

# Review of Development Management Service Structure

Councillor Angela Lax, Cabinet Member for Regulatory, Housing & Health

Date:	7 <sup>th</sup> September 2021
Agenda Item:	8
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Key Decision?	YES
Local Ward Members	N/A



**CABINET**

## 1. Executive Summary

1.1 The Council's role as Local Planning Authority is high profile particularly in regard to the determination of planning proposals. Lichfield District is an attractive area which brings significant development opportunities, and with them pressures and challenges to the Development Management (DM) Service. A review undertaken at the end of 2020, prompted in part by concerns over the ability of the service to meet customer needs and expectations, identified several issues impacting on the performance of the service, which can be summarised as:

- High turnover of staff and inability to fill vacancies;
- In some areas, staff lacking skills and experience and requiring training and development;
- Significant reliance on use of interims on temporary basis to fill vacancies including in senior roles;
- Lack of continuity in management and caseloads due to turnover of staff (including of interims);
- Working from home arrangements due to Cv19 restrictions impacting on staff induction and development and overall team working;
- Increasing workloads and demands on service irrespective of Cv19 challenges, often linked to the complexity of matters but also the high expectations of customers;
- Pressures on staff leading to problems of staff morale;
- Expectations and behaviour of Members and vexatious customers impacting on staff confidence.

1.2 An action plan was drawn up in response to these issues, in consultation with the Cabinet member for Regulatory, Housing and Health Services. The plan focuses on:

- Developing better relationships between Members and the service;
- Providing the necessary training and development opportunities for staff;
- Clearly defining the roles and responsibilities of officers in management positions including the key role of the Planning Development Manager;
- Benchmarking salary levels as part of consideration of recruitment and retention matters; and, crucially
- Seeing where structural changes can be made to bring in additional capacity and capability.

1.3 Implementation of the action plan has commenced over the last 9 months with positive results. The level of complaints has decreased, customer relations have improved and more streamlined and enhanced internal processes and procedures have helped ensure applications are properly validated

and more speedily. In addition, there has been a review of the Technical Support team (TST) implemented, whereby administration level posts have been removed from the structure in favour of more technical support staff, and additional training provided for that team to enhance the validation process and quality and consequently to take some work from planning officers. This structure within the TST has just become fully staffed from the beginning of August and positive changes are already being seen as a result.

- 1.4 However, the service is still subject to high workloads, with a 26% increase in the last 12 months compared to the previous year, alongside a number of strategic major projects pending and expected later this year. Alongside this increased volume and complexity of work we recognise a very demanding customer base (including, individuals, residents' groups and elected members) and continuing concerns over our ability to investigate alleged breaches of planning control. Whilst service improvements have been made and continue, many of the problems identified above remain with retention of experienced staff within the service, ability to recruit to vacant posts and a significant dependency on interim/agency workers to fill roles and maintain service delivery. The continual high churn of staff coupled and extensive use of temporary staff is not conducive to stabilising the service and ensuring it performs to the levels expected of it, nor does it ease the pressures on individual team members, who have high workloads and high demands placed on them.
- 1.5 This paper proposes a revised structure, increasing capacity in the service, funded by a budget increase of £1.13million over the next five years. With this investment, the service will stabilise over the period with a return to performance targets being achieved across the set of indicators for the service.

## 2. Recommendations

- 2.1 That Cabinet approves the proposed Development Management Service revised structure and agrees to the principle of the addition of market supplements for the senior/team leaders' posts.
- 2.2 Cabinet recommends to Council to approve an increase in the Revenue Base Budget (totalling £1.13m for the period 2021/22 to 2025/26) detailed in the financial implications section.

## 3. Background

- 3.1 The planning Development Management service (DM) carries out the statutory function of processing and determining all applications submitted under the Town and Country Planning Act (as amended) and defends any planning appeals related to the decisions made. The service also provides for the Council's planning enforcement function concerning alleged and proven breaches of planning control, as well as high hedge complaints.
- 3.2 DM is a front-facing service that has high levels of engagement with a very broad range of people and organisations including applicants, agents, developers and housebuilders, solicitors, Parish and Town Councils, Ward Members, statutory and non-statutory consultees; general public including neighbours of development proposals; MPs and local interest groups. It attracts a high level of public interest and the planning development management process and planning enforcement, by its nature, can be controversial as one party (i.e. objectors or the applicant) are often unhappy about the decisions made if these do not align with their own views.
- 3.3 The DM team currently comprises 18.3 FTE officers, including planning case officers (assistant level through to principal officer level); planning enforcement officers; technical support officers; and line managers, led by a Planning Development Manager who reports to the Head of Service.

3.4 The Service deals annually with approximately 1200 planning applications of which c50 are major applications. In 2020, 200 formal pre-application enquiries were handled and 220 enforcement cases with 1020 decisions issued. Also, daily levels of correspondence received by the service relating to applicants and/or general enquiries is extremely high. In the last 12 months (June 2020 to June 2021) the number of planning applications increased by 26% despite the national pandemic. Whilst historically performance has generally always been good when measured against the national indicators, this has dipped over the last quarter.

### Current performance

3.5 Whilst the service has performed well against National Performance Indicators over many years, recently there has been a growing need to rely heavily on agreed extension of times to meet one of these indicators - performance targets for speed of determination - and furthermore whilst additional interim support has been brought in to seek to maintain service delivery this too has impacted and created challenges at times with a distinct variation in the quality of consultants/agency workers. As a result, the performance of the service has started to dip as shown in the table below:

KPI / NI	2020/21	2020/21	2021/22	2021/22
	Full Yr Target	Full Yr Actual	Q1 Target	Q1 Actual
NI – Speed of determination of non-major applications	70%	72.2%	70%	68.5%
NI – Speed of determination of non-major applications per 2 year rolling period	70%	N/A	70%	76.4%
NI – Speed of determination of major applications	60%	78.3%	60%	76.9%
NI – Speed of determination of major applications per 2 year rolling period	60%	N/A	60%	81.7%

### Service issues affecting / impact of current performance

3.6 As of mid-August 2021 the service is carrying 4.5 full time equivalent (FTE) vacancies; including 2 at principal level (including 1 longstanding enforcement vacancy that has been unsuccessfully filled following 3 rounds of recruitment); 1.5 senior planning officer posts, and a Planning Assistant officer post (with an appointed new post holder due to join the team in mid-September however). The service currently has 5 interim/agency workers engaged covering vacancies including the principal officer enforcement role, and one senior officer who is due to leave early September, due to gaining a permanent post elsewhere. In the last 12 months approximately £190,000 has been expended on agency workers, with a projected spend to the end of 2021 of some £174,000 already (funded by vacancies and an earmarked reserve established to manage this risk).

3.7 Alongside responding to those seeking planning permission, the planning enforcement team has a high number of complicated and/or high-profile planning enforcement cases on hand that demand a lot of resource to investigate and progress. This in part reflects the importance residents place on protecting and maintaining a good quality environment.

3.8 There are also a number of high profile/strategic projects the service feeds into and/or is involved with directly, including HS2 (phases 1 and 2a); Council priority projects, such as the City Centre Master Plan and Birmingham Road site; Rugeley Power Station redevelopment and a number of large residential Strategic Development Allocation sites arising from the Local Plan. The DM service is an important

contributor to the successful delivery of these projects and delivering the Council's strategic priorities to create a strong local economy and attractive environment.

- 3.9 Whilst reasons for people leaving the Authority differ, a common issue raised is the level and pressure of workloads and demands being made upon post-holders. In some but not all cases, there is also the issue of salary levels compared with other local planning authorities. Whilst recognising the improvements that have been made to the service over the last 6 - 9 months, there is a clear need to address the problems of retaining and recruiting staff, but also ensuring the DM Service structure is right in terms of capacity, enabling staff to be adequately supported with manageable workload levels to do their jobs to the required standard and hence the ability to grow and develop the service as a whole.
- 3.8 In addition to the impact on performance, the pressures placed on officers within the service, as a result of high workloads and high demands and negativity at times from customers, has and is impacting significantly on the well-being and morale of individuals, with a number feeling overwhelmed by the levels of work undertaken and the subsequent need to undertake extra hours to meet the work demands placed upon them leading to stress and exhaustion. This has proven to be some of the reasons why members of the service have recently left the authority to work elsewhere.
- 3.10 Without action there is a danger further staff will leave due to the pressures being experienced, performance will continue to decline and the problems that have been voiced, that the service lacks customer responsiveness, will continue despite the positive improvement that has been made to seek to address this particular area.
- 3.11 Building on the aforementioned action plan, work has been carried out to review the current structure of the service (including in terms of management/team leader roles) and identify pressure points. This has led to a proposal being formulated for the creation of additional posts to support the enforcement, major projects and technical support functions of the service and a realigned team leader management structure. The opportunity has also been taken to assess salary levels for posts based on an independent benchmarking exercise undertaken for the service.

### **Proposal**

- 3.12 To address the challenges of workload levels, meet the increasing customer demand placed on the service and return the service to an acceptable level of performance, it is proposed to:
- a) Increase the level of resource from 18.3 FTE to 22.3 FTE. This increase will include additional capacity for the enforcement and senior level planning officer resource in the service. (See **Appendix A and B** respectively for the existing and proposed structures).
  - b) Enhance the principal/team leader post salaries via a market supplement in order to attract and retain staff. Market supplements proposed follow a recent salary benchmarking exercise which identified a gap in local rates of pay compared to other nearby local authorities.
- 3.13 The revised proposed structure will deliver the following benefits:
- Enhance the capacity of the enforcement team,
  - Enhance capacity within the service to deal with the larger and more complex major applications; including projected HS2 and Council-led applications,
  - Provide enhanced dedicated technical (rather than administrative) support to the enforcement team and planning officers,

- Create a line management structure that allows for principal officers to better lead and support their respective team members,
- With the filling of existing and new posts further stabilise the service and build morale and reduce impact on officer wellbeing,
- Ensure less reliance on costly (and sometimes ineffective) agency workers.

3.14 The most notable changes suggested in the proposed structure are:

1. A dedicated team leader over planning enforcement and the planning assistants/householder officers (separate new team), to address the balance of number of reportees to any team leader/PPO.
2. Creation of 2 senior enforcement officer posts; each can deal with a comparable workload and concentrate on day to day enforcement case work, rather than be involved in any team leader/management matters. This will build better resilience for the enforcement function.
3. All 'technical support' for enforcement officers, including the logging of complaints etc. would be moved into the Technical Support Team; enforcement officers can concentrate solely on enforcement case management rather than have technical or administrative tasks.
4. Resource within the technical support team, as a result of this and other demands, will be increased by 1 FTE Technical Support Officer post (the apprentice post).
5. A further senior officer post introduced support and work with the Principal Major Projects Officer. This is in recognition of the level of major applications the Council receives, has in-hand and is projected to have, particularly with the emerging Local Plan; the Council's own projects and strategic projects, such as HS2, there is notable pressure placed on the current principal major projects officer and other senior officers.
6. Market Supplements are introduced to bolster recruitment and retention. Following the findings of an independent benchmarking exercise undertaken, it is recommended that the PPO/team leader posts, have a market supplement (MS) to encourage recruitment and retention in these roles. A MS of £2,000 per role as advised is recommended. The cost associated with additional MS is included in the costs set out in the table below at para. 3.15.
7. Career grades are amended for certain posts. The career grade for the Planning Assistant posts will omit the band D and have narrower career progression to bands E & F. It is to be noted that this suggested change to the assistant posts has already been implemented, as there were no budget or HR issues in this regard.

### **Funding the proposal**

3.15 Implementing the proposed revised structure would result in a budget increase for the service in the order of £220,000 for 2021/22 rising to £231,000 2025/26. A total additional cost of £1.13 million over the 5-year period.

<b>Alternative Options</b>	<p>1. Stop Service- as it is a statutory function of Council to determine applications submitted under the Planning Acts this cannot be done.</p> <p>2. Shared service or staffing - opportunities to share staff have been previously explored on a county-wide basis but overall lack of capacity and appetite from many Council's. Problems of recruiting are affecting other neighbouring authorities so sharing staff unlikely to be workable or viable.</p> <p>3. Continue to engage consultants - not a cost-effective option plus this does not ensure consistency of approach nor service/team development, significant resource required to train interims, interims are less reliable and can cause instability in teams.</p> <p>4. Reduce performance &amp; quality of work – an option, however not one to be recommended as this could mean the Council is designated as non-performing and potentially have decision making powers removed from it. Also, important Council projects could be delayed and there would be reduced income and loss of reputation.</p>
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<b>Consultation</b>	<ol style="list-style-type: none"> <li>1. Internal parties including HR &amp; Finance Officers</li> <li>2. Leadership Team</li> <li>3. Cabinet Members</li> </ol>
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<b>Financial Implications</b>	<p>Note: 20% refers to posts currently funded by the 20% uplift of planning application fees that have to be ring-fenced for planning purposes, therefore this funding is dependent upon income levels generated from application fees.</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>2021/22</th> <th>2022/23</th> <th>2023/24</th> <th>2024/25</th> <th>2025/26</th> </tr> </thead> <tbody> <tr> <td>Current</td> <td>609,650</td> <td>624,510</td> <td>639,740</td> <td>654,130</td> <td>668,880</td> </tr> <tr> <td>Current 20</td> <td>63,950</td> <td>65,230</td> <td>66,550</td> <td>67,880</td> <td>69,250</td> </tr> <tr> <td>20% Funding</td> <td>(63,950)</td> <td>(65,230)</td> <td>(66,550)</td> <td>(67,880)</td> <td>(69,250)</td> </tr> <tr> <td></td> <td><b>609,650</b></td> <td><b>624,510</b></td> <td><b>639,740</b></td> <td><b>654,130</b></td> <td><b>668,880</b></td> </tr> <tr> <td>Proposed</td> <td>830,660</td> <td>847,490</td> <td>864,630</td> <td>882,120</td> <td>899,960</td> </tr> <tr> <td>Proposed 20</td> <td>66,100</td> <td>67,450</td> <td>68,830</td> <td>70,230</td> <td>71,670</td> </tr> <tr> <td>20% Funding</td> <td>(66,100)</td> <td>(67,450)</td> <td>(68,830)</td> <td>(70,230)</td> <td>(71,670)</td> </tr> <tr> <td></td> <td><b>830,660</b></td> <td><b>847,490</b></td> <td><b>864,630</b></td> <td><b>882,120</b></td> <td><b>899,960</b></td> </tr> <tr> <td><b>Additional Funding</b></td> <td><b>221,010</b></td> <td><b>222,980</b></td> <td><b>224,980</b></td> <td><b>227,990</b></td> <td><b>231,080</b></td> </tr> </tbody> </table> <p>Notes:</p> <ol style="list-style-type: none"> <li>i. Assumes the potential apprentice role would be funded through a corporate budget as part of on-going discussions regarding apprenticeship appointments to the Authority.</li> <li>ii. The 20% refers to posts currently funded by the 20% uplift of planning application fees that have to be ring-fenced for planning purposes. Funding is therefore dependent upon income levels generated from application fees.</li> </ol> <p>This additional financial investment will increase the annual funding gap and in the absence of additional income or savings being identified, will need to be funded by general reserves. The use of general reserves on an ongoing basis is not good practice and is not a sustainable approach. It will also mean that there would be less funding available to manage financial risks or invest in strategic priorities.</p>		2021/22	2022/23	2023/24	2024/25	2025/26	Current	609,650	624,510	639,740	654,130	668,880	Current 20	63,950	65,230	66,550	67,880	69,250	20% Funding	(63,950)	(65,230)	(66,550)	(67,880)	(69,250)		<b>609,650</b>	<b>624,510</b>	<b>639,740</b>	<b>654,130</b>	<b>668,880</b>	Proposed	830,660	847,490	864,630	882,120	899,960	Proposed 20	66,100	67,450	68,830	70,230	71,670	20% Funding	(66,100)	(67,450)	(68,830)	(70,230)	(71,670)		<b>830,660</b>	<b>847,490</b>	<b>864,630</b>	<b>882,120</b>	<b>899,960</b>	<b>Additional Funding</b>	<b>221,010</b>	<b>222,980</b>	<b>224,980</b>	<b>227,990</b>	<b>231,080</b>
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<b>Approved by Section 151 Officer</b>	Yes
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Legal Implications	1. There are no specific legal implications however as a statutory service the proposals if accepted would assist the Council in meeting its obligations as local planning authority.
Approved by Monitoring Officer	

Contribution to the Delivery of the Strategic Plan	1. In terms of District Council's Strategic Plan 2020 to 2024 the proposals would contribute to shaping the place/District, in determining applications that support developments that preserve the districts characteristics and ensure sustainable development; encourage and support economic growth and promote the ability to be more customer responsive.
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Equality, Diversity and Human Rights Implications	1. There are no equality, diversity and human rights implications associated with implementing the recommendations.
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Crime & Safety Issues	1. There are no crime and safety issues associated with implementing the recommendations.
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Environmental Impact	1. The proposals if accepted would enable the Development Management Service to oversee the implementation of agreed spatial policies as they impact upon the development and use of land in the district and associated with this the protection and enhancement of environmental assets.
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GDPR / Privacy Impact Assessment	1. No Privacy Impact Assessment has been undertaken as there are no GDPR implications relevant to the recommendation.
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	Risk Description & Risk Owner	Original Score (RYG)	How We Manage It	Current Score (RYG)
A	More staff leave the authority due to strain of high workloads and poor morale.	Likelihood: Red Impact: Red Severity of Risk: Red	Commit to delivering service improvements and proposals set out in this paper.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
B	Sickness levels rise within the team	Likelihood: Red Impact: Red Severity of Risk: Red	Provide internal support from manager/HR/Counselling	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
C	Not meeting NIs and subsequent designation as non-performing authority & loss of local decision-making	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	Outsource work and/or bring in more consultants to support the team to help meet targets. Increase use of EoT agreement with applicants, if they are willing to enter into such.	Likelihood: Green Impact: Yellow Severity of Risk: Green
D	Need to return application fees if applications not progressed in timely manner	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	Refuse applications without negotiating and encourage resubmissions; but likely to impact on appeal work.	Likelihood: Green Impact: Yellow Severity of Risk: Green
E	Delivery of Important and strategic projects delayed including Council priority projects and housing delivery	Likelihood: Yellow Impact: Yellow Severity of	Bring in interim support to lead on projects- although will increase budget spend and bring risks.	Likelihood: Green Impact: Yellow Severity of

		Risk: Yellow		Risk: Yellow
F	Increase in complaints including to LG Ombudsman.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	Bring in interim support to lead on projects- more budget spend.	Likelihood: Green Impact: Yellow Severity of Risk: Green
G	Increase use and costs of interim support	Likelihood: Red Impact: Yellow Severity of Risk: Yellow	Fee levels negotiated to ensure best value where possible.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow
H	Impact on Council reputation as a result of negative feedback and inability to meet customer demands	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	Seek to manage customer expectations and prioritise work areas where demands are high or are felt of greater importance.	Likelihood: Green Impact: Yellow Severity of Risk: Yellow
I	Lack of qualified and skilled staff and poor decisions made increasing appeals and legal challenges	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	Support and training provided to officers by managers and recruitment process	Likelihood: Green Impact: Yellow Severity of Risk: Yellow
J	Proposed market supplement levels are insufficient to address the recruitment and retention issues	Likelihood: Yellow Impact: Red Severity of Risk: Yellow	Understand nature of market and consider all factors that influence staff and potential staff in respect of employment with the Council.	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow

#### Background documents

None

#### Relevant web links

None