Harding, Shared Head of Planning</p> <p>Rob Bridge, Corporate Director</p>

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Background Paper(s)	Shared Planning Proposal - Overview & Scrutiny Panel 13th July 2015 Shared Planning Proposal - Council 23rd July 2015 Shared Planning Partnership Democratic and Governance arrangements - Council 17th September 2015 Shared Planning Team Restructure (confidential report) - Staff Committee 28th September 2015

4 Background

4.1 On the 23rd July 2015, Fenland District Council agreed to join a Shared Planning Service arrangement with Peterborough City Council after the Overview and Scrutiny Panel reviewed the proposal and business case at their meeting on the 13th July 2015. This proposal was built on the following key aims:

- To deliver efficiencies for both authorities.
- To support the ambitious growth agenda of both Councils.
- To maintain service delivery standards, and to improve them where possible and appropriate.
- To maintain individual 'sovereignty' for both Councils over planning delivery; with no perception of a 'take over' in such a sensitive service area.
- To ensure visibility to Members and customers of key staff.
- To be scalable – a trading model to deliver services to other Councils in the country that makes the partnership a 'fee earner' and treats the service as a business.
- To provide fairness of opportunities for staff in both authorities.
- To maintain individual Council Planning Committees.
- To ensure that the end users of the planning service see only an improvement in service delivery (i.e. not a reduction).

4.2 The proposal also included the following key features:

- A staff model that essentially creates the concept of a flexible resource pool, with the ability to work across both (and more) authority areas as required.
- A staff structure underpins this model that:
 - Reduces management overheads in a number of areas.
 - Increases flexible technical support in areas such as enforcement, arboriculture, ecology and conservation.
 - Provides for joint recruitment and flexible working across the two authorities, thereby being more attractive to retaining and attracting quality professional staff.

- Maintaining relevant planning staff located in both councils, with the potential for more generic functions to be located in a single place, and with flexible locations of other field based staff.
 - Delivery of savings for both authorities compared to current costs, and the potential to generate further income when the model is expanded in the future to include other councils.
 - Additional senior manager planning expertise to support major planning processes and issues.
 - Bring in service improvements by learning from each other e.g. Pre-application agreements and potential fees
- 4.3 A business case was developed that generated total annual savings of £237k, of which Fenland District Council would receive £137k of these savings.
- 4.4 Following the Council decision in July, Council also received a further report on the 17th September 2015 on the governance arrangements for the partnership which agreed the Council to enter into a Section 113 agreement between the two Councils.
- 4.5 For democratic oversight of the partnership, it was also agreed that the respective Portfolio Holders will meet quarterly with the two Lead Officers (for FDC, the Corporate Director responsible for planning) and the Shared Head of Planning to monitor performance and service delivery, oversight of the financial and savings delivery and directing the trading opportunities of the partnership. This group will be the Shared Planning Board.
- 4.6 Finally, the Staff Committee received a staffing structure proposal on the 28th September 2015 to propose the shared staffing structure and this was approved.
- 4.7 The shared service formally went live on 1st January 2016 and so has been in operation for 13 months (to January 2017 for the purpose of reporting in this document). Under the terms of the shared service, the Shared Service Board has met each quarter to consider performance and key operational matters. In addition, the terms require that yearly the performance of the shared service is reported to the respective authorities.
- 4.8 The rest of this report sets out the key milestones, achievements and performance of the shared service arrangement and what plans are in place for the future.

5 Scope of the Shared Service

- 5.1 The shared service arrangement comprises of the following:
- Sharing a single Head of Planning between both Councils
 - Sharing a Technical Support Manager between both Councils
 - The ability to buy and sell services between the Councils
- 5.2 In respect of the latter, the following has taken place to date:
- Fenland has sold to PCC planning policy officer time
 - Peterborough has sold to Fenland: planning policy / neighbourhood planning officer time, development management officer time, technical support officer time, ecology officer time, Section 106 Management & development viability officer time.
- 5.3 It should be noted that each Council has their own:
- Development management teams
 - Enforcement / compliance teams
 - Technical support teams

5.4 Based in their respective Council offices i.e. there is no co-location and officers do not have both Fenland Cases and Peterborough cases to deal with at the same time.

6 Development Management Performance

6.1 Speed of Validation

Table 1 - % of applications validated in 5 days

FDC			PCC		
2014	2015	2016	2014	2015	2016
73%	73%	58%	94%	83%	66%

6.2 2016/17 saw a significant decrease in performance compared to previous years. This has been as a consequence of the service areas being adversely affected by the following circumstances:

- An increase in the number of applications being received
- Staffing gaps arising as staff have moved to new positions within the Councils
- Unsuccessful recruitment at PCC
- Long term sickness at PCC
- ICT upgrades at FDC which impacted system availability

6.3 The impact of these adverse events has partly mitigated through the sharing of a flexible resource between the two authorities. However, it is the part of the service which is the most tightly resourced and the least resilient area. The nature of the job (specialised) is such that it is not at all well suited to temporary cover being supplied by supply staff.

6.4 Pre-applications

6.5 A paid for service was introduced in Fenland in April 2016 and prior to that performance in terms of promptness of responses was not monitored. Hence there is only 10 months of data available.

Table 2 - Response rate (within target) to pre-application enquiries

1st April 2016 to 31 Jan 2017	FDC	PCC
No of pre-application enquires	83	103

6.6 Advance warning was given of the paid for pre-application service and consequently there was a rush of applications prior to the relaunched service being introduced.

6.7 Number of Planning Applications Submitted

6.8 Both Authorities have seen a gradual increase in the number of applications being submitted which must be seen against an increase in the types of development that can take place without the need for planning permission. This demonstrates continued

economic confidence in the area. The increase in workload has impacted on staff by increasing their caseloads.

Table 3 - Planning applications received from 2014 to January 2017

No of Applications Received	FDC	PCC
2014-15	1,256	2,145
2015-16	1,338	2,300
2016-17 to Jan 2017	1,063	2,146

6.9 Planning Fee Income

6.10 The number and nature of planning applications being submitted in Peterborough is such that there has been a significant increase in planning fee income over and above forecast. Notwithstanding this, it continues to be challenging to produce accurate forecasts as the market is generally reserved about sharing its activity plans and when they do they cannot always be relied upon.

Table 4 - Planning Fee Income from 2014 to January 2017

	FDC			PCC		
	2014	2015	2016 to Jan 2017	2014	2015	2016 to Jan 2017
Planning Application Income	£0.755m	£0.743m	£0.595m	£0.944m	£1.154m	£1.261m
Pre-app Fee Income	n/a	n/a	£28.5k	£57k	£93.2k	£53.8k

6.11 Fenland Council only introduced a paid for pre-application service in April 2016. To date it has been well received by applicants who welcome the certainty that the process delivers. Take up of the service has been in line with expectation and has produced welcome income stream for the Council. The fee rates for the pre-application service are the same for both Councils and are in the process of being reviewed in order to iron out a handful of anomalies. In addition, the rates will have to reflect the potential resetting of planning application.

6.12 Speed of Decision Making on Applications

6.13 Both Councils have maintained consistent performance over the last 3 years with on the whole an improved picture being evident. The Government targets for performance are being comfortably exceeded and neither authority is close to designation for weak performance.

Table 5 - Performance Measurements

Performance Measure	FDC			PCC		
	2014	2015	2016	2014	2015	2016 (to Jan 2017)
Major Applications decided in 13 weeks (or within extension of time agreement)	89%	91%	89%	86%	96%	98%
Minor applications decided in 8 weeks (or within extension of time agreement)	85%	85%	89%	84%	90%	95%
Other applications decided in 8 weeks (or within extension of time agreement)	93%	96%	97%	92%)	93%)	96%

6.14 Both authorities use extensions of time in order to be able to issue planning permissions rather than refusals/ application withdrawals and since the start of the year we have been recording the exact reasons why an extension of time is being used in order that we can report on these and make improvements to our systems and planning submissions as may be found to be necessary. When the arrangement is reviewed next year by Overview and Scrutiny we will have a comprehensive set of data to share.

6.15 Planning Appeals

6.16 Appeals performance has fluctuated over the last 3 years at both authorities. However, the number of appeals is modest and so consequently each appeal decision accounts for a significant percentage. Both Councils easily exceed new national performance standard so it can be said with confidence that the quality of decision making at each authority is good.

Table 6 - Appeals Performance

	FDC			PCC		
	2014	2015	2016	2014	2015	2016 to Jan 2017
% Appeals Dismissed	88%	74%	70%	70%	48%	79%
No of allowed appeals that were committee over turns (total number of allowed appeals in brackets)	1 (2)	0 (5)	1 (6)	2 (12)	4 (11)	0 (3)
No of Awards of costs against LPA	0	2	2	0	0	1

6.17 Planning Compliance

6.18 At FDC, the number of pending cases has increased by 4. This is not unexpected as the number of incoming cases remains high against the resource of 1.5 fte (filled by agency

staff). The number of cases closed since the start of the year is very good. It is likely that the vacant establishment post will be re-advertised along with the Senior Planning Vacancies in February. Performance at PCC remains good.

Table 7 - Planning Compliance Performance

	FDC			PCC		
	2014	2015	2016	2014	2015	2016 (to Jan 2017)
No of Service Request	336	289	323	530	505	507
No of cases closed	291	369	349	590	552	487

7 Budget Savings

- 7.1 As part of the shared service proposals it was a key objective for the Councils to make financial savings. The targeted savings have been successfully achieved as planned through:
- The sharing of the cost of the Head of Planning and the Technical Team Manager
 - A restructure of the service at Fenland District Council which was implemented prior to the start of the shared service.
- 7.2 The savings of £137k for Fenland District Council have been achieved, however due to a number of staffing changes during the year and the difficulty in recruiting to posts, Fenland have had to employ agency staff to assist in providing the service. Notwithstanding this, the shared service has lessened the reliance on agency staff through the loan of some staff to FDC from PCC and the cost of the service is lower than it was before the shared arrangement was in place.

8 The Future of the Shared Planning service

- 8.1 Over the next 12 months the Head of Planning will continue to ensure that the planning teams in both councils continue to improve and meet the performance indicators set out within in each organisation.
- 8.2 The teams will also continue to support the growth plans of both councils and specifically for Fenland support the delivery of Broad Concept Plans as set out in the Council's Local Plan.
- 8.3 Over the last 12 months, little progress has been made on the proposed joining up of the two technical teams. Staff Committee were clear that any further proposals would come back to them for consideration, however this has been unable to be progressed as currently the technology to support a joined up arrangement is not working. Various testing and solutions have been looked at and this will continue over the next year.
- 8.4 The Shared Planning Board will also continue to look for further trading and income generation opportunities to support each councils financial challenges.
- 8.5 Finally, the recent Housing White Paper (Fixing our broken housing market) included proposals for boosting planning team capacity and capability to deliver, improving the speed and quality with which planning cases are handled, while deterring unnecessary appeals.

- 8.6 Following the white paper, the Government has followed this up offering Councils the opportunity to opt in to a 20% increase in planning fees on the proviso that the additional income is retained within the planning service in order to deliver development. Should Fenland opt in to the arrangement then this could potentially be used to improve the resilience of the validation team and help landowners and developers bring forward the large sites allocated in the Fenland Local Plan. This is something officers are now looking into and developing the necessary detail so the portfolio holder can consider whether to opt in.

9 Conclusion

- 9.1 The shared service has been in operation for 12 months and has operated successfully in terms of:
- Performance against key indicators
 - The delivery of targeted savings
 - The trading of services between the two authorities
 - Improving the resilience of each authority's planning teams