



Item

ANNUAL REPORTS OF 3C BUILDING CONTROL SERVICE 2020/21 AND GREATER CAMBRIDGE SHARED PLANNING SERVICE 2020/21

To:

Councillor Katie Thornburrow, Executive Councillor for Planning Policy and Transport

Planning & Transport Scrutiny Committee 29th June 2021

Report by:

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Wards affected:

All

The appendix to the report contains exempt information during which the public is likely to be excluded from the meeting subject to determination by the Scrutiny Committee following consideration of a public interest test. This exclusion would be made under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Not a Key Decision

1. Executive Summary

- 1.1 This report summarises the performance of the 3Cs Building Control Shared Service and the Greater Cambridge Shared Planning Service during 2020/21.
- 1.2 The principle of producing a single Annual Report for each the 3Cs and Greater Cambridge (2Cs) shared services was agreed at committee in July 2015.
- 1.3 The overarching Annual Reports for the 3Cs Shared Services and the Greater Cambridge Shared Services cover ICT, Legal and Building Control Planning, Waste and Audit Shared Services. At the City Council, only the Building Control and Planning services fall under the remit of this Committee, and therefore their Annual Reports are extracted from the overarching reports and enclosed below.

2. Recommendation

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

3. Background

- 3.1 Cambridge City Council, Huntingdonshire District Council and South Cambridgeshire District Council commenced sharing Legal, Building Control and ICT Services in October 2015 (known as 3C Shared Services). The shared services are based upon a “lead authority model” where an agreed lead Council is responsible for the operational delivery of the service. The formal partnership agreement between the authorities contains a requirement that an Annual Report is prepared on the services’ activities and performance. The original Shared Services Agreement for the 3C services was in place from 2015 and until 30th September 2020. The renewal process as defined in that Agreement was followed, with the result that a new Agreement was completed to last until 30th September 2025.
- 3.2 South Cambridgeshire District Council and Cambridge City Council have also developed a range of shared services comprising planning, waste and internal audit (known as Greater Cambridge Shared Services). The services have each identified service objectives.
- 3.3 The overarching Shared Services’ performance is monitored through the Shared Services Management Board (containing the lead directors from each authority), the Chief Executives’ Board and the Joint Shared Services Group (comprising of Executive Councillors of each of the Councils).
- 3.4 This report provides Members with the opportunity to consider the performance of the Building Control and Planning services that are being administered on a shared basis.

4. 3Cs Building Control Shared Service Annual Report 2020/21

4.1 General Information

- 4.1.1 3C Building Control was set up in October 2015 with the following objectives:
- Protection of services which support the delivery of the wider policy objectives of each Council.
 - Creation of services that are genuinely shared between the relevant councils with those councils sharing the risks and benefits whilst having in place a robust model to control the operation and direction of the service.
 - Savings through reduced managements costs and economies of scale.
 - Increased resilience and retention of staff.
 - Minimise the bureaucracy involved in operating the shared service.

- Opportunities to generate additional income, where appropriate.

4.1.2 When creating the shared service, the priorities were to improve capacity by expanding the skilled team with management arrangements that enabled resources to be deployed effectively and efficiently, the adoption of best practices and processes and to improve recruitment and retention in local authority building control services.

4.1.3 This Annual Report reflects progress against the Business Plan for 2020/21. The Plan contained detailed service information and was approved at partner committees in March 2020. Given the commercial nature of the service, only limited information has been included in this public report.

General Progress

4.1.4 The service review growth strategy is now complete and the new structure is in place as of 1 April 2021. Although the impact of Covid-19 caused some delay in implementation it provided a real opportunity in respect of transforming the service position in respect of future ICT and accommodation.

4.1.5 Recruitment has therefore been deliberately limited due to the service review and Covid-19, recruitment during the year consisted of one apprentice assistant and a fixed term administrative support assistant. One senior surveyor has moved to promotion at another Council and one technical support officer has recently decided to retire.

4.1.6 The Street Naming and Numbering function has now transferred to 3C Building Control from 3C ICT for all three partner Councils, along with demolitions. This ensures consistency across the partners and allows for resilience and greater efficiencies in the technical support function.

4.1.7 The team continues to improve its processes. Most applications are submitted electronically, and the service incorporates digital processes. The planned programme of scanning of live historical files during 2020/21 has been delayed due to Covid-19 and will now take place in the new financial year.

4.1.8 In terms of the recognition received by staff during the year, the team were finalists again in the iESE Public Sector Transformation Awards in March 2021 for the efficiency and effectiveness category, winning either bronze, silver or gold. The order will be announced in September 2021. One member of the team is also a finalist in the European WICE (Women in Construction and Engineering) awards for her success in mentoring newly appointed team members within 3C Building Control, judging will be on 22 April 2021.

Financial Performance

4.1.9 The outturn position for 2020/21 is recorded in the table below:

£	Budget	Actual	Variance/Outturn

3C Building Control	1,910,120	1,740,221	-169,899 Underspend
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- 4.1.10 It is a requirement that each Council contributes to the non-fee earning account for all statutory works for which the service is unable to charge.
- 4.1.11 The service is forecasting an increase in the deferred income.

Service Performance

- 4.1.12 Building Control had eight Key Performance Indicators for 2020/21 ranging from acknowledging and determining applications to customer satisfaction levels. These KPIs form part of the quality management system adopted by the service. The performance indicators for 2020/21 indicate the service continues to provide a quality service to its customers and exceeds performance targets.

Customer Feedback

- 4.1.13 For 2020/21 the Building Control Partnership has been collating data on the percentage of customers who overall have rated the service as good and above. The service forwards customer satisfaction surveys to all customers, including those who submit regularisations. This is captured via an online survey forms utilising Microsoft teams and returns are generally positive. An interim target of 75% has been exceeded with an actual rate of over 87% satisfaction which is an increase from last financial year.

Key Projects

- 4.1.15 3C Building Control has four projects identified in 2020/21 Business Plan.
- 4.1.16 The first two projects consist of a full review of the ICT infrastructure to maximise effectiveness of the team and enable agile working. This is interlinked with the second project, change management and implementing a digital service. The service is now progressing these with an ideology of a fully digitalised service and use of automation to improve the customer experience. A project initiation document will be submitted into CCC corporate programme office.
- 4.1.17 Various workstreams have been identified in the final two projects to extend discretionary services to customers and to regrow market share and develop commercial opportunities. These include providing energy, sustainability and climate change advice, clerk of works service and peer reviews in other Councils. These are all in train.
- 4.1.18 The team are currently reviewing requirements for office accommodation in the mid term and a project initiation document will be submitted to CCC corporate programme office. This will be a proof of concept on accommodation in the guise of a digital welfare workspace.

5. Greater Cambridge Shared Planning Service Annual Report 2020/21

5.1 General Information

5.1.1 The Greater Cambridge Shared Planning service was created in 2016 through the commitment to merge South Cambridgeshire District Council's Planning function with Cambridge City Council under a common management team. Following the appointment of the Joint Director of Planning in June 2016 the service has re-structured through 2017 around a single new management team structure and in April 2018, TUPE transferred nearly all of the staff within the service onto a single suite of job descriptions and to employment with SCDC. Following procurement and process design work in 2019, in February 2020 the service migrated all of its systems and working onto a single, shared ICT solution based upon the former City Council Idox application solution.

5.1.2 Following its inception, the shared planning service management team adopted a vision for the service with four core objectives:

- To create and deliver an effective programme for the creation of a single, unified "Greater Cambridge" planning capability serving the Planning Committees of each of the participating Councils.
- To build a shared capacity and capability within the combined teams (and provide opportunities to support others) in a way that seizes opportunities for greater efficiency and improvements to the quality of service and subsequent development across the area by providing services and products (including additional charged services) that meet the needs of users and the community at the lowest net cost.
- To deliver a service that can be flexible - in deployment and delivery.
- To build/retain a reputation for professionalism, staff development, the delivery of high-quality outcomes and competent "business management" amongst peers and partners.

5.1.3 In line with other shared services, the Planning service seeks to deliver outcomes defined through an annual service plan which is agreed through the shared services board and associated Council portfolio holders. The 2021/22 service plan was considered by the Shared Services Board earlier this year. Since that time, the magnitude of the Covid impacts upon income, and ongoing challenges in securing staff resources have compounded existing costs pressures facing the service. A comprehensive service review – which will review existing service plan commitments is now underway.

5.2 Outcomes 2020/21

5.2.1 The global pandemic, through 2020/21 has significantly impacted upon the SPS, along with many other parts of the Council. Through March and April, as local authorities (and the regulatory environment) adjusted to the system shock caused by Covid the shared planning service focused upon establishing new working arrangements for both remote working and the administration of decisions – notably through the appropriate changes to enable "virtual" planning committee

meetings. At the same time, as a result of external factors, including the County Council withdrawal from joint decision making via the Joint Development Control Committee, and as a result of challenges to the service's scheme of delegation for South Cambridgeshire, a substantial amount of time has been spent on evolving the existing standing orders and constitution underpinning decision making in the shared service.

- 5.2.2 Across the Delivery team, 2020/21 has seen the roll out of "area based" teams with meet and greet and quarterly engagement meetings now established. The service has also focused on improving assurance across the new ICT system, as well as rolling out enhancements to the utility of the system for consultees and Parish Councils. This work is ongoing. The considerable challenges caused by covid and the adaption of a "new" set of processes, alongside initial restrictions on movement of staff, has nevertheless impacted both officer productivity and management capacity to deliver service change and performance improvements. In parallel, uncertainty over income and the ongoing challenge of recruitment of senior professionals has continued to result in workloads within some teams that are above recommended and desirable levels for a number of officers.
- 5.2.3 Headline development management performance has proven challenging not withstanding improved reporting systems and addressing the backlog of applications which is impacting officer caseloads remains one of the challenges for the year ahead. The service has also introduced new pre-app and PPA offers seeking to improve both internal arrangements for cost recovery and to respond to feedback from users. The suitability and sustainability of these services alongside other pressures will be reviewed through 2021.
- 5.2.4 Progress on housing delivery objectives remains good, and the shared planning service has met both the housing delivery test performance requirements and demonstrated, in March 2021, a 6.1-year position on the 5-year land supply across the area. Permissions for a number of strategic sites were also progressed, including Waterbeach, Land North of Cherry Hinton and Bourn airfield, meaning that every strategic site in the 2018 adopted Local Plans now benefits from either a resolution to grant or outline planning permission as a minimum. Across the district, this means that over 30,000 new homes have been permitted.
- 5.2.5 Alongside strong delivery through planning permissions the service has also progressed the delivery of its Development Plan documents – with the North East Cambridge Area Action Plan concluding its consultation in February 2020 leading to series of workshops with members and stakeholders through 2020. The Greater Cambridge Joint Local Plan is also progressing towards preparation of a preferred option – following the publication of a substantial volume of early evidence and the call for sites in Autumn 2020. This has also been progressed in digital format and is one of the first examples of this approach in the UK which is progressing towards the digital planning transformation proposed by Government in the forthcoming raft of planning reforms. After The initial pause of neighbourhood planning following government covid directions (and the suspension of the Cottenham referendum) in early 2020, three neighbourhood

plans, Cottenham, Waterbeach and Foxton are now heading towards referendums as part of the local government elections in May 2021.

- 5.2.6 The service has also provided support for strategic planning activity by the two Councils and substantial officer engagement with strategic growth and infrastructure matters has occurred through the year. Alongside the emergence of the OxCam project themes and workstreams, the service has engaged with the economic growth and infrastructure projects of the GCP, Anglian Water, E-W Rail, A428 dualling and Combined Authority whilst also supporting work by the “UK Innovation Corridor,” Water Resources East and sub national transport boards.
- 5.2.7 The promotion of heritage management through 4 Conservation Area Assessments and participation in a range of “live” agendas on “building beautiful” as well as local ambitions around green infrastructure, climate change, doubling nature and biodiversity net gain have also been carried out by officers within the service. A review of design review process has also been carried out and in February 20221, the service once again supported the Cambridge Design Awards programme in partnership with the CFCI.

5.3 Budget

- 5.3.1 The service is awaiting a finalised end of year outturn report but has faced considerable financial challenges that have led to an overspend of around £1,200k for the year. This overspend is due to a combination of additional staffing costs caused by hard to fill vacancies (and a need for the associated skills) and reduced income as a result of the Covid pandemic, although this was mitigated, to a degree, by the MHCLG compensation scheme.
- 5.3.2 The biggest impact was felt in the Delivery team, which had an overspend for the year of £1,000k. However, the Planning Policy team had an overspend of around £300K (this figure is being investigated further and may reduce as year-end accounting processes are completed by the SCDC Finance team). This overspend was reduced by £100k through the holding of vacancies in the Operations team for much of the year. The budget pressures are likely to continue through the next financial year due to two key financial variables:
- 5.3.2.1 A significant reduction in income derived from planning application fees. This impact is compounded by an earlier assumption that managing historically declining City Council application fee income (as a result of the shift in development activity from the City to SCDC area on strategic sites) could be achieved by increased income from pre-application and related services predicated on a growing economy and developer confidence. As a result of Covid 19 impacts, this did not materialise during 2020 and remains an uncertain prospect for 2021.
- 5.3.2.2 Continued difficulties in recruiting senior and experienced staff– leading to a reliance upon agency staff, a situation that has been intensified by the range, volume and complexity of some of the Strategic Sites workload. The services ongoing underspend in staff (some £950K

under the budget figure) has been overtaken by significantly greater costs of filling vacancies through more expensive agency and contract staff. Some of these costs have been offset by re-charges through Planning Performance Agreements. The curtailment of activity to address recruitment and the development of the systems to allow the service to reduce demand for staff have compounded this cost pressure. The agency spend associated with filling vacant officer posts across the service is accordingly significantly greater than the saving in salary costs at £1.9m.

- 5.3.3 Since December, and notwithstanding a bid for growth funding through the City budget process, the service has therefore embarked on a wholesale review of all costs and activity across the service aimed at addressing the current cost and income imbalance. This is likely to require some reprioritisation of existing work commitments and acceleration of service improvement programmes aimed at improving efficiency/reducing net cost. The service review is being programmed through the SCDC transformation team with oversight by the City Council’s transformation lead. An associated set of revised performance indicators, to reflect the new service priorities and including a focus on reducing net cost will be introduced shortly – alongside the revised service “plan” for 2021/22.

5.4 Staffing

- 2.4.1 The service comprises some 143.8 fte posts. Notwithstanding recruitment through 2020/21, some 18% of posts in the service are filled by contact/agency staff. Carried through to a full year cost (noting not all current posts are filled for 12 months), existing agency staff cost impacts across the service is as follows:

CURRENT AGENCY SPEND 2021/22 BREAKDOWN	TOTAL
Delivery - DM	£352,002
Strategic Sites	£377,222
Planning Enforcement	£220,579
Strategy & Economy	£436,000
Business Support	£58,142
Application Support	£110,000

- 5.4.2 Through 2020, the service has sought to roll out time recording systems to improve insight into staff activity and cost recovery against PPA and related project work. Benchmarking of staff resources against forecast work suggests that in areas such as development management, staffing levels are not excessive

although recent investigations by officers of service transformations elsewhere suggest that there remain opportunities to improve upon historical benchmarking averages in terms of reducing the amount of non-productive time in particular through increased digitalisation. This will be important as the service seeks to manage officer workloads, notably those of managers who have been adversely impacted by the challenges of remote working and the impacts upon productivity associated with remote working and the immaturity of recently rolled out processes.

- 5.4.3 Notwithstanding the difficulty in attracting new staff, staff turnover across the service through 2020/21 has slowed with a 93% retention rates (target 90%) although there is some evidence of increasing movement in some areas (such as DM). Regular staff surveys by SCDC have nevertheless highlighted concerns about workloads and management support during the year as key issues for the workforce alongside frustrations with ICT infrastructure impacting productivity.

5.5 Governance

- 5.5.1 The shared service board has overseen the activity of the Shared Planning service through 2020/21. Monthly member and Chief Executive board meetings have also tracked performance of the service and in recent months, have sought to engage with the funding challenges facing the service. Both Councils are undertaking transformation programmes with associated governance arrangements. The shared Planning service review is being prioritised in the SCDC transformation programme. The review board includes both SCDC and Cambridge City transformation Leads.

5.6 Performance

- 5.6.1 The annualised performance of the service against its “headline” indicators is reported below. The challenges facing the delivery team through 2020 (and reduced capacity caused by measures associate with Covid – and the collateral effects on staff productivity such as the closure of schools -especially during the second lockdown) have impacted upon both process performance as well as headline performance as reported to MHCLG across the year.
- 5.6.2 The service has nevertheless been able to support housing delivery through 2020 at over 100% (for both authorities) in the annual housing delivery test and in turn, this has had a positive impact upon the authorities 5-year housing land supply position (now 6.1 years). Additional management support has been provided in Q4 to help the service to tackle validation performance in the application support team (seen as critical in securing the turnaround of overall DM performance) whilst the service improvement projects underway, and the planned service wide reviews for 2021 will also focus on DM process performance, improving the user experience and resilience. Changes to the methodology used by the service to recording “extensions of time” – following external challenge have also set back Q4 performance in association with efforts to tackle a backlog of undetermined applications.

Table 1: Validation Performance: Applications validated within 5 working days of receipt:

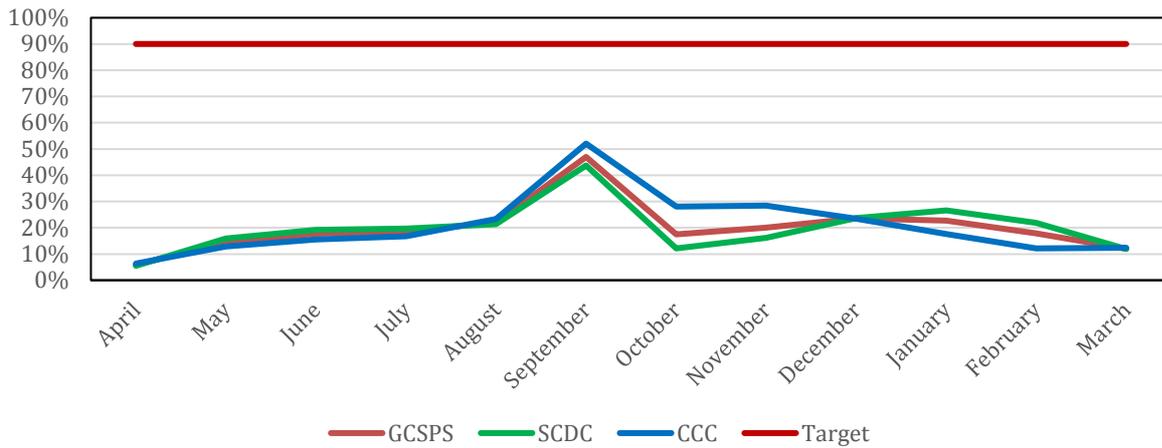


Table 2: Major application performance: Target 60% of applications determined within 13 weeks or an agreed time period.

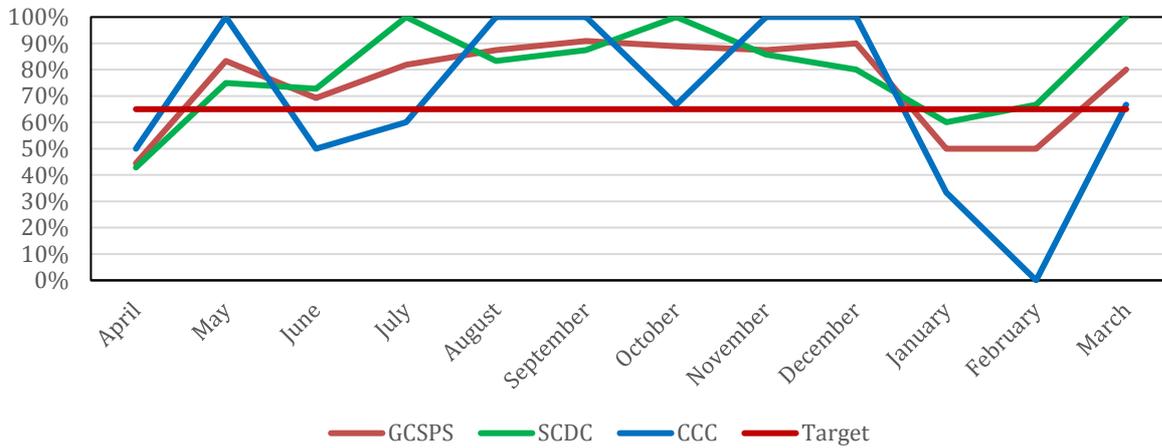


Table 3: Minor Applications Performance: Target 80% of applications determined within 8 weeks or an agreed time period.

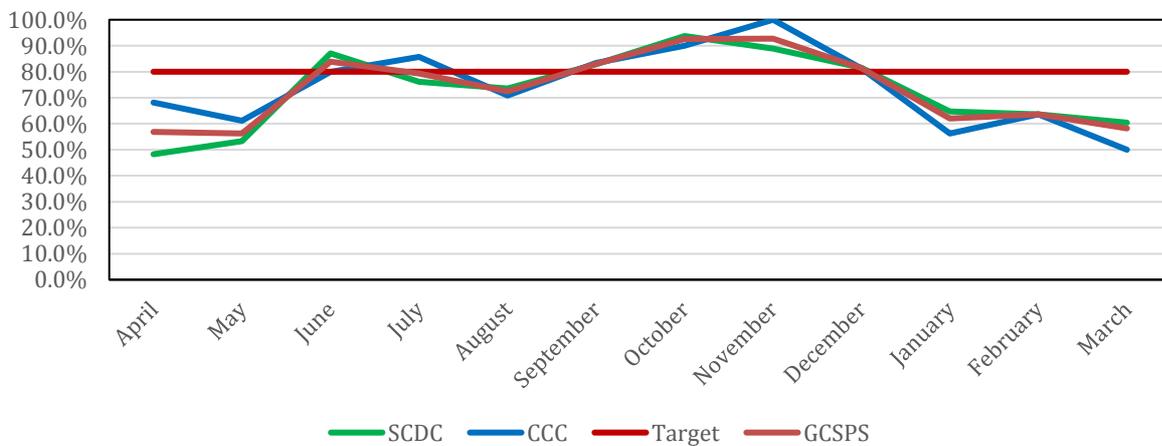
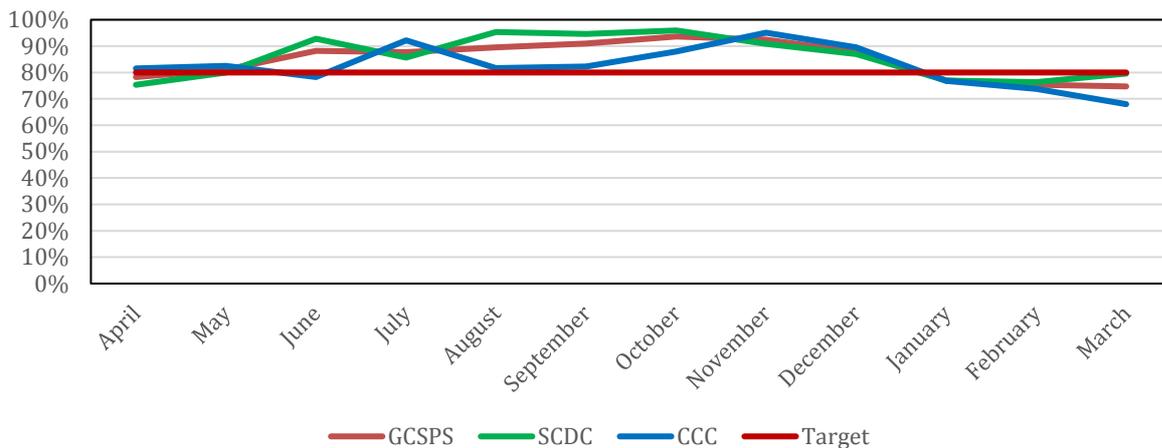


Table 4: Other Applications performance: Target 80% of applications determined within 8 weeks or an agreed time period.



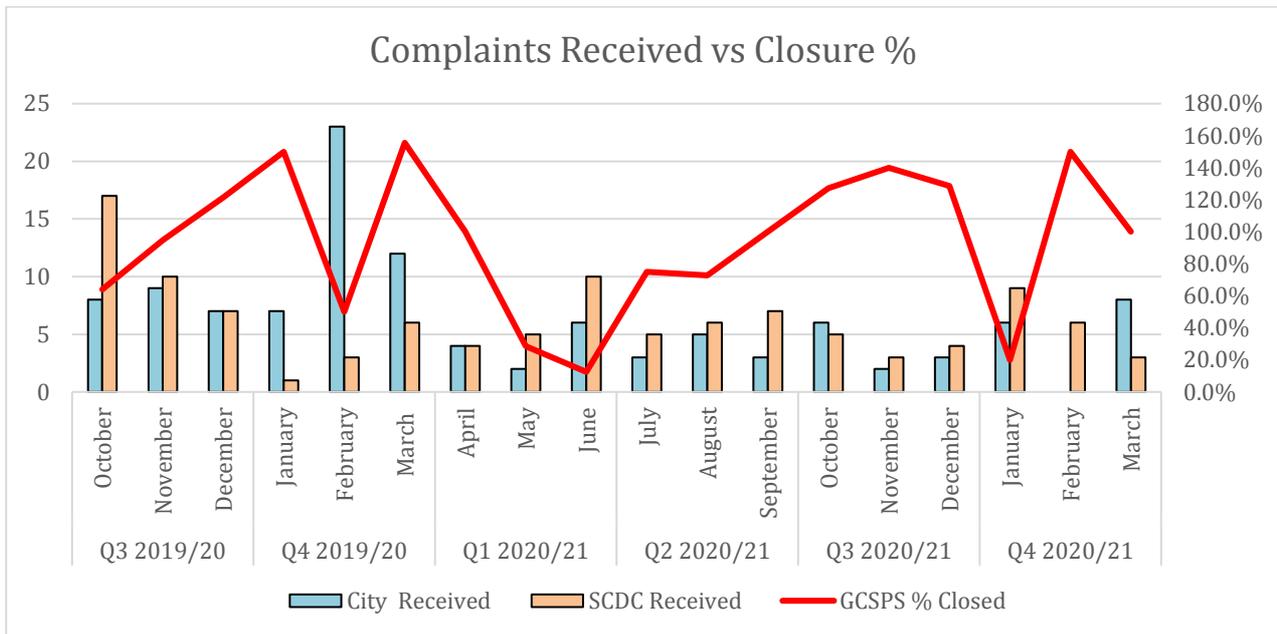
5.6.3 The service has faced close scrutiny of both its performance and its processes through external challenges on housing delivery and its returns to MHCLG in SCDC. The shared Internal audit service have undertaken 2 investigations in the year, firstly into errors in processing planning applications and secondly around the submission of performance returns to MHCLG. A further investigation into incorrectly processed applications is pending the receipt of the external investigators report by the service. Ongoing development of the services Idox Enterprise ICT system including an upgrade to the host server to improve resilience, has continued through 2020/21 as the service has increased its reliance (during remote working) on the workflow and system processes.

5.7 Customer satisfaction

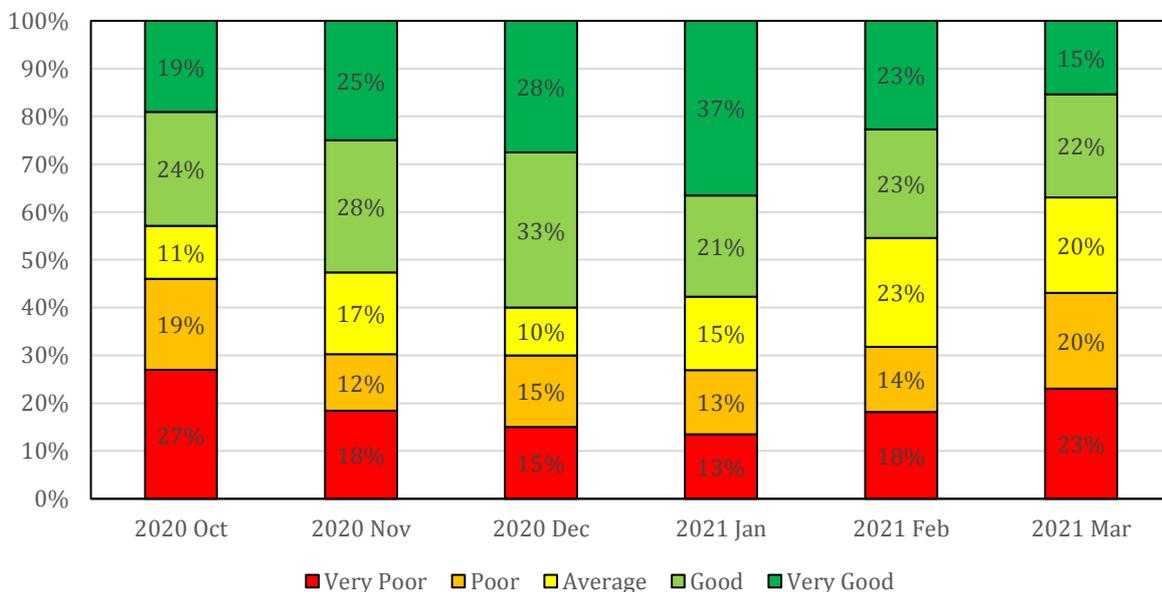
5.7.1 Through 2020/21 the service implemented a new customer complaints process. This replaced reliance on the separate corporate processes of the constituent authorities. Alongside the improved survey/data capture the service initiated a pre-emptive process to address the high volume of “chase up” complaints. This has significantly reduced the number of complaints from 206 to 114 with numbers reducing considerably since the Operations teams introduction of a 24-hour call back process in January 2020, designed to engage customers before issues reach a complaint stage.

5.7.2 Complaints received are distributed across the service but with the majority (88% of complaints) associated with the development management process. The remaining 14% were spread across BNE, Strategic Sites, Application Support and Policy. Complaints are relatively evenly split between the two council areas with 49.8% coming from Cambridge City and 50.2% from South Cambridgeshire. Performance in responding to complaints remains an area of under performance with average responses times for stage 1 complaints of 31 days and stage 2 coplaints 68 days. Alongside new processses, the service has developed much tighter monitoring and tracking arrangments and updated material and processes to manage expectations (about the extent of the process and its purpose) and to support managers in teams with performance managment. Further work is ongoing with regard to clearing the backlog of older complaints and increasing

the number of complaints investigators within the delivery service to spread the complaints workload and thereby improve performance against the required targets.



5.7.3 The revised survey and reporting data (below) now gathered around the development management process also shows evidence of some positive improvement through to January in customer satisfaction but more recent declines. Officers are currently seeking to address the reasons for the declining satisfaction levels within the teams.



5.8 Engagement

5.8.1 The roll out of the area planning teams in delivery has seen quarterly meetings with associated Parish Councils taking place through the year, following the move towards virtual meetings. Through 2020, the service was also able to roll out

tailored weekly application reports to members and Parish Councils on applications received in their wards. With the shift to virtual meetings, both through planning committees and engagement forums associated with the Local Plan/planning policy workstreams the service has noticed greater participation amongst community organisations and individuals in planning related activity. The significant work associated with introducing standing orders to accommodate virtual meetings in Q1 has allowed the service to maintain live speaking at planning committee meetings after the move to virtual meetings.

- 5.8.3 Through 2020, the service has also begun to add content to its dedicated shared planning service web site, building upon digital versions of its emerging planning policy documents. Capacity created by training staff within the service, on uploading web content will play an important part in planned migration of information online as the service seeks to pre-empt information requests and support users through 2021.

6. Implications

a) Financial Implications

The financial implications are shown in sections 4.1.9 and 5.3 above.

b) Staffing Implications

There are no staffing implications.

c) Equality and Poverty Implications

Not required for this report.

d) Environmental Implications

None for this report.

e) Procurement Implications

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

f) Community Safety Implications

There are no community safety implications.

g) Consultation and communication considerations

This will be conducted in accordance with the Council's agreed policy.

h) Background papers

Background papers used in the preparation of this report:

Shared Service Quarterly reports
GCP and 3C Shared Services 2019/20 Annual Reports
GCP and 3C Shared Services 2020/21 Business Plans

i) Appendices

CONFIDENTIAL appendix for Building Control

j) Inspection of papers

To inspect the background papers or if you have a query on the report please contact Fiona Bryant, Strategic Director, tel: 01223 - 457325, email: fiona.bryant@cambridge.gov.uk.