

## **SECTION THREE: DIRECTORATE SUMMARY SECTION 3 (B) BUSINESS REVIEW**

### **3 (b) Business Review** (This is a draft Business Plan insert subject to change)

#### **Business and Environmental Analysis**

A Business and Environmental Analysis has been carried out which identifies and recommends three key strategic options for Planning and Economic Development

- There is a need to continue to promote long term efficiency planning to enable the provision of greater levels of service for the same or less. This will require active and measureable annual implementation of faster business processes that provide improved services utilising proactive team/partnership working to carry out this using less resources.
- While there is a business need to implement some unpopular savings, the directorate should base this on business principles. For example there is a need to manage and/or limit the decline in customer efficiency by innovatively improving services to compensate for this. We could do this by reducing paper based planning and implementing better quality electronic services via i-Plan.
- Implement some savings in conjunction with the active adoption of the Local Plan and other business measures to safeguard the interests of the people and the district. At the same time we should aim to deliver improved and more efficient ways of providing accessible high quality planning services. We could do this by promoting strong community leadership that supports measures to protect the green and unique character of the district.

#### **Financial Review**

**(Figures provided are in draft format and subject to confirmation)**

Planning and Economic Development financial activities are primarily divided into four areas;

- Direct Services
- Regulatory Non Fee Earning (Planning Appeals, Enforcement and Building Control)
- Regulated Fee Earning (Development Control)
- Regulated Full Recovery of Fee Earning work (Building Control).

Expenditure is estimated for **2013 – 2014 to be £3. 002** million met as follows;

<b>CSB Budget</b>	£ 2 749 000
<b>CSB Savings</b>	£ (57 000)
<b>DDF Budget</b>	£ 310 000
<b>TOTAL NET BUDGET</b>	<b>£ 3 002 000</b>

#### **DIRECT SERVICES**

The forecast costs for Direct Services are likely to reach £1 730 000 for 2013 - 2014 as compared with 2012 - 2013 Original Estimate £2 072 000 and Provisional Outturn of £2 203 000

Direct Services primarily consists of the sections within Policy and Conservation including;

- Forward Planning
- Economic Development
- Environmental Coordination
- Conservation Policy
- Town Centre Enhancements
- Countrycare

#### REGULATORY SERVICES NON FEE EARNING

It is expected that the costs for Non Fee Earning activities within Development Control are estimated to be £693 000 for 2013 – 2014 which represents a decrease as compared with 2007 – 2008 of £820 000.

#### **Development Control Appeals**

The forecast cost of Appeals increased from £237 000 in 2007/08 (132 Appeals) to £421 000 in 2008/09 (153 Appeals). The forecast figure for 2013 – 2014 is £218 000 (110 estimated).

#### **Enforcement**

The following table illustrates how the annual costs of Enforcement have dropped in recent years combined with a significant increase in Enforcement Notices served.

	2007 - 08	2013 - 14 (estimated)
Complaints received	757	680
Enforcement Notices Served	23	35
Costs	£583 000	£475 000

#### **Building Control Non Fee Earning**

Building Control Non Fee earning activity costs are expected to reach £166 000 for 2013 - 2014 This expenditure has been managed to ensure that this compares with £164 000 for 2007 - 08.

#### REGULATORY SERVICES FEE EARNING

This comprises of the following estimated Expenditure and Income for 2011/12 and 2012/13

FINANCIAL YEAR	EXPENDITURE	INCOME	NET
<b>Development Control</b>			
2013 – 2014 (Estimated)	£1008 000	£595 000	£413 000
2012 – 2013 (Probable)	£997 000	£550 000	£447 000
<b>Building Control</b>			
2013 – 2014 (Estimated)	£502 840	£425 000	(£77 840) Loss – Ring fenced
2012 - 13(Probable Outturn)	£458 360	£500,000	(£33 360) Loss – Ring fenced

### **Building Control (full fee earning recovery)**

With the promulgation of the Building (Local Authority Charges) Regulations 2010 and with the support of the Local Authority Building Control Organisation (LABC), Building Control has successfully implemented a new scheme of charges from the 1<sup>st</sup> October 2010. This has resulted in significant steps towards the full cost recovery by Building Control services of fee earning income.

LABC is a member organisation representing local authority building control in England and In conjunction with LABC, Building Control promotes the design and construction of safe, accessible, environmentally efficient buildings that comply with the Building Regulations. Building Control continues to search for new income sources and manages to focus on controlling costs. This is part of its overall strategy of improving income streams through a variety of partnership working activities with local architects along with the provision of competitive internal and external professional surveying services.

Building Control prioritises its financial management of fee earning activities by maintaining its good record in ensuring that it's fee earning activities matches or slightly exceeds expenditure. However due to the current economic downturn a small loss is predicted of £33 360 based on the probable outturn for 2012 – 2013 with a further loss of £77 840 estimated for the 2013 – 2014 year. However this needs to be balanced against the rolling three year surplus within the Building Control ring fenced account of £94 714.

### **Development Control (regulated fee earning recovery)**

Planning Fees for Development Control Planning Applications have in the past been nationally regulated and do not currently aim to achieve full cost recovery of fees. Development Control has been working with Planning Advisory Services since 2010/11 to set up a Benchmarking exercise aimed at establishing and benchmarking the true cost of Planning processes.

Recent results from the Benchmarking exercise carried out in conjunction with PAS (Planning Advisory Services) and CIPFA in December 2011 were helpful in establishing the cost of the planning application process. Current indications are that we are collecting approximately 50% towards the true costs of the planning process and with a recent 15% increase, (the last increase being in 2008) there is an ongoing requirement to take significant steps towards providing improved and more efficient planning services.

As a result significant progress is currently taking place towards improvements in the Electronic Records Document Management as a key component in achieving efficiency savings and value for money as outlined in Appendix Two of this Business Plan.