

DEVELOPMENT COMMITTEE

24TH FEBRUARY 2011

REPORT OF HEAD OF REGULATORY SERVICES

REPORT INTO NATIONAL BENCHMARKING EXERCISE FOR DEVELOPMENT CONTROL

1. PURPOSE OF THE REPORT

- 1.1 To advise the Committee of the findings of the national benchmarking exercise carried out by the Planning Advisory Service.

2. RECOMMENDATION

- 2.1 That members note the content of this report.

3. BACKGROUND

- 3.1 Melton BC was invited to join a detailed Benchmarking exercise. This comprised a detailed review into several aspects of the planning process and has delivered information on the following aspects:

- hourly costs;
- activity (e.g. processing applications)
- a first look at chargeable planning costs
- a breakdown for every £1,000 spent
- customer satisfaction
- performance indicators

- 3.2 The exercise broke down the component parts of the application process in order to allow comparisons with other Authorities, to allow examples of good practice to be identified for future examination. 90 Authorities were included in the exercise, offering a large sample group with whom to make comparisons. This included all but one of the Leicestershire Authorities which allows for detailed local discussions.

4. APPRAISAL

- 4.1 The results provided are reported as follows:

(i) Cost per activity summaries

Detailed data was collected by breaking down planning processes into numerous (over 40) smaller areas of activity. This then allowed comparisons to be made in terms of both where activity is dedicated and the cost of activity. Key findings are as follows:

- Melton's overall costs are some 17% below average (and higher than average costs in only 2 out of 42 categories – dealing with complaints/feedback and Committee reporting/decisions)

- We dedicate a greater proportion of time to the evaluation and negotiation of applications than is average.
- We dedicate a greater proportion of time to appeals than average* but costs remain average.
- We dedicate a greater proportion of time (but not cost) to staff supervision than average.

*it is suspected this may result from the sampling period, which coincided with the dates the Bottesford Wind Farm Inquiry was running

(ii) Costs per productive hour

A summary of the findings are reproduced below:

	Direct costs	Lost time	Direct charges	Generic charges	Total cost	% total cost	Avg
Generic	32,323	1,915		£0	34,239	11%	14%
Strategic Planning	43,892	2,589	£7,010	£0	53,291	17%	22%
Planning Applications	105,531	6,254	£86,708	£0	198,493	62%	49%
Compliance & Delivery	20,322	1,204	£15,000	£0	36,527	11%	11%
Non-planning	0	0		£0	0	0%	4%
Lost time	11,963	-11,963					
	213,831		£108,718	£0	322,549		

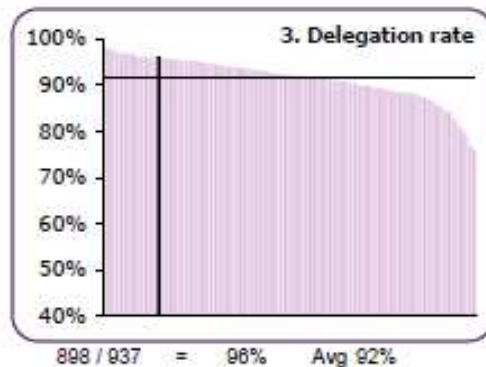
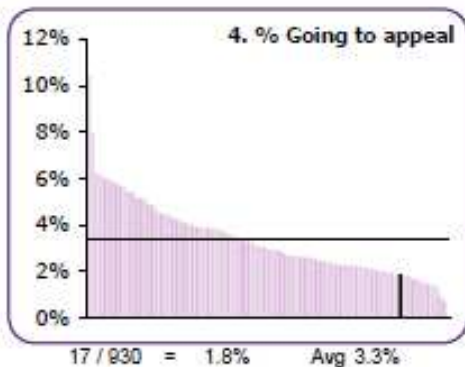
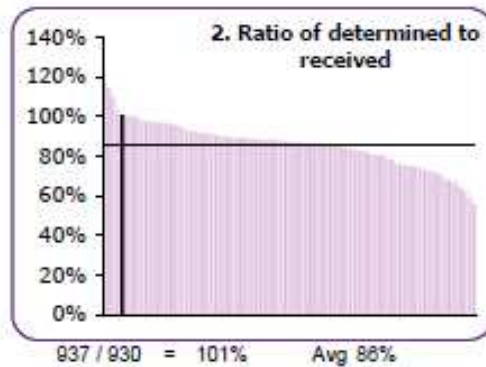
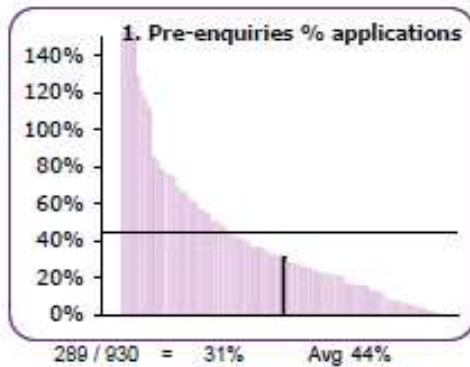
This table shows the distribution of officer time spread across planning activity (n.b please note inclusion of LDF work by the Policy Team, which formed part of the exercise). Key factors of note are:

- Proportion of resource dedicated to applications
- Impact of recharges ('direct charges') which come close to doubling the cost of Development Control activity. This relates to costs charged for premises, support provided by other departments (e.g Financial Services, Customer Services etc) and additional commissioned advice (e.g specialist technical advice)

(iii) Activity

Details were provided which compares our activity (i.e dedication of resources available to various aspects of the application process) to those recorded by others. Key findings identified are:

- Slightly below average quantity of pre-application enquiries leading to applications.
- A 'turnover' of applications greater than numbers received, i.e. no backlog is being developed.
- A lower than average appeal rate – an indication of sound decision making?
- Slightly above average delegation rate.

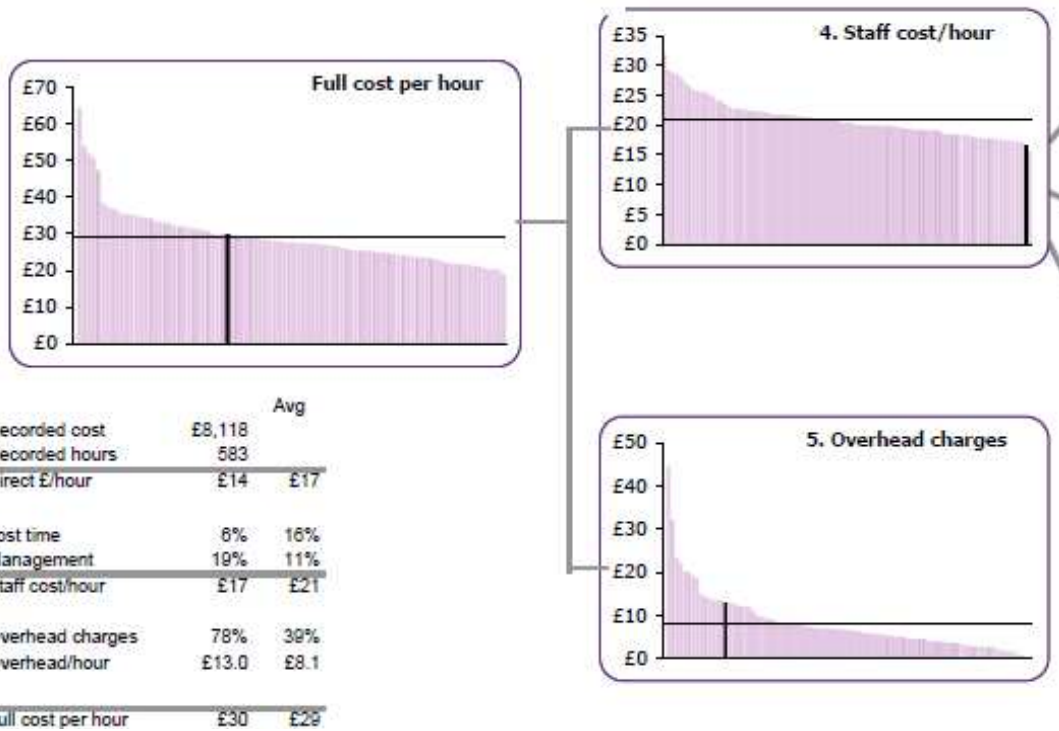


(iv) Chargeable costs to fees

Data analysis suggests that the fees received exceed the costs dedicated to dealing with applications. It is likely that future fee regimes will enable Authorities to set their own fees against costs and this implies that (a) there will be little scope for increases and (b) fees currently support non-application activity such as enforcement and pre-application advice which may be difficult to support under future regimes.

(v) Costs per hour

The following graphs show overall costs and combine staff costs with overheads. As will be noted, staff costs are the second lowest in the entire sample group of 90, but overheads raise overall costs to an average level. For information, 'staff costs' include the costs of departmental management and supervision and all expenditure on goods and materials (from transport costs to stationary) but costs relating to 'back office' activity such as customer services, IT systems etc are included as 'overheads'.



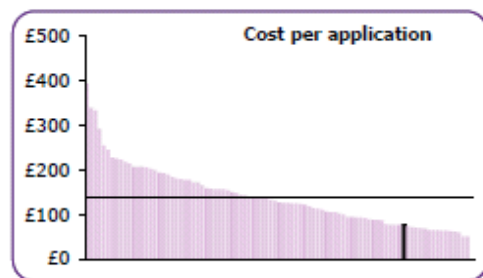
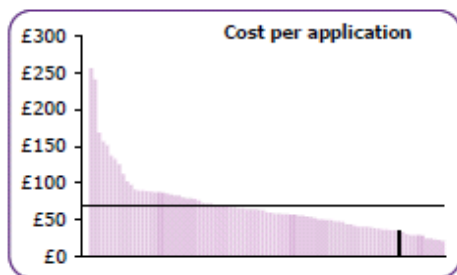
(vi) Costs per application

The study broke down the application process into its 'component parts' and analysed the cost of each element. These results were then amalgamated to produce a final, overall, cost per application.

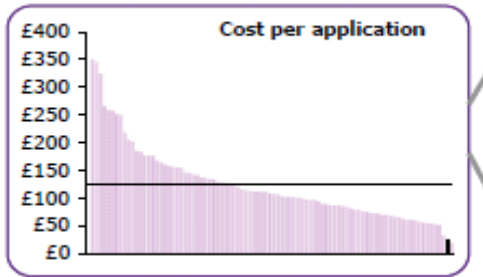
As will be noted, Melton delivers all aspects of the application process at well below average costs, culminating in one of the lowest overall costs per application of the entire study (this despite the overheads findings referred to above).

Validation and receipt

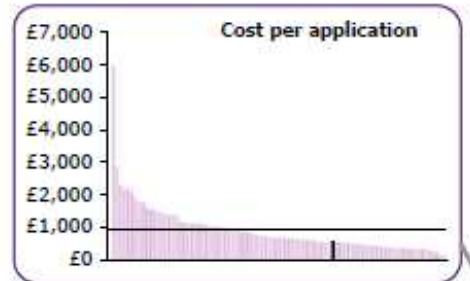
Evaluation and negotiation



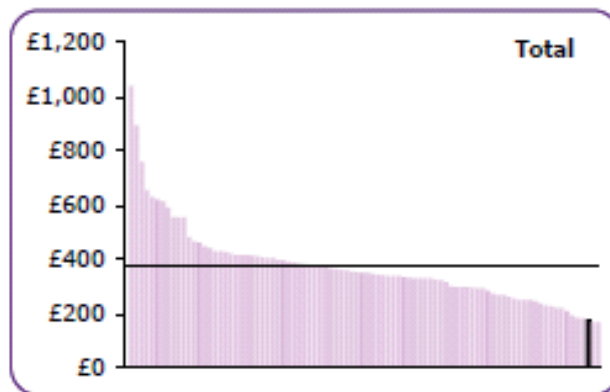
Decisions – delegated



Decisions – Committee

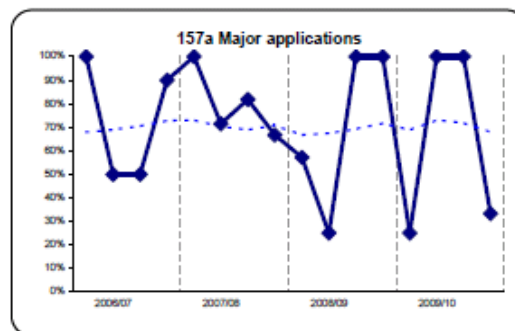


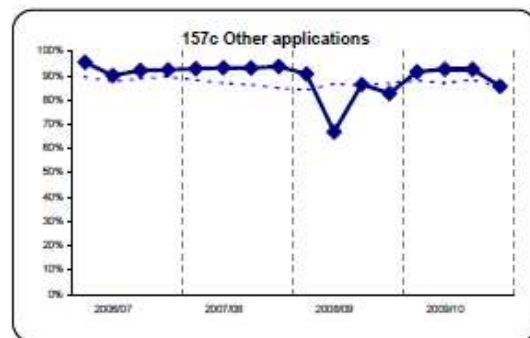
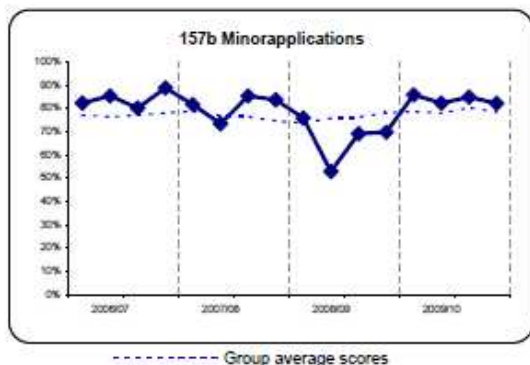
Overall application costs



(vii) Performance

The study took a narrow overview of performance, reliant only upon national indicators (as the only universal measure available). We tend to take a more 'rounded' view of performance but comparative measures are not available for other measures. However, the data supplied shows Melton to be around, or just above, the average level.





4.2 Conclusions and next steps

The study provides substantial evidence that Melton's DC service can be described as 'high performing and extremely low cost', illustrated most clearly at (vi) above.

4.3 However, the data also reveals some detail that is of interest beyond the key findings. Melton's staffing model is founded upon large contributions from staff of limited qualification and experience. This is the main factor behind the low costs but is also the driver for the higher than average levels of Management time dedicated to the area. We are aware of alternative, diametrically opposite approaches, whereby more qualified staff are employed with greater autonomy over their case load. However, this study shows that our approach is lower cost and delivers a good standard of service.

4.4 The next steps will comprise the identification of Authorities that display costs and performance superior to our own, as examples of good practice that we may be able to learn from. The detail of the study enables this to be isolated to discrete aspects of the service which will enable ideas from a range of sources to be considered.

5.0 POLICY AND CORPORATE IMPLICATIONS

5.1 There are no significant corporate implications arising from this proposal.

6.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

6.1 There are no direct financial implications arising from this report. The findings will assist in future exercises for local fee setting for planning applications.

7.0 LEGAL IMPLICATIONS/POWERS

7.1 There are no direct legal implications arising from this report.

8.0 COMMUNITY SAFETY

8.1 There are no direct community safety implications.

9.0 EQUALITIES

9.1 There are no direct equality implications.

10.0 RISKS

10.1 There are no risks arising from this report.

11.0 CLIMATE CHANGE

11.1 There are no climate change implications.

12.0 CONSULTATION

12.1 No consultation has been carried out.

13.0 WARDS AFFECTED

13.1 None

Background Documents: None

Contact Officer:

Mr J Worley - Head of Regulatory Services