

Executive

Value for Money Review of Planning Policy

1 November 2010

Report of Strategic Director for Planning, Housing & Economy and Improvement Project Manager

PURPOSE OF REPORT

To consider the findings of the Value for Money Review report for Planning Policy and the recommendations arising from the report

This report is public

Recommendations

The Executive is recommended to:

- (1) Endorse the updated VFM Review conclusion that the Planning Policy service:
 - a. has exceed delivery on the savings target from the 2007 full VFM Review and delivered all the key improvements
 - b. has steadily driven down its costs since the full VFM Review was undertaken
 - c. compared with similar local authorities, costs are now below average spend for the family group
 - d. levels of satisfaction have improved for the way the Council manages local development, which is influenced by planning policy
 - e. the service is achieving on or just below its performance targets
 - f. will need to reduce the services it delivers if it is to achieve the VFM savings block of £50k.
- (2) To agree that the proposal for achieving the £50k savings block be adopted as part of the Council's Medium Term Financial Strategy.

Executive Summary

Introduction

- 1.1 This review forms part of the Value for Money programme of reviews, which aims to cover all services within the council and improve the value of services offered to residents of Cherwell.
- 1.2 This service has been selected for an updated VFM review as it was previously found to have relatively high costs. As part of its Medium Term Financial Strategy the Council is looking to secure revenue savings over the next 4 years. This Review contributes towards this agenda.

Proposals

- 1.3 To adopt the recommendations of the updated VFM Review 2010 in full.

Conclusion

- 1.4 This updated review identifies that this service is now below average cost in comparison to its family group and proposes changes to the way the service could be delivered in order to achieve the £50k saving block towards the Council's Medium Term Financial Strategy.

Background Information

Overview of the Area

There are four elements to the Planning & Affordable Housing Policy service.

2.1 Planning Policy

- Local Development Framework (LDF) (90%)
- Provide Planning Policy advice and evidence for (approximately 10% but is demand led)

2.2 Design & Conservation

- Conservation Areas (at present 20%)
- Provide expert advice and guidance on works to historic buildings (at present 60%)
- Provide urban design advice and evidence to developers and planning control on (at present 10% due to major development being on hold during economic downturn, but in past has been 40%)
- Provide urban design and master planning advice on Special Projects and Council initiatives (10%)
- Additionally, provide input to LDF on design and conservation including advice on potential housing sites and design and conservation policies; Building for Life Assessments; Provide training to Planning Control colleagues on Design and Access Statements, use of stone, traditional roofing materials

2.3 Implementation

- Implementation (currently 10% however would usually be much higher)
- Provide Planning Policy advice and evidence on (currently 0% but this element is usually part of the role)
- Support to Council input on eco-town proposal at North West Bicester (currently 90%)

2.4 Strategic Projects

- Banbury canalside (leading in preparation of planning guidance document)
- Banbury Cultural Quarter (on project team – providing planning advice)
- Bicester Town Centre Redevelopment (on project team)
- Eco-town (major role in helping to take forward the North West Bicester proposal – master planning and implementation)
- RAF Upper Heyford (likely involvement in considering the urban design and historic building conservation impact of future planning applications and appeals)
- Banbury flood alleviation scheme

2.5 The service employs 12.3 FTEs in 2010 with net actual expenditure of £1.21m in 09/10, with the budget down £261k over three years.

Updated VFM Review Findings in 2010

2.6 Appendix 1 contains the Executive Summary of the updated VFM Review.

Updated VFM Conclusion 2010

- 2.7 The recommendations of the 2007 VFM have been implemented and £243k removed from specified budgets exceeding the target savings range of £100k - £200k.
- 2.8 The Planning Service has steadily driven down its total overall budgeted costs, with the budget down from £995k in 2007/08 to £734k in 2010/11, an overall saving of £261k.
- 2.9 Compared with similar local authorities, costs are now below average spend for the family group. In reaching an updated VFM conclusion, the Council has been compared with its family of similar local authorities as defined by CIPFA.
- 2.10 There are improved levels of satisfaction for the way the Council manages local development, which is influenced by planning policy, up 7% to 43% since 2007.
- 2.11 The service is achieving on or just below its performance targets. It has achieved its target for the net provision of affordable housing and is on target with its housing monitoring reports and the review the selected conservation areas for 2010/2011. However, total housing delivery has fallen short of the target owing to the impact of the global economic recession, and is currently under review. The revocation of the South East Plan in July 2010 is causing a delay in the submission of the LDF Core Strategy, due December 2010.

Making service changes to achieve £50k building block

- 2.12 Moving forward, with the continued pressure of the eco-town and the uncertainties created by emerging changes to planning policy at a national level, Planning Policy will need to reduce the services it delivers if it is to achieve the VFM savings block of £50k.
- 2.13 The following are proposed, subject to consultation, as possible savings targets to meet the requirement for £50k savings in block to be delivered through this VFM Review towards the Council's Medium Term Financial Strategy.

Area	Current budget £	Proposed reduction £
Printing & stationery	27,300	15,000
Professional fees	148,000	20,000
Counsel fees	15,000	15,000
Total savings		£50,000

Implications

Financial: The review has demonstrated that the Planning Service is below average spend and will be reducing its cost base further

with the proposal to deliver a further £50k savings through the Council's savings building blocks.

Comments checked by Karen Curtin, Head of Finance 01295 221551

Legal: The proposed service changes to achieve the savings target do not affect the Council's its statutory obligations.

Comments checked by Nigel Bell, Solicitor, Legal & Democratic Services 01295 221686

Risk Management: The risks associated in reducing the service cost base by £50k are operational and can be managed by the Head of Service. This VFM Update does not consider the implications of other savings that will be required by this Council in the coming months, such as the Statutory Savings Block. It provides a position statement which sets the context as a backdrop against which these savings blocks can be considered.

Comments checked by Rosemary Watts, Risk Management and Insurance Officer 01295 221566

Data Quality Base data for comparison has been the Revenue Estimates 2010/11 from the Council's CIPFA defined group of similar authorities. Other source information has been used that follows best practice guidelines such as the Council's own satisfaction surveys. Financial data/comparison has been prepared by the relevant service accountant.

Comments checked by Neil Lawrence, Project Manager, Improvement 01295 221801

Wards Affected

All

Corporate Plan Themes

An Accessible, Value for Money Cherwell

Executive Portfolio

**Councillor Michael Gibbard, Portfolio Holder for Planning and Housing
Councillor Ken Atack, Portfolio Holder for Performance Management,
Improvement and Organisational Development**

Document Information

Appendix No	Title
Appendix 1	Value for Money Update Review of Planning: Executive Summary
Background Papers	
2007 Full VFM Review and Planning Improvement Plan	
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Executive Summary:

In updating the 2007 VFM Review, the following conclusions have been reached about the service in 2010:

- the recommendations of the 2007 VFM have been implemented and £243K removed from specified budgets against a target savings range of £100K - £200K
- the Planning Service has steadily driven down its total overall budgeted costs, with the budget down from £995k in 2007/08 to £734k in 2010/11, an overall saving of £261k
- compared with similar local authorities, costs are now below average spend for the family group
- there are improved levels of satisfaction for the way the Council manages local development, which is influenced by planning policy, up 7% to 43% since 2007
- the service is achieving on or just below its performance targets. It has achieved its target for the net provision of affordable housing and is on target with its housing monitoring reports and the review the selected conservation areas for 2010/2011. However, total housing delivery has fallen short of the target owing to the impact of the global economic recession, and is currently under review. The revocation of the South East Plan in July 2010 is causing a delay in the submission of the LDF Core Strategy, due December 2010.

Recommendations:

Moving forward, with the continued pressure of the eco-town and the uncertainties created by emerging changes to planning policy at a national level, Planning Policy will need to reduce the services it delivers if it is to achieve the VFM savings block of £50k.

The following are proposed, subject to consultation, as possible savings targets to meet the requirement for £50k savings in block to be delivered through this VFM Review.

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