

# **Bromsgrove District Council Redditch Borough Council**

## **Development Management Shared Service (Development Control)**

### **BUSINESS CASE**

Managing Bromsgrove District and Redditch Borough Councils Development Management teams through a Shared Service.

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# Contents

1. Executive summary
  2. Description of the Services
    - a. Introduction to Development Management (DM)
    - b. Volume of Work
    - c. Transformation
    - d. Current Informal staffing structure proposed for consolidation
  3. Financial Arrangements
  4. Benefits of a Shared Service
  5. Staffing Issues
- Appendices A - F

## **1. Executive summary**

- 1.1 Development Management is the arm of planning that, amongst other things, processes planning applications. Unlike other services the Development Management Business case is presented to members after Transformation and after there has been an informal sharing of the services for a couple of years. Consequently the business case is essentially about seeking consolidation of informal working arrangements. A full assessment of the posts required to deliver the service in a customer focused, efficient way has been undertaken and the structure proposed will enable the Councils to provide a quality service moving forward. Whilst the enforcement role has been incorporated into the planning role to enable staff to provide specialist support and advice, the only other change to current arrangements is that there will be the loss of two grade 5 posts and the creation of one grade 6. It is envisaged that this new structure will be more flexible and resilient and that resource requirements, depending on the levels of income received from development, can be revised easily.
- 1.2 Due to the increase in number of applications across the two Councils it is anticipated that the income budget of £500k can be increased to £530k in Bromsgrove and from £189k to £210k in Redditch, a total additional estimated income of £51k. To provide the resource requirement to service the anticipated planning applications there is a proposed increase in Development Management costs of £25k (£12k at Redditch and £13k at Bromsgrove). This is more than offset by the £51k income generated from the applications
- 1.3 There are currently more staff employed by Bromsgrove District Council and there is a higher volume of work relating to Bromsgrove District as it covers a larger area. It is therefore proposed that Bromsgrove be the Host Authority.

## **2. Description of the Services**

### **a. Introduction to Development Management (DM)**

- 2.1 Development Management (DM) is the team within planning that deals with practical implementation – advising on the need for planning permission, dealing with breaches of planning control and determining planning and other types of applications that fall within the legislation and officer delegations. Each Council has its own planning committee that determines applications in line with its own Constitution.
- 2.2 The public benefit to the communities of the authorities is that a good DM service should help to provide them with a high quality environment that supports their economic, social and environmental needs and wellbeing. The DM function is therefore an important one for the authorities corporately, and it serves colleagues from other teams as well as the external customers.
- 2.3 Whilst the legislation is the same nationally, the local context is that planning decisions should normally be made in accordance with the development plan (Local Plan in Redditch and District Plan in Bromsgrove). DM is therefore the implementation of the policy framework that our policy colleagues construct and agreed by Council.

- 2.4 The DM service for each council has jointly undertaken a transformation process and current working practice reflects changes as a consequence of Transformation and other circumstances including an increase in the volume of work. The services are working together informally. Details of the volume of work and Transformation are below.
- 2.5 The DM function contributes significantly to the delivery of Strategic Purposes. Developments approved via the function include leisure and retail uses providing places to see and visit as well as assist in the creation and growth of business. The processes employed within the DM service have regarding to design, layout, security and the needs of a locality. Appropriate new housing provision is approved within the two Council areas which will also contain affordable provision.

## **b. Volume of Work**

- 2.6 The chart attached at Appendix D, shows an upward trajectory in fee income as a proportion of expenditure. This relates to the lifting of the moratorium in Bromsgrove District, both councils receiving a significant number of major applications and general improvements to the housing stock (perhaps the shortage of new housing stock has resulted in residents improving their existing homes as an alternative to moving house). Appendix E shows that this upward trajectory, particularly for Bromsgrove, is set to continue. This appendix uses the robust five year supply situation for housing and employment land and calculates the corresponding anticipated five year income. It is anticipated that the number of minor applications will stabilise or continue to rise but this is more difficult to predict.
- 2.7 Members should note that non fee earning work has also had an impact on the Service e.g. there have been particularly contentious enforcement sites in Bromsgrove District to address and involvement in the Place Partnership initiative in Redditch. All the pre application work for the Eastern Gateway will not result in the receipt of a planning fee in due course because the fee will be received by Stratford Council as the majority of the site falls within Stratford on Avon District. Members are reminded that the Director of Planning and Housing post has been deleted from the organisation.
- 2.8 With the increase in fees there has been an increase in costs to the Service which have been offset by the additional income received. The main cost has been salaries due to more staff required to manage the volume of work. However there are related costs such as the use of specialist consultants (e.g. agricultural consultants) used to provide specialist advice on relevant applications. Against the backdrop of increased fee income/volume of work, it should be noted that the cost of the DM Service relative to income has reduced.
- 2.9 As can be seen from the graph in Appendix D, in 2009 / 10 the DM income amounted to 56% of the departmental expenditure budget across the two authorities. In 2015 / 2016 income had risen to 75% of the total expenditure budget.

## **c. Transformation**

- 2.10 Both Development Management Services commenced the Transformation process together and so have developed new ways of working in conjunction with each other which has resulted in an informal shared service arrangement with transformation principles at its heart.

- 2.11 The Purpose of the proposed Shared Service is to, “*Help me with my planning query and enable change in the public interest by engaging with interested parties*”. This means that the remit of the team is broader than previously when sometimes it was considered the sole purpose was to process applications.
- 2.12 A principle of the new service is to “*Understand and act upon what matters to the customer, i.e. the applicant or the person asking the question*”. The transformation process has shown that to achieve this, the customer at all points of entry to the service, needs to be served by an officer who is able to understand the customer and respond. This means that qualified planners or those with experience in dealing with planning matters can best serve the customer. The role of the administration officers in this context has been lost and currently all administration officers have been trained to deal with those customer queries that are the most straightforward. It is interesting to note that this also accords with good practice advice from the Planning Advisory Service in recognition of the situation when it is often difficult to recruit planners.
- 2.13 Under the new way of working the officer who takes the query from the customer deals with it from start to finish if they can. If they can't deal with a particular query they pass it on to an officer who can or ask for help from a colleague. From a customer's perspective they have generally only got one officer to liaise with from the start to the end of their query. Members can see from the dashboard that compliments to the service are increasing. From the transformation initiative officers are encouraged to only do the *value work*, i.e. tasks that are of direct benefit to the particular customer with the particular query. This means that officers will deal with customers in a more fluid way that is query specific.
- 2.14 An outcome from Transformation is a different organisation of officers to better meet customer queries. The organisation of officers is described below.
- 2.15 Appendix F shows time taken to determine commercial applications in days over time (Since Sept 2015).

#### **d. Current Informal staffing structure proposed for consolidation**

- 2.15 The two sets of officers are currently organised under two managers each with a responsibility for a planning committee and a particular council in times of possible conflict of interest e.g. a cross boundary application. Officers then sit within three groups of about seven officers per pod (group). Officers find that this size of a team is big enough to find a range of skills and support yet small enough to know what is going on, e.g. should a member of the public call when a colleague is unavailable.
- 2.16 There is a range of skill sets within each pod but the pod dealing with major applications have more Principal Officers. The business case essentially is about consolidating this structure and staffing levels. The only change is the loss of two grade 5 posts and the creation of a Grade 6 post and the enforcement officer role being subsumed into the planning officer role.

## **2.17 Managers**

Currently there are two managers. One works full time and the other on slightly reduced hours (i.e. 34 hours per week). At the start of transformation there were 2.5 managers. Redditch had one manager and Bromsgrove had 1.5 managers. The Redditch manager has left the organisation due to an external promotion opportunity and the second manager at Bromsgrove has increased her hours.

2.18 This level of management is required for the servicing of two planning committees on a monthly basis and also because of the level of support they bring to colleagues due to their planning credentials and experience in dealing with a range of situations and customers.

## **2.19 Principal Officers (Grade 8)**

Currently there are seven Principal Officers and this is number proposed going forward. The Principal Officers are all chartered town planners and have a work load that focuses on the major applications for both councils and the more complex planning enforcement cases. They do planning surgery in Bromsgrove on a rota and deal with queries in Redditch Town Hall. They play an increasingly significant role with the daily phone duty (it has been demonstrated to be more efficient if all general queries i.e. non case specific come into one phone). Principal Officers, under an extension to the scheme of delegation, can sign off their own applications and those of less experienced colleagues. Redditch traditionally has had a career grade that enabled the engagement of planners with remuneration commensurate with the principal planner salary (about Grade 8). However in Bromsgrove Council planners have a maximum level of Grade 6 (with the exception of one Grade 8 post for enforcement/major applications). This has traditionally resulted in difficulties in staff retention in Bromsgrove as planners on the Grade 6 at BDC are paid less than all surrounding councils. Transformation has shown the benefits to customers of having experienced planners dealing directly with their queries and applications from the initial point of demand. This is instead of incoming demands first being administered by team members not specifically qualified to assist.

## **2.20 Senior Officers (Grade 7)**

Currently there are two officers working at this level. They are not chartered but with more experience will be eligible to become chartered. When these posts were advertised there were no suitable candidates who were chartered. Senior officers can deal with Green Belt applications as well as more unusual cases and those that are significant but not major e.g. five to nine dwelling schemes (ten dwellings is a major and often has a section 106 agreement).

## **2.21 Planning Officers (Grade 6)**

Currently there are five Grade 6 Planners. They are able to deal with applications in the Green Belt as well as a breadth of other non-major applications. A new Grade 6 post is proposed so that there is no longer a requirement to have the use of a consultant for a few days per week or the temporary reduced hours Grade 6 position.

## **2.22 Planning Assistants (Grade 5)**

Officers in the grade 5 positions are the two enforcement officers, an administration supervisor and 2.8 FTE administration officers. This business case proposes the loss of two grade 5 posts. There are part time job share staff employed within the existing structures at grade 5 and it should therefore be noted that the loss of two FTE posts could effectively see the loss of a maximum of three people.

2.23 It is considered that the enforcement role in the first analysis is the same as that of a planning case officer i.e. the skills needs are evaluating if planning permission/consent would have been granted had the customer sought approval rather than carrying out works or a change of use without approval/consent. The informal way of working that is proposed going forward is that all officers deal with enforcement cases and as for general applications there will be a need to marry the planning skills of the officer with the complexity or otherwise of the case. An estimated 50% of enforcement cases require formal enforcement action (including serving Planning Contravention Notices which are very straightforward) with 10-15% of those requiring further detailed legal action in order to resolve the matter at hand. Currently all officers are being trained to deal with this and enhanced training being provided to Managers and Principal Officers. It is considered that the absorption of the enforcement role into the planning role will have a positive impact on the processing of enforcement cases. This will enable a resilient enforcement function going forwards.

2.24 In terms of the transformed way of working there is not a role for administration officers or exclusive enforcement officers so most have been trained to process the most straightforward applications e.g. householder extensions in non green belt areas. Some officers are currently receiving an honorarium to bring them to grade 5 level, the grade commensurate with the skills for processing the most straightforward applications with support. Others continue to process generally straightforward enforcement cases. It is considered that there are not enough cases commensurate with the Grade 5 skill set/the level of support required from other colleagues is disproportionate. The conclusion of this situation is that the number of grade 5 posts be reduced from seven to five.

#### **2.25 Grade 3 data entry posts**

Both councils have data entry positions. These posts will be needed going forward until all data entry is completed which is anticipated to be several years ahead. The reason for the data entry roles is making sure all environmental and planning data is on the councils websites and thereby compliant with legislative requirements.

#### **2.26 Overarching Staffing Issues**

It has been necessary to have regard to certain national issues in the formulation of this business case.

2.27 In February 2016 as part of the 'Technical consultation on implementation of Planning Changes', DCLG proposed testing competition in the processing of planning applications through a pilot scheme. If implemented by government this would mean that potential applicants can choose to go elsewhere to have their applications processed before coming back to the respective council for a decision. Councils can offer to be a named authority for processing the applications of others.

2.28 The key disadvantages to this approach would be a loss/reduction in income if our applicants choose to go elsewhere for the processing of their cases. There would be an extra stage (waste) in the process as work done by a third party would need to be checked by in house officers. In addition there would be the matter of reputational damage if applicants choose other parties to process their applications.

2.29 From the other perspective, if Redditch or Bromsgrove Councils offered and were accepted by government for processing the applications from outside the administrative areas, it would be impossible to predict how many officers would be required as there would be no way of anticipating the volume of applications

received. Once approved for processing the applications of others we cannot decline the processing.

2.30 The Head of Planning and Regeneration is not suggesting at this time that Redditch or Bromsgrove Councils offer to process applications from outside the administrative areas as the current unpredictability of the workload would render this unmanageable. This is something which however may be reviewed in the future. Against this national backdrop it is important to be able to process applications in a timely and transparent manner so that our potential applicants choose to come to us. The staffing levels and structure described and proposed above is considered resilient to respond to national issues with the proviso that there is appropriate flexibility to deal with any further increases in applications/fees by further increasing staff resources.

### 2.31 National shortage of planners

There is a national shortage of planners to an extent that CLG are aware of the issue and have been discussing the matter with planning authorities. Having a range of grades from 5 to 8 assists with attracting staff and staff retention and the ability of the councils to “grow their own” officers. The councils have a very broad range of application types which is generally reflected in the numbers of officers at each grade in addition to a pragmatic approach reflecting recent recruitment experiences.

## 3. Financial Arrangements

3.1 The current staffing structure shown in Appendix A shows the current staffing within the service. The proposed shared service staff structure is shown in Appendix B. Based on 2016/17 budget allocations the current resource cost v the proposed is as follows:

<b>Council</b>	<b>2016/17 Budget £'000</b>	<b>Proposed Budget (based on 2016/17 values) £'000</b>	<b>Variance £'000</b>
RBC	275	288	13
BDC	573	585	12
<b>Combined</b>	<b>848</b>	<b>873</b>	<b>25</b>

The above table includes all associated Job Evaluation salaries, pay protection and management being assessed as HAY graded posts. The ongoing costs of the structure will reduce once protection has expired, subject to any successful appeals.

The reasons for the increase in staffing cost are:-

- a. Increased management costs due to salaries attracting Hay grading.
- b. The creation of a new grade 6 post to replace the use of current consultants and temporary staff.
- c. Increased application numbers / fee income (as shown in Appendix D)



- 3.2 There are a number of other budget allocations within the budget for non-salary costs. These are to be reviewed with the aim to reduce any work that can be accommodated in house, for example the conservation consultant's budget in Redditch in 15/16 saw and expenditure of £5400.00 which can now be removed because this business case brings conservation advice in-house.
- 3.3 The income generated has exceeded budget in the last 12 months due to the number of applications that are now being received. It is anticipated that the income figure at Bromsgrove of £500k can be increased to £530k and Redditch from £189k to £210k. An additional income across the two Councils of £51k. This would result in a net saving across the 2 Councils of approximately £26k
- 3.4 The period since 2012 / 13 has been a challenging time for the two services with the trailing of different ways of working and introduction of new processes borne from transformation. This has however now resulted in a significantly more cohesive team and the working processes derived from systems thinking are now resulting in a reduction in planning appeals and a reduction in the number of those appeals being ruled against the authorities. Customer satisfaction levels are increasing.
- 3.5 In addition, the proactive intervention of case officers with applicants and the early assessment of applicants' requirements have resulted in a shift in the quality of applications being taken forward for determination. Quality development has therefore been promoted throughout the District and Borough.
- 3.6 Following increasing confidence in the housing market and the introduction of revised procedures, driving out waste and significantly improved customer engagement last year's income from the two services rose significantly by £188k.
- 3.7 The creation of a formal shared service seeks to expand on these positive outcomes and the hard work undertaken during the early stages of a continuing transformation process.
- 3.8 The proposed shared service structure includes for the provision of a new grade 6 Planning Officers post. This role is currently undertaken by part time consultants and temporary officers. The proposal seeks to establish this post as a means of ensuring the improved levels of service are maintained. The complexity of applications undertaken by grade 6 planners exceeds those assessed by the grade 5 posts.
- 3.9 Five grade 5 Planning assistant posts are being created. There are currently seven posts ring-fenced to this new role.
- 3.10 In relation to the revised shared service costs, it is proposed that the new service is charged to both Councils on the percentage share as defined by the original application income into the individual services. This calculation is shown in Appendix C.  
The percentage share would be
- Bromsgrove 67 %
  - Redditch 33 %
- 3.11 There are currently more staff employed by Bromsgrove District Council and there is a higher volume of work relating to Bromsgrove District as it covers a larger area. It is therefore proposed that Bromsgrove be the Host Authority.

## **4. BENEFITS OF A SHARED SERVICE**

### **4.1 Consolidation of how we currently work**

This means that there can be confidence that the proposed shared service can work for the customer because it has been trialled informally for some time. It is a mechanism for providing clarity to Development Management officers who have been anticipating that Planning Services could be shared in a way which has been proven successful in many other service areas.

### **4.2 Resilience**

There will always be an irregularity about the volume and complexity of planning applications that a shire district council receives. In addition there can be an irregularity in staffing levels e.g. loss of officer from the organisation due to promotion opportunities elsewhere or maternity/sick leave. The sharing of the service maximises the opportunity to better manage such fluctuations and often yield a financial. In addition the current more fluid arrangement between the Planning Policy and Development Management officers further maximizes resilience.

4.3 The Development Management service traditionally calls on specialist external consultants for certain functions on an ad-hoc basis. There has been however a need for the use of an external consultant for the carrying out of day to day planning roles due to fluctuating staffing levels/numbers of applications. It is considered a stable shared service will be able to negate the need to use a planning consultant for day to day operations.

4.4 The existing salary budgets have funded the appointment of consultant planning officer. An additional consultant officer has been employed funded by a separate consultant's budget. This expenditure was £9.9k in 2015 / 16 and £3.3k to September 2016.

### **4.5 Transformation is essentially complete**

As part of an ongoing wider shared service initiative, a number of opportunities for developing shared services were identified. At the inception of this work it was considered that Development Management (formerly Development Control) was not in a suitable position to explore becoming a shared service in advance of Transformation.

4.6 Over the last few years a detailed transformation project has been undertaken by the Development Management team with consultancy support. One of the key outcomes of this work has been the creation of informal joint working arrangements which have sought to utilise the specific skills of the team members.

4.7 Most of the operating protocols between the Authorities differ. A previous report to the Shared Service Board stated that the initial aim was to put both teams, jointly, through the transformation process with a view to becoming a shared service at the end if a single team approach seemed to be the most sensible.

4.8 A formal shared service arrangement will be able to specifically define team roles which require clarification in certain areas.

#### 4.9 **Better for the customer**

A defined shared service, with the relative stability that results, would allow further cross training of roles within the team and a wider understanding of the different responsibilities placed on the service. This understanding will further enhance customer service particularly for customer facing roles.

### 5. **STAFFING ISSUES**

5.1 The following posts will be at risk either due to proposed deletion of posts or a reduction in number and would be subject to recruitment to the new posts in the unit:

#### **Redditch BC**

Planning Technician 22 hours	50/402
Planning Technician 16 hours	50/402
	1.0 FTE

#### **Bromsgrove DC**

Registration Officer	P24
Registration Officer	P55
Registration Officer	P46
Administration & Business Support Supervisor	TS181
Enforcement Officer	PE/029
Enforcement Officer	PE/028
	6.0 FTE

#### **New posts that will be created are:**

Planning Assistant	5 FTE
Planner	1 FTE
	6 FTE

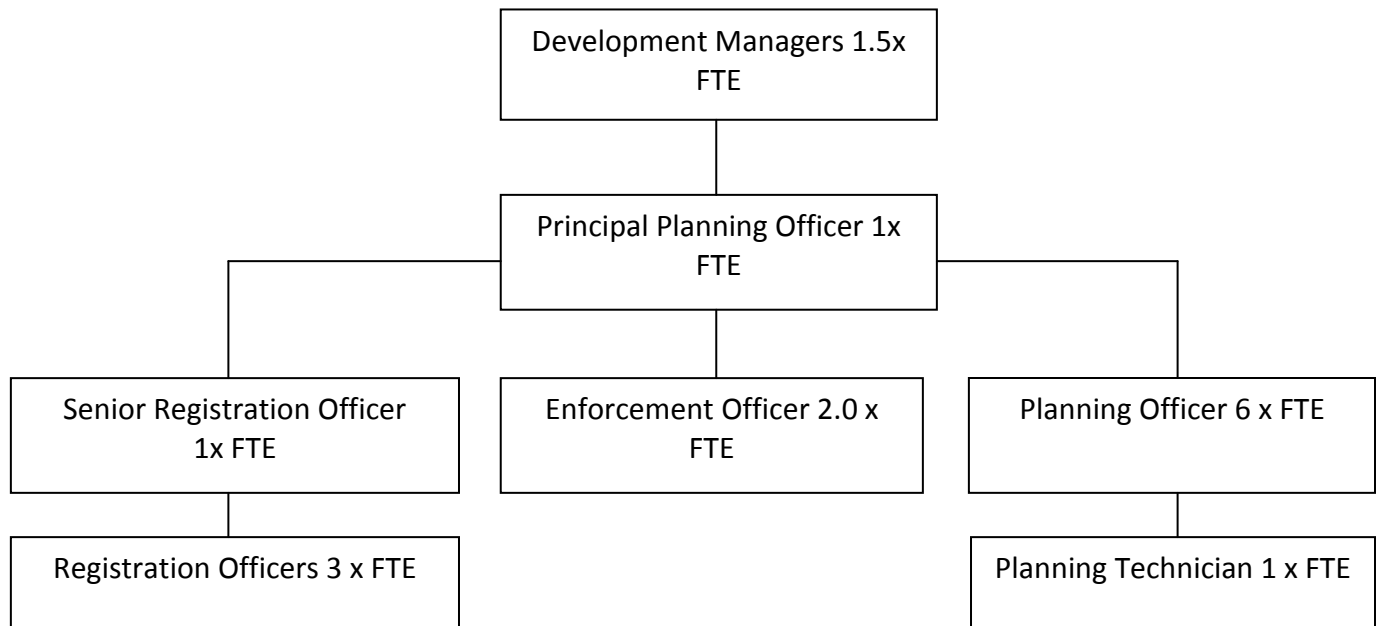
5.2 Staff will be subject to the formal recruitment process in line with Bromsgrove District Council's policies and procedures to obtain posts in the new structure.

The overall impact on staff number is as follows:

- Current number of posts within review = 24
- Proposed number of posts in the shared structure = 22
- Number of posts not at risk of redundancy = 18
- Number of posts at risk of redundancy = 2

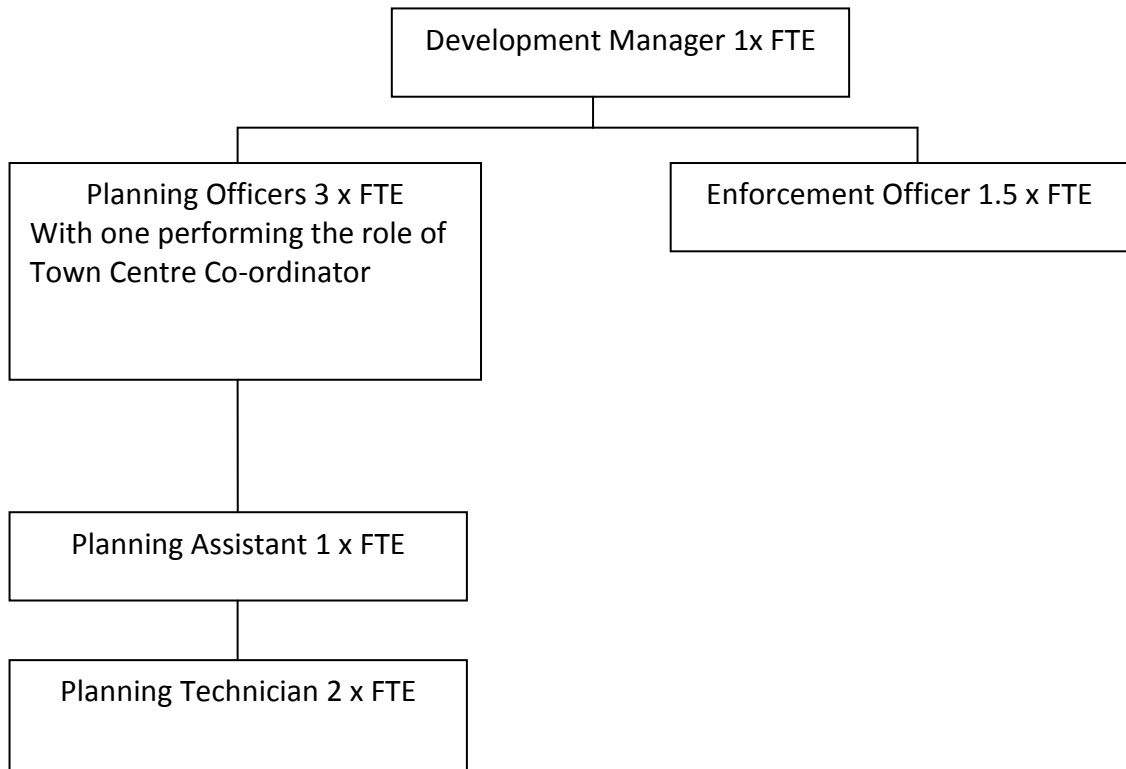
5.3 The establishment includes for the formal creation of the Redditch Town Centre Co-ordinator's post. This hitherto informal post has been 100% funded corporately by Redditch Borough Council within development management budget. It is assumed that this funding will remain as a cost attributable to RBC only.

Existing Bromsgrove District Council Development Control



Data Entry / Support  
0.5 x FTE  
Outside scope of this review

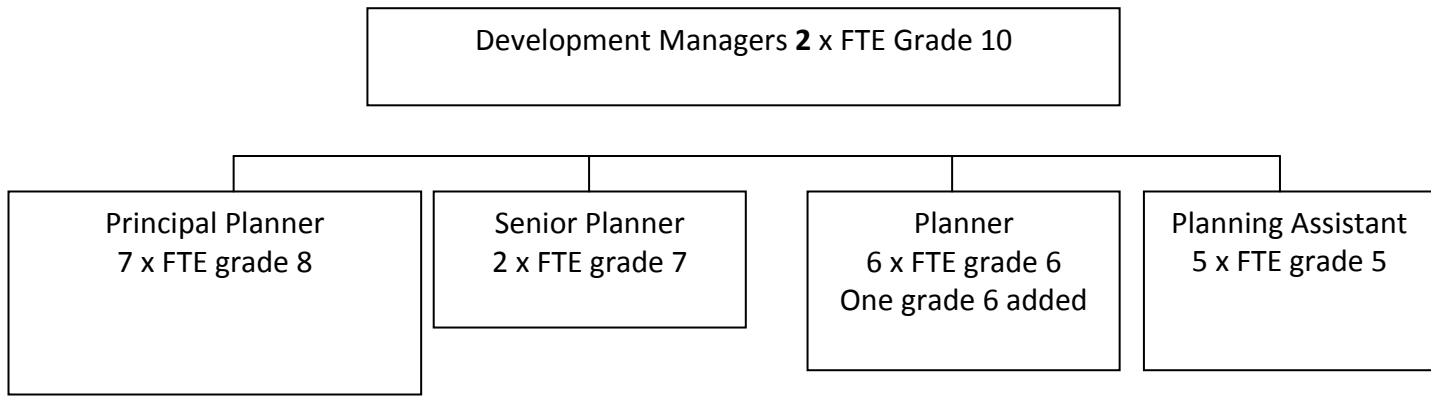
Existing Redditch Borough Council Development Control



Data Entry / Support  
1 x FTE  
Outside scope of this review

**Appendix B**

**Proposed Development Management Structure**



1 x FTE grade 8  
(Town Centre  
Coordinator reporting  
direct to HoS)

See point 4.1 above. Post  
to remain 100% RBC  
funded outside  
development  
management budgets.

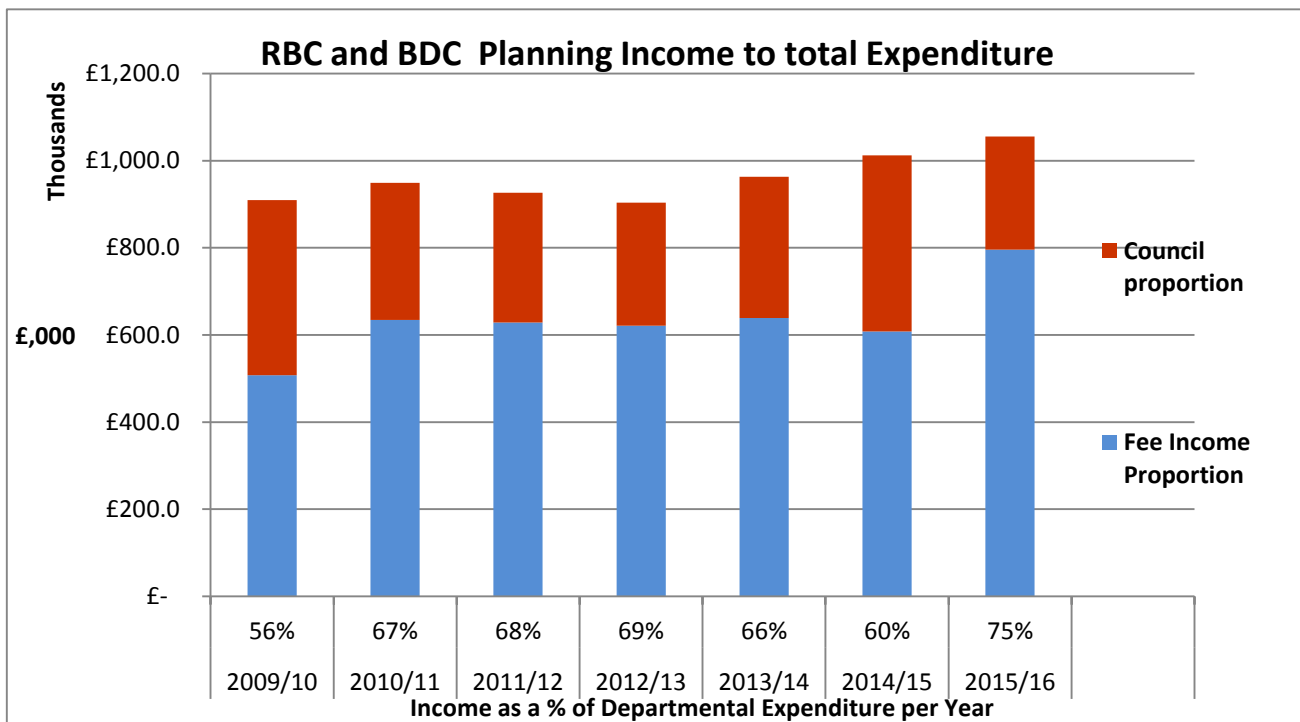
Data Entry Posts

2.81 x FTE GRADE 3

Existing posts and outside  
scope of Review

**Potential percentage share based in income received**

		REDDITCH	BROMSGROVE	JOINT TOTALS	
Income	2012 / 2013	£217,857	£369,000	£586,857	baseline
	2013 / 2014	£188,544	£410,946	£599,490	
	2014 / 2015	£212,014	£369,403	£581,417	
	2015 / 2016	£207,478	£587,935	£795,413	up 36 % over period
		£825,893	£1,737,284		
		<b>33%</b>	<b>67%</b>		





## **Appendix E**

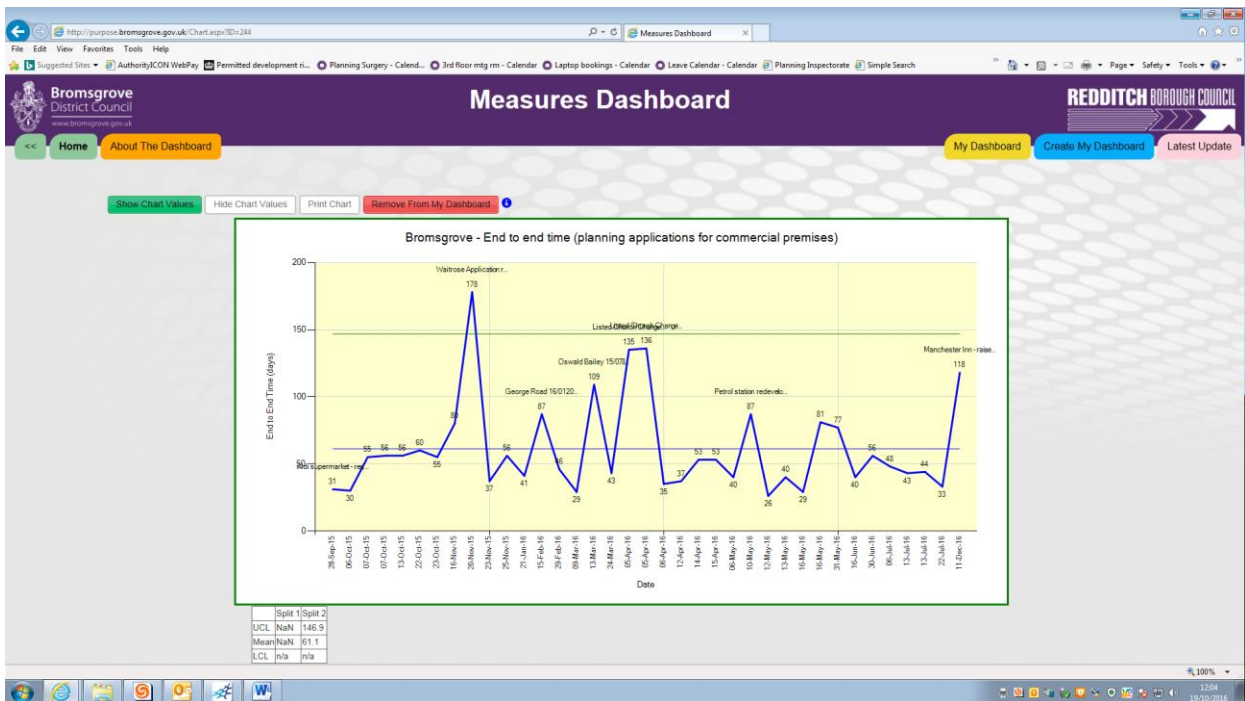
Potential planning application income from forthcoming 5 year land supply for new housing

<b>Bromsgrove</b>	16/17	17/18	18/19	19/20	20/21	<b>Total 16/21</b>
Total	£90,790	£48,775	£79,353	£21,141	£21,141	£261,200
<b>Redditch</b>	16/17	17/18	18/19	19/20	20/21	<b>Total 16/21</b>
Total	£20,285	£88,643	£116,168	£22,210	£8,735	£256,041

# Appendix F

## Bromsgrove District Council

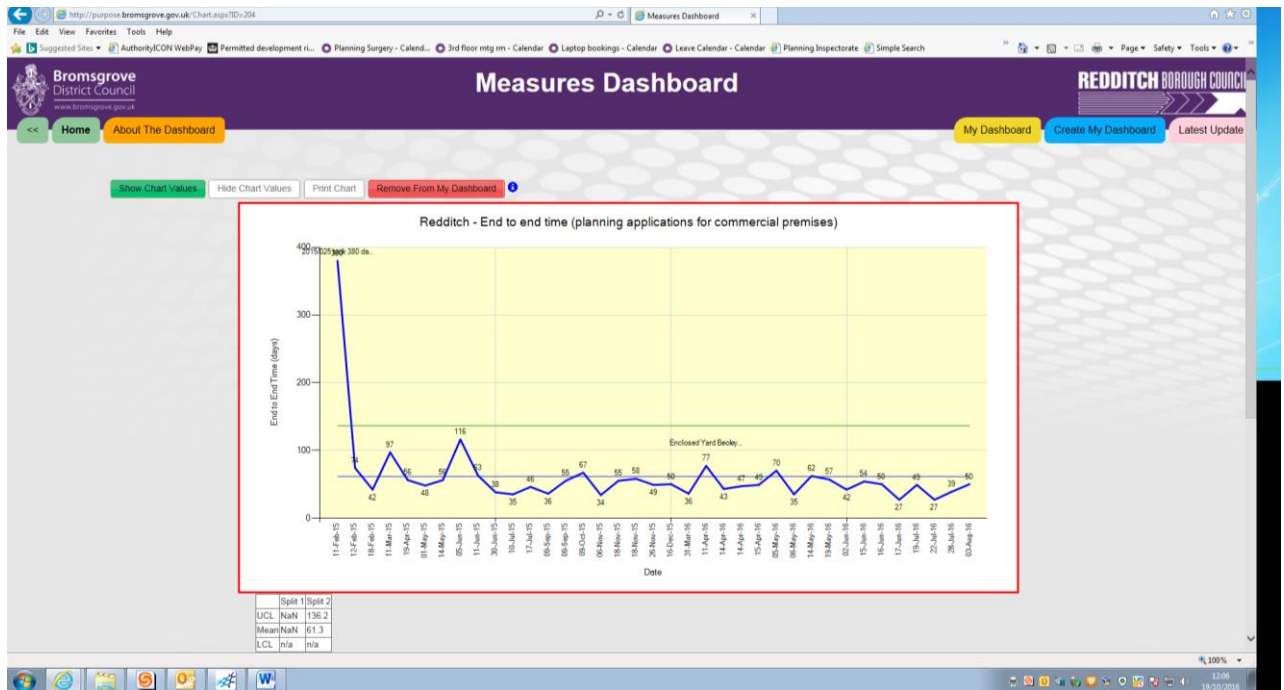
### Time taken to determine commercial applications in days over time (Since Sept 2015)



Commercial applications are now being dealt with more quickly than they were in September 2015. Some applications still require additional work to make them acceptable, but in general that is also being achieved more quickly.

# Redditch Borough Council

## Time taken to determine commercial applications in days over time (Since Feb 2015)



In Redditch the time taken to determine commercial applications has always been good. Variations between individual applications have been evened out more recently and time taken has improved even further.