



Item

SHARED PLANNING SERVICE BUDGET AND PROGRAMME UPDATE

To:

Councillor Katie Thornburrow, Executive Councillor for Planning Policy and Open Spaces
Planning & Transport Scrutiny Committee [14/10/2019]

Report by:

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Wards affected:

None.

Not a Key Decision

1. Executive Summary

1.1 The Greater Cambridge Shared Planning Service is a joint service providing the functions of the statutory Local Planning Authority to both Cambridge City Council and South Cambridgeshire District Council. Both Councils committed to deliver the shared planning service in 2015 with the objective of increasing the resilience and capability of the statutory planning function in the City and continuing to provide a cost effective service whilst reflecting the growing recognition that the City's future growth needed to be considered and managed alongside that of its neighbouring district. The delivery programme began in June 2016 with the appointment of a single joint Director of Planning. Since 2016 the service has appointed a joint management team and recently (9th September 2019) has completed a service wide re-structure involving all posts across both Councils.

1.2 A comprehensive programme to implement the shared service continues – with migration to a single ICT system expected before January

202. The service is operating to a Business Plan approved by the Environment Scrutiny Committee in March 2018. Significant progress has been made on delivery of the Business Plan outcomes and work on effective income growth (outlined in the MTFS) is underway, although the pace of that programme has been impacted by the transformation process and management capacity.

1.3 The Shared Service performance is monitored through the Greater Cambridge Shared Services Management Board (containing the lead Directors from each authority), Greater Cambridge Chief Executives' Board and 2C Joint Advisory Group (comprising of the leaders of each of the Councils).

1.4 The report updates members on implementation of the shared planning service and its business plan programme and highlights how the service is seeking to respond to the issues and challenges that impact planning at a national, and a local level.

2. Recommendations

The Executive Councillor is recommended to note the content of the report.

3. Background

3.1 The Shared Planning Service employs 126 people (including 20 temporary / casual staff) based in offices in the Guildhall and South Cambridgeshire District Council offices in Cambourne. The service is one of the first services to implement "Council Anywhere" and as a result most officers are able to work from either location. The City Council's budget contribution to the service budget comprises three elements, direct staff and project specific costs together with direct operational costs, income from applications etc and a series of distributed corporate shared costs. The staff costs and income provisions in the budget seek to result in a net contribution of nil for 19/20. The impacts of economic uncertainty surrounding Brexit have however suppressed income and it is unlikely that the forecast income target will be met in this year. Staff costs, arising from vacancies is also currently below the budgeted figure, albeit that recruitment is underway. Work is ongoing to establish the likely net outcome of these external and internal factors.

3.2 The service provides all the Councils Strategic Planning, Planning Policy, Enforcement and Development Management capacity with planning applications being reported to the City Council Planning Committee and Joint

Development Control Committee. The Business Plan for the Shared Planning Service was approved in March 2018.

Service overview

3.3 The Business Plan committed the service to a range of outputs in 2019/20, including progressing strategic site planning applications encompassing over 25,000 new homes, the development of the North East Cambridge Area Action Plan, commencing work on the joint Local Plan as well as progression of the “Making Space for People” SPD and production of a joint Sustainable Design and Construction SPD. The development management service is expecting to process some 6,000 planning and related applications over the services area during the year (currently 1264 in 2019 which relate to the City Council area) and to undertake over 300 enforcement investigations.

3.4 The service is organised into three broad service areas;

a) Strategy and Economy (Assistant Director - Paul Frainer) – responsible for all policy and policy related work including the Local Plan, AAP, SPD work, plus management of the range of internal experts used by the service such as urban design, conservation, ecology landscape etc. The service also inputs into work of the Greater Cambridge Partnership and the Combined Authority and provides the monitoring information on planning outcomes.

b) Business Operations – (Operations Manager - Steven Winsor) – provides the “business support” (excluding development management) for the service. This team is being expanded from SCDC to provide both logistical oversight and support (recruitment and development, performance management, communications and customer engagement and financial support) to the service as well as offering capacity to underpin the service’s reporting and the shared service implementation.

c) Delivery – (Assistant Director – Sharon Brown) – the delivery team provides all planning and related application processing, appraisal and determination including for all the areas strategic development sites. The service also provides the dedicated planning enforcement capability for the Council and supports the work of the Housing Investment Partnership through the planning process.

3.5 Based upon the approved business plan, the service is accordingly on track to deliver the following

Strategy and Economy

- Joint Local Plan Issues and Options consultation
- Cambridge North AAP preferred option consultation
- Economic Growth Strategy and Action Plan
- Making Space for People SPD consultation
- Adoption of Biodiversity SPD
- Preparation of Sustainable Design and Construction SPD
- Support for Neighbourhood Planning
- Input into Combined Authority Local Transport Plan, Local Industrial Strategy and Non-Statutory Spatial Framework

Delivery team

- Implementation of a single planning application workflow for Development Management including the design and commissioning of a new ICT – combining the processes of City and SCDC into a new “paperless” workflow
- Creation of a revised Planning Enforcement policy for consultation
- Progression of strategic scale planning applications for the area, including
 - Land North of Cherry Hinton
 - West Cambridge and the Cavendish laboratory
 - Darwin Green Phases 2 and 3
 - Wing (Marleigh) phase 1 reserved matters
 - Park Street Car Park
- Review of Planning Performance Agreements

Business Development

- Complete the draft shared services agreement
- Developing a single budget for the re-structured service
- Develop a refined recruitment and retention offer to include staff training and development
- Coordinate delivery of a member development programme
- Develop a single customer complaint monitoring and improvement database

Key Challenges

3.6 Despite good progress being made, the service is experiencing a number of challenges to delivery – driven by both national factors as well as local capacity. This is impacting both the ability to deliver against the business plan objectives, and to deliver the shared planning service commitments through the business plan and approved MTFS. The challenges are summarised as follows:

Staffing and vacancies

3.7 In line with the national shortages facing Local Planning Authorities across the Country, at present both the Delivery and Strategy and Economy teams are experiencing difficulties arising from a number of vacancies. Despite 6 rounds of recruitment in the last 12 months (one of which is ongoing), recruiting experienced professional officers to senior roles is particularly challenging. The limited supply of professional planners, especially in the delivery team, is reflected in the agency market also – which the service has historically turned to provide cover for vacant posts. As a result, officers in both offices are carrying very significant caseloads and, on more complex projects, the service is finding it hard to provide suitable officers to oversee a number of complex strategic projects.

3.8 The high level of vacancies and turnover of staff in the delivery team, is also impacting upon the services ability to respond promptly and effectively to member and customer service requests for more modest proposals. In response, the service is undertaking a review of its processes and “practices” in an effort to increase officer productivity. The business support team is recruiting administrative capacity that will enhance its recruitment capabilities. The service is also actively “growing our own” through sponsorship of professional qualifications and providing greater career development opportunities through revised job roles. This programme is being developed with user and officer engagement. The service is also revisiting its service practices (on for example amendments of applications) in order to make the most effective use of the existing staff resource. In addition, the service is proposing to pilot a new “call off” contract for the early phase of planning applications with a third-party provider (Terraquest) in order to help manage officer workloads and improve response times for customers.

Programme Implementation Capacity

3.9 The Shared Planning Service is the second largest of the Council’s shared services. Through 2019 the service has consulted upon and implemented a complete review of structures and role profiles/job descriptions in order to provide a single, integrated service. The review has

included all professional officers being migrated into new role profiles and the interview and appointment of staff into a single new application support team. The process has required significant operational management input which has impacted senior managers time to engage in partnership work across the organisations as well as maintain momentum on delivery of some of the business plan outputs.

During 2019, the shared service implementation manager left their role, and their replacement - with a seconded member of staff - has also seen the re-design and re-engineering of the programme governance and monitoring. The service has established a member board (with representatives from City and SCDC) to provide oversight of the shared service, as well as a senior management delivery board – including the Chief Executives of both Councils.

Income and Savings

3.10 Planning applications attract a planning application fee. In addition, in recent years the service has sought to capture some of the cost of providing pre-application advice, through charges. As a result, the planning service is able to use income from fees – both statutory fees and discretionary charges to offset its costs. In recent years, the fee target has grown significantly – to £1.8m for the current year. The recent economic uncertainty surrounding Brexit which impacts both strategic site development programmes and some of the commercial planning applications that the city might have expected, have made reliable income forecasting more difficult.

3.11 As part of the MTFs 2019/20 the planning service committed to progress a range of measures designed to increase income or to reduce costs and increase productivity. These are listed below. Given the vacancy rates across the service and the significant management input required to implement the whole service re-structure effectively, the service has not yet been able to begin work on some of these workstreams.

3.12 Those workstreams identified in bold have not therefore been started yet.

1. Review of hourly rates in Planning Performance Agreement's to improve levels of cost recovery on major applications
- 2. Introduce Service wide time recording system to improve monitoring and review of advisory charges/income**
3. Implement effective re-charging for staff deployed within other services/organisations

4. Develop new invoicing and effective reviews/monitoring of PPA's to improve cost recovery performance.
5. Charge Colleges for Listed Building/Conservation advice call off via a joint payment
- 6. Extend scope of pre-application advice in the City to include householders plus a new menu pricing structure**
- 7. Review/introduce charges for design review panels/process as part of review of DR processes in GC**
- 8. Review statement of community involvement and opportunities to enhance automated/digital engagement alongside IDOX roll out - £10K year 1 and £20K year 2**
- 9. Review scheme of delegation to optimise officer productivity**
10. Charge for a tour package of strategic sites - £2.5K

3.13 The whole of the MTFs savings package were deducted from the service budget at the start of the year – in line with City accounting practice. Because a number of workstreams have not started, this means that the service may not realise all of the potential “savings” for all lines proposed in the MTFs. Against that reduction in potential income, the service has faced lower staffing costs arising from difficulties in filling vacancies. This has impacted Planning Performance Agreements and necessitated some additional agency staffing (which generally costs more). As the service transitions through each round of recruitment, and the outcomes of Brexit (and changing economic confidence) work through, the impacts on the service’s budget “outturn” should become clearer. Sensitivity testing for the budget is therefore currently underway and monitoring will continue of both income and cost assumptions.

3.14 The future costs and charges for the shared planning service are to be addressed through a shared services agreement – to be completed for all 2 way and 3-way shared services. The service has finalised a draft agreement which covers both the basis for direct cost and for income to be assigned. In parallel, there is an ongoing review due to be concluded for the next financial year of the shared service support costs in each of the parent organisations. This review will also therefore impact upon the final “cost” of the shared services to the City Council.

Business Process re-design

3.15 The shared planning service expects to implement its single ICT solution by the end of the year. This will provide, for the first time, a single

processing capability for all planning applications across the area as well as a single enforcement database. At present, the service is operating two separate systems using 2 different (arguably sub-optimal) workflows. To deliver upon the opportunity, the service will be engaging in the new year with members and users about new processes and “approaches” reflecting the aspiration of both to move towards “net zero carbon” but also to utilise the new capabilities of the ICT solution to provide more information to users via self-service. The process is likely to require significant investment in staff time at both the design stage and at the delivery stage. There is a risk that not everyone will agree to the final approach – and staff time will be required to work with all users to define how far the service can realise the benefits of this investment. The ICT roll out is likely to be phased – in order to ensure that the processes are resilient and that each part of the process, pre-application, application, appeals and enforcement can capitalise on the capabilities of the system and the new teams and operating structures. This provides opportunities for feedback as the system is implemented about how far, and how fast the roll out can progress and enable time for staff and users to be helped to adapt to changes made.

Overall

3.16 The Shared Planning Service has made significant progress towards implementation through 2019 despite a number of significant challenges impacting its capacity and its responsiveness – notably through a number of staff vacancies and high personal officer caseloads. The service has nevertheless completed a comprehensive re-structure over the summer and has transferred all staff into their new roles so that it is ready to engage with the new opportunities created by the shared service project. Additional capacity has been brought in over the summer to help manage the complex financial system and to underpin the new operating model – but the management resource devoted to this process has impacted delivery against some of the service’s programme. Through the Autumn, the prioritisation of resource underway, and integration of ICT and financial systems is expected to yield benefits – from improved reporting and confidence around delivery and a new business plan is currently in preparation for the year 2020/21 to reflect this review.

4. Implications

a) Financial Implications

The report has no direct financial implications. The budget for the shared planning service is being actively managed and reviewed (as above) –

subject to the ongoing review of shared service support costs and unpredictable income.

b) Equality and Poverty Implications

Not required for this report.

c) Environmental Implications

None for this report.

d) Procurement Implications

None specific related to the service. Any procurement relating to the service provision is carried out in line with the Councils' policies

e) Community Safety Implications

There are no community safety implications arising from this report.

5. Consultation and communication considerations

The service undertakes consultation in line with the statutory and non statutory consultation frameworks set out in legislation and the locally adopted "Statement of Community Involvement." Staff consultation and engagement in the delivery of the service has been carried out in line with the Council's adopted policy for change

6. Background papers

Background papers used in the preparation of this report:

Shared Planning Service Business Plan 2019/20

7. Appendices

None.

8. Inspection of papers

To inspect the background papers or if you have a query on the report please contact Stephen Kelly, Director - Planning, tel: 07734 370866, email: stephen.kelly@scambs.gov.uk.