

PLANNING, ECONOMIC DEVELOPMENT & HOUSING STRATEGY PORTFOLIO
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Portfolio Holder: Councillor Lee Breckon

Senior Officer: Planning Group Manager

Portfolio Total

	2016/17 Approved Budget	2016/17 Revised Estimate	2017/18 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
	[A]	[B]	[C]		
1. Establishment Costs	£1,206,862	£1,188,719	£1,146,905	-£59,957 -4.97%	-£41,814 -3.52%
2. Other Gross Direct Expenditure	£390,683	£660,526	£373,121	-£17,562 -4.50%	-£287,405 -43.51%
3. Direct Income	-£678,000	-£620,029	-£667,000	£11,000 -1.62%	-£46,971 7.58%
4. Net Direct Expenditure	£919,545	£1,229,216	£853,026	-£66,519 -7.23%	-£376,190 -30.60%
5. Overall No. of Posts (FTE)	31.26	29.22	28.22	-3.04 -9.72%	-1.00 -3.42%

DEVELOPMENT STRATEGY

	2016/17 Approved Budget [A]	2016/17 Revised Estimate [B]	2017/18 Proposed Budget [C]	Variance [C] - [A]	Variance [C] - [B]
1. Establishment Costs	£339,919	£321,776	£273,897	-£66,022 -19.42%	-£47,879 -14.88%
2. Other Gross Direct Expenditure	£232,780	£354,263	£221,700	-£11,080 -4.76%	-£132,563 -37.42%
3. Direct Income	-£38,000	-£41,000	-£27,000	£11,000 -28.95%	£14,000 -34.15%
4. Net Direct Expenditure	£534,699	£635,039	£468,597	-£66,102 -12.36%	-£166,442 -26.21%
5. Overall No. of Posts (FTE)	8.55	6.65	6.65	-1.90 -22.22%	0.00 0.00%

Reasons for Variances

1. 2017/18 allows for a 1% pay award, contractual increments where applicable, and increases in national insurance and pension contributions. The salary budgets for the Housing Strategy team have been transferred to Community Services with effect from January 2017 following a recent restructure exercise.
2. The costs associated with strategic planning have increased significantly as work progresses on the Leicester and Leicestershire Strategic Growth Plan. There is a significant cost associated with the production of the Delivery Development Plan Document (DPD). Costs include consultation, specialist studies, printing, publication of materials and consultants. It is very difficult to predict with accuracy exactly when the costs will arise due to the nature of the work. Overall though there is no significant increase in the total cost of producing the DPD.
3. Income largely relates to government-funded Neighbourhood Planning Grants, and monitoring contributions in respect of Section 106 agreements.
4. Net impact of variances listed above.
5. Minor changes to working hours.

PLANNING DELIVERY

	2016/17 Approved Budget	2016/17 Revised Estimate	2017/18 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
	[A]	[B]	[C]		
1. Establishment Costs	£765,934	£599,096	£582,750	-£183,184 -23.92%	-£16,346 -2.73%
2. Other Gross Direct Expenditure	£146,133	£251,902	£95,915	-£50,218 -34.36%	-£155,987 -61.92%
3. Direct Income	-£640,000	-£579,029	-£640,000	£0 0.00%	-£60,971 10.53%
4. Net Direct Expenditure	£272,067	£271,969	£38,665	-£233,402 -85.79%	-£233,304 -85.78%
5. Overall No. of Posts (FTE)	20.76	15.76	14.76	-6.00 -28.90%	-1.00 -6.35%

Reasons for Variances

1. 2017/18 allows for a 1% pay award, contractual increments where applicable, and increases in national insurance and pension contributions. The reduction between the approved budget and revised estimate for 2016/17 reflects the transfer of the Enforcement team to a separate cost centre. One fixed term Senior Planning Officer post has been removed from the budget for 2017/18.
2. The revised estimate includes non-recurring expenditure in relation to Site Capacity Funding and a large S106 Monitoring Fee for the new Lubbesthorpe development. There has been a further reduction in 2017/18 due to the transfer of various budgets, including postages and software maintenance, to the Management and Administration budget head.
3. The predicted income from planning applications for 2016/17 has been reduced. Whilst the number of applications has remained high, the majority have been householder applications which have a much smaller fee.
4. Net impact of variances listed above.
5. See note 1 – 5 Enforcement posts transferred to a separate cost centre, and 2 Senior Planning Officer posts removed from the budget upon the expiry of their fixed term contracts.

ENFORCEMENT

	2016/17 Approved Budget	2016/17 Revised Estimate	2017/18 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
	[A]	[B]	[C]		
1. Establishment Costs	£0	£166,838	£174,864	£174,864 0.00%	£8,026 4.81%
2. Other Gross Direct Expenditure	£0	£10,526	£13,526	£13,526 0.00%	£3,000 28.50%
3. Direct Income	£0	£0	£0	£0 0.00%	£0 0.00%
4. Net Direct Expenditure	£0	£177,364	£188,390	£188,390 0.00%	£11,026 6.22%
5. Overall No. of Posts (FTE)	0.00	4.81	4.81	4.81 0.00%	0.00 0.00%

Reasons for Variances

1. The enforcement budget was previously included within Planning Delivery. During 2016/17 the team was expanded and therefore it was felt more appropriate to account for the costs within a separate, distinct cost centre. 2017/18 allows for a 1% pay award, contractual increments where applicable, and increases in national insurance and pension contributions.
2. Car allowances, staff training, and other office expenses transferred from the Planning Delivery budget.
3. No income receivable in respect of this service.
4. Net impact of variances listed above.
5. Posts transferred from Planning Delivery.

MANAGEMENT & ADMINISTRATION

	2016/17 Approved Budget	2016/17 Revised Estimate	2017/18 Proposed Budget	Variance [C] - [A]	Variance [C] - [B]
	[A]	[B]	[C]		
1. Establishment Costs	£101,009	£101,009	£115,394	£14,385 14.24%	£14,385 14.24%
2. Other Gross Direct Expenditure	£11,770	£43,835	£41,980	£30,210 256.67%	-£1,855 -4.23%
3. Direct Income	£0	£0	£0	£0 0.00%	£0 0.00%
4. Net Direct Expenditure	£112,779	£144,844	£157,374	£44,595 39.54%	£12,530 8.65%
5. Overall No. of Posts (FTE)	1.95	2.00	2.00	0.05 2.56%	0.00 0.00%

Reasons for Variances

1. 2017/18 allows for a 1% pay award, contractual increments where applicable, and increases in national insurance and pension contributions.
2. Various budgets including postages and software maintenance have been transferred from Planning Delivery. The latter is managed by the Systems Administrator and therefore should be within this team.
3. No income receivable in respect of this service.
4. Net impact of variances listed above.
5. Minor changes to working hours.

Movement in budget and staff from last year

The overall number of posts and the associated establishment budget for this portfolio has fluctuated slightly over the last year; but not to any significant extent. Contractual pay increases for 2017/18 have been offset by a reduction in the overall headcount due to the expiry of two fixed term contracts.

Overall the 2017/18 budget for net direct expenditure across the whole group is just under £9,000 more than the approved budget for the current year. The increase reflected in the 2016/17 Revised Estimate is due to a combination of underspent budgets and grant funding carried forward from 2015/16, and a reduction in planning fee income.

Portfolio Priorities

Priorities for 2017/18 for the group include:

- 1. Large scale strategic projects.** A number of these are currently at inception stage, and will be more fully developed as we progress through 2017/18; including Junction 20a and a garden village.
- 2. Deliver “Building Blaby, Shaping Futures” – the Council’s Economic Development Strategy.** The Economic Development Strategy was refreshed and the new strategy adopted in September 2016. Progress has already been made against the action plan, and this will continue throughout 2017/18.
- 3. Masterclass Programme.** A series of masterclasses will be delivered, open to all Members, on a range of topics. This will include 5 year housing land supply, strategic planning, and infrastructure planning.
- 4. High profile enforcement action.** Considerable action is planned for a number of high profile cases; where the perpetrators are causing distress to local residents and vulnerable people.
- 5. Increased work on Strategic Planning.** Work commenced during 2015/16 across the County, on the production of a Joint Strategic Plan, and the pace of this increased dramatically during 2016/17. We have made budget provision to participate in this, and will also be increasing officer time spent working on it.
- 6. Adopt the Delivery Development Plan Document (DPD).** Significant work has already been undertaken on the next stage of the Local Plan; the Delivery DPD. This is the document which identifies and allocates new sites for housing, employment, ‘Gypsy and Travellers’ accommodation and other land uses in the District in accordance with the Core Strategy. It will also include further Development Management policies required to supplement the Core Strategy.
- 7. Review of resources.** There will be a review of the resources required to deliver and manage large scale strategic projects including Lubbethorpe.

8. **Delivering a plan for Junction 21.** A new steering group has been set up, comprising business and partners from the J21 area of the district. The group will develop and deliver an action plan focussed on the three key themes of infrastructure, work and skills, and tourism.
9. **Delivery of the Lubbesthorpe Sustainable Urban Extension (SUE).** The SUE is now fully on site – the M1 bridge has been completed, works are underway to deliver the road infrastructure, and the first phase of residential development is under construction. During 2017/18 the focus will turn to a review of the design code, continued construction, and the first school and shops.

Services

The Vision for the Planning and Economic Development Group is:

“To have a pro-active, customer centred and comprehensive planning service that delivers the Council’s development and economic aspirations and ambitions for the District, and enhances the Council’s reputation”.

This is delivered through the following core functions:

Development Strategy

The purpose of the Development Strategy Service is to ensure that the district has a robust and up-to-date strategic framework for Planning, Economic Development and Housing and to enable the delivery of these strategies.

This budget includes the costs of Planning Officers, Housing Strategy Officers and Economic Development Officers involved in developing robust policies and guidance, gathering and interpreting the data necessary to do this, advising on the interpretation of policies and designing and implementing initiatives to deliver strategic objectives.

Planning Delivery

The purpose of the Planning Delivery Service is to ensure that development is acceptable whilst determining planning applications as fast as possible.

This budget includes the costs of Planning Officers and Technical staff involved in providing advice to potential applicants and determining applications.

Planning Enforcement

This budget includes the costs of Enforcement Officers, who monitor development across the district and enforce planning controls.

Management & Administration

This budget includes the costs of the Group Manager and the support staff who manage the departmental budgets and systems.

Key Points

<p>Doing things differently – plans for the coming year</p>	<p>The department is performing well, staff are highly motivated, and it is expected that this will continue despite workload pressures.</p> <p><u>Development Strategy</u> The team will be spending more time on strategic planning and therefore will have to focus resources carefully to ensure that local planning policies are in place and up-to-date.</p> <p>The focus on economic development will continue to be widened out across the organisation.</p> <p><u>Planning Delivery</u> Significant changes have been made to the planning application process during the last 18 months; and further improvements are planning for 2017/18 including the introduction of online payments.</p> <p><u>Enforcement</u> Significant changes were made to the enforcement service during 2016/17, with the introduction of proactive development monitoring, and this will continue to ‘bed in’.</p> <p><u>Management & Administration</u> The focus for 2017/18 will be for a management function which leads and supports; whilst enabling staff to develop and grow. The management style is innovative and not risk averse and this will continue.</p>
<p>Income generation</p>	<p>The fees and charges for all aspects of the service will be kept under review to ensure that these maximise income without impacting on the quality of communications and applications submitted and increasing costs elsewhere in the delivery of the services.</p> <p>Income generation across the group is restricted to fees for documents; and national set planning application fees.</p> <p>The group will seek to maximise income into the district through the delivery of economic development support and large scale project management; which will bring in NNDR, New Homes Bonus and LLEP investment.</p> <p>Savings will be sought wherever possible.</p>
<p>Capital plans for the portfolio</p>	<p>None at present.</p>

Key Performance Indicators

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17*
Number of planning applications received	959	922	1080	1018	1091	726
Planning application fee income	£387,519	£396,596	£711,229	£574,632	£676,273	£279,950
Number of planning applications determined	673	651	962	1064	1010	752
% of applications delegated	95.65	93.88	90.28	89.65	94.06	93.73
% of major applications determined in 13 weeks	11.11	21.43	75.67	84.62	94.44	100
E2E (householders)	41.65	47.21	50.28	38.13	44.03	36.81
E2E (minors)	66.56	108.6	89.14	80.52	65.85	40
E2E (others)	44.89	91.38	49.07	46.20	55.98	49.18
Housing Land Supply	Currently at 5.43 years					

*year to date

Customers

The Group will continue to make significant contributions towards the corporate channel shift project into 2017/18; and further detail is set out below on what has been done over the last year.

The Planning Delivery and Enforcement services in particular have heavy interaction with residents and we will continue to monitor customer feedback to ensure that all interactions with customers and stakeholders to these services are conducted appropriately and professionally. The number of complaints received during 2016/17 decreased by around 30% from the previous year.

There are a number of significant public consultations planned for 2017/18 including a formal consultation on the Delivery DPD.

Following the work and efforts during 2016/17, the Group has strong relationships with Parish Councils. Work has included delivery of training, provision of ICT equipment, and the establishment of regular liaison meetings.

Risks

- The increased level of major applications will continue to place significant demands on the service.
- Failure to progress the Joint Strategic Growth Plan for Leicester and Leicestershire could leave the District vulnerable to unacceptable levels of future development.
- High number of appeals will place further pressures on the Development Services Team.
- Inability to progress with the delivery of a clear and robust policy framework would put delivery of sustainable development at risk.
- Delivery of Lubbethorpe against the current proposed timetable is essential – failure to do so could affect the 5 year housing land supply, and in turn the council's ability to defend against undesirable development.
- Significant reliance on partners and the wider economy to effectively implement the Economic Development Strategy.
- Failure to deliver an effective enforcement service could result in reputational damage.

Channel Shift

What have we done so far?

- Significant changes to the planning application process which have improved the customer experience and saved money, including:
 - All new planning applications available for submission and to view and comment via the Council's website; including all associated documents.
 - Consultations on planning applications to all consultees (other than neighbours) sent by email.
 - Consultation letters have been rewritten to put them in plain English, to direct customers to the website to view applications and at the same time ensuring compliance with legislative requirements.
 - Only one paper copy of planning application documents printed (rather than 4+ previously).
 - New webpages for Development Services went live in April including:
 - Improvements to the structure.
 - Providing up to date information on planning in general.
 - Making up to date information available on the New Lubbethorpe Development.
 - Better links to the Planning Portal website.
 - Online forms available for everything.
 - Training session held in 2015 for Parish Clerks on how to view planning applications on line.

How does it help the customer?

- Consultees receive notification of an application quicker via email.
- Information and advice is easier to access online, it is up-to-date and where customers want to self serve it is easier for them to do so.
- Local residents can look at planning documents online in their own time without having to come into the Council offices.
- Many consultees (such as the Environment Agency) had previously told us that they did not want to receive paper copies of application documents.
- For applicants/agents online submission of applications is quicker and easier and saves in printing and postage costs.

How does it help us?

- Saves money, e.g. the cost of postage and printing per application has been reduced.

