

SECTION FOUR: CORPORATE OBJECTIVES AND PRIORITIES

4 (c) Value for Money

The Planning and Economic Development Directorate recognises the importance of Value for Money and is currently utilising a number of different measures to achieve Value for Money such as Benchmarking and achieving sustainability by matching income to expenditure for fee earning activities. Current and previous benchmarking activities with CIPFA and Planning Advisory Services (PAS) have helped to better establish the true costs of planning services. In addition this has assisted in the implementation of improved business processes to provide greater value for money regarding Development Control Planning Services, although this has been limited to some extent by recent small fee increase of 15%, the first since 2008. Building Control has been more successful in achieving value for money by matching income to expenditure for fee earning services in line with LABC (Local Authority Building Control) guidelines.

DEVELOPMENT CONTROL:

The preliminary results from the Benchmarking Comparator Source/Group were carried out on advice from Planning Advisory Services (PAS) and CIPFA from 27th June to 22nd July 2011 included current data and time recording carried out by all staff within Planning and Economic Development (excluding Building Control and Economic Development). We selected sixteen geographical and/or 'like for like' authorities to compare costs and processes with;

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| 1. Braintree District Council | 9. Mid Sussex District Council |
| 2. Chelmsford Borough Council | 10. Reigate & Banstead Borough Council |
| 3. Cheltenham Borough Council | 11. South Oxfordshire District Council |
| 4. East Hampshire District Council | 12. Spelthorne Borough Council |
| 5. Guildford Borough Council | 13. Tandridge District Council |
| 6. Harlow District Council | 14. Tendring District Council |
| 7. Hertsmere Borough Council | 15. Uttlesford District Council |
| 8. Horsham District Council | 16. Waverley Borough Council |

Several benchmarking exercises were carried out and moderated by CIPFA in 2010 and 2011. As a result in 2011 Development Control introduced and analysed the time taken to process planning applications as part of nine step analysis to ensure that planning applications were uniformly processed. In terms of planning application costs, seven councils in the above list has indicated their Planning Application costs were higher than EFDC. The total estimated applications for 2012–13 of 2562 showed that we are in the middle of the comparison group and ranked as the eighth highest. Whilst our hourly costs were considered to be the third highest in the group of £48.08 per hour, our direct staff costs were only marginally higher than the average for the group at £19.20 (average £18.10). Our overhead costs were £27.60 (average £23.70).

Costs Per Application

In terms of Receipt and Validation of Planning Applications our average cost of £69 per Application was significantly lower than the average of £91. However our Evaluation and Negotiation costs, of £212 showed these were identical to the average of £212 per Application. Our Reports and Decisions showed slightly better performance at £147 as compared with the average for the group of £161. Conversely the cost of Planning Appeals showed a slightly higher figure of £2390 compared to the average for the group of £1847. This has served for us to re-evaluate both the costs of Appeals and Enforcement and our yearly costs for these two areas have declined significantly year on year (see section 3 (b)).

Part of the process of benchmarking and 'value for money' process has been to establish the cost of processing planning applications as we have shown. A key element in the Benchmarking exercise in conjunction with PAS and CIPFA, established the costs of processing Development Control applications. As a result we have been able to determine that the full cost of Development Control fee earning Planning applications previously

constituted 50% of what is recovered in terms of fees for the processing of these applications. However this is a general situation across many local planning authorities.

The results obtained have indicated there has been some improvement in the management of officer time on applications. This has resulted in better outcomes for key planning performance indicators as reported in Section 3 (a) of this Business Plan.

Given that we are now in the process of increasing Planning Fees by 15% towards the end of 2012 for the first time since 2008, it is essential that we proactively improve our business processes to enable us to achieve further efficiency savings so that we are able to do more with few resources that we have.

POLICY, CONSERVATION AND ECONOMIC DEVELOPMENT.

In order to achieve value for money, Policy, Conservation and Economic Development ensures that they follow EFDC's adopted procurement policies which are reviewed and benchmarked to industry standards.

In terms of Economic Development there is an emphasis on exploring joint working with Epping's Local Strategic Partnership and with other neighbouring authorities, to achieve increased Value for Money through economies of scale and optimising outcomes and achievements. This is a particular emphasis of the work being carried out via the West Essex Alliance (sub LEP), the London Anglia Growth Partnership and the West Essex Economic Development group.

In addition Policy and Conservation seeks to minimise future costs by ensuring that the Forward Plan Evidence Base Update fully supports the emerging Local Plan (Appendix Thirteen of this Business Plan). A key element of this is the verification process of the documented Evidence Base Update which in turn lessens the possibility of future failure of elements of the Local Plan. This in turn plays an important role in successful Development Control Planning governance as it reduces the probability of successful planning appeals. This is reflected in the council's key corporate indicators, as the development of the Local Plan is now considered the main corporate priority (KCO 1).

BUILDING CONTROL

Building Control continue to work in the competitive building surveying market, actively taking steps to increase income such as taking steps to work in partnership with local architects and investigating other ways of increasing income streams so as to match expenditure with income. Building Control constantly reviews how services are provided by ensuring that key LABC (Local Authority Building Control) performance indicators are met and exceeded. Current indications show that Building Control while being able to match income with expenditure for the last three years is finding this increasingly difficult in a highly competitive market. However it is considered likely that expenditure in the current financial year will be matched against income.

Outlook

The outlook for Development Control is slightly more difficult than previously predicted as it is likely the local setting of planning fees will not take place. In its place has been an overall increase of 15% in planning fees across the board for the first time since 2008, effective from November 2012. In addition active steps are already in place to identify other income generating activities such as the promotion of pre-application advice and cost reduction measures. It is recognised that further steps need to be taken to refine and scrutinise planning processes so to reduce the time taken by planning officers in processing planning applications.

Building Control has a very good record of matching income to expenditure and continues to ensure that Value for Money is achieved by prioritising the matching of income against expenditure. As a result Building Control are continually looking at ways to increase income streams and sourcing additional income by working with partners along with competing for both internal (EFDC) and external professional surveying services.

Policy, Conservation and Economic Development also provide a key corporate value for money role by taking steps to ensure that the emerging Local Plan is successfully implemented including careful verification processes. In this way Policy, Conservation and Economic Development is able to fully meet key corporate objectives (KCO1) as well as avoid future costs that may be linked to any possible failure of elements of the Local Plan.

This is in line with the Corporate Medium Term Aims 2010/11 to 2013/14, which requires that the council works towards having the lowest District Council Tax in Essex (section 2) and continuously improves efficiency by adopting new ways of working with our partners (section 4).