

# Cheltenham Borough Council

## A commissioning strategy for the built environment

### 1. Introduction

- 1.1 The Council has agreed to become a commissioning council by April 2012 and has commenced a series of reviews which will enable it to achieve this ambition. The review of its Built Environment services started earlier this year and a member working group was established to support the process.
- 1.2 This report sets out the key findings from the review to enable Cabinet to consider a set of recommendations on how built environment services should be delivered. The report sets out the context of the review, the methodology adopted, details of the current services, how outcomes have been developed, consultation and alternative delivery models. It also sets out the savings that have already been achieved by the services.
- 1.3 The services which are within the scope of the review are:
  - Strategic land use
  - Development management
  - Building control
  - Urban design, heritage and conservation
- 1.4 When the Cabinet received an update report in July they requested that the review group consider the linkages to housing enforcement, and the report makes some recommendations as to how this may be taken forward in future.

### 2. Context

- 2.1 Nationally, the Government has set out its ambitions for the built environment in the Localism Bill, which proposes a number of changes to the planning regime. The Bill encourages community empowerment, social action and the opening up of public services. Although elements of the Bill, which is proceeding through Parliament, may change, the Council still needs to be alert to the direction of the Bill and to be in a position to respond to the proposals once passed by Parliament. The Government has also established a framework for Local Enterprise Partnerships (LEP) which have a remit which includes economic development and strategic transport and we need to be aware of the strategic direction set by the newly established Gloucestershire LEP in how Built Environment services are provided in the future.
- 2.2 The principal challenge being thrown down by the Localism Bill is to make planning more relevant to local communities, by making the process demonstrably more engaging and responsive to local needs. At the same time, the Bill makes it clear that this is not a charter for resisting development, as the Government is also clearly committed to delivering sustainable growth. The new approach will demand more engagement with communities at the earliest possible stage in the planning process, including the option of local communities taking a lead on promoting a development vision for their own areas.

- 2.3 The Government has recently issued a draft National Planning Policy Framework which sets out the strategic context for planning within a number of key objectives:
- planning for prosperity (an economic role) – using the planning system to build a strong, responsive and competitive economy, by ensuring that sufficient land of the right type, and in the right places, is available to allow growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure;
  - planning for people (a social role) – using the planning system to promote strong, vibrant and healthy communities, by providing an increased supply of housing to meet the needs of present and future generations; and by creating a good quality built environment, with accessible local services that reflect the community’s needs and supports its health and well-being; and
  - planning for places (an environmental role) – using the planning system to protect and enhance our natural, built and historic environment, to use natural resources prudently and to mitigate and adapt to climate change, including moving to a low-carbon economy.
- 2.2 Locally, the review also had regard to the context set by the Cheltenham Development Task Force, which was established by the Council and key partners. It has an ambition (underpinned by supplementary planning guidance) to “support the town’s economic strength and sustainable development by revitalising key streets and spaces to the highest attainable quality for the benefit of the whole community”. The recommendations from the review were drafted with a view to ensuring that the Built Environment services are able to support this ambition both directly and indirectly.
- 2.3 Cheltenham has a unique heritage which underpins its economic prosperity and which can provide the basis for shaping future development. The review team has had this fact at the forefront of our minds in considering the future of Built Environment services. We have recognised the need for a robust, high quality planning service capable of protecting Cheltenham’s heritage. In addition we received support from English Heritage to test out our thinking on heritage issues with a range of stakeholders.
- 2.4 The Council is already working in partnership with Tewkesbury Borough and Gloucester City Councils on the development of a Joint Core Strategy which is helping to set the broader strategic framework for the built environment. The review was mindful that it should not try to duplicate strategic aspirations which will be set out in the JCS, but we hope that outcomes developed through this review will help shape the strategic thinking as the JCS is developed against its evidence base.
- 2.5 The Council has a funding gap of £2.5m over the next five years as set out in its medium term financial strategy and savings need to be identified to close this gap. Councillors have explicitly indicated that they wish to see front-line services protected. This being the case, the review group accepted that it needed to think innovatively about how we can secure quality outcomes at a reduced net cost to council tax payers. Commissioning provides a framework in which to have these discussions with officers, elected members, customers and stakeholders.
- 2.6 The services in scope have already delivered a range of budget savings and these are set out later. The services also have a number of existing Bridging the Gap targets which still need to be achieved in the current year. The review was therefore concerned to be realistic in setting new targets for financial savings targets over and above what has already been agreed. Our thinking on this aspect of the review is set out in section 12 below.

### **3. Methodology**

- 3.1 The review was undertaken by the Commissioning Division supported by those within the services in scope. A project team was established chaired by the Executive Director and included the Cabinet Member for Built Environment. The review was supported by a member working group chaired by the Cabinet Member and comprised:

Councillor John Rawson  
Councillor Tim Cooper  
Councillor Barbara Driver  
Councillor Bernard Fisher  
Councillor Peter Jefferies  
Councillor Helena McCloskey

The project team met every two weeks and the member working group met several times to consider the key issues and support the development of this strategy.

- 3.2 The review is using the commissioning methodology (analysis, plan, procure and review) and set out below is a summary of the work undertaken and the key findings.

## **4. Future proofing**

- 4.1 Officers from the services within scope plus other officers from the Commissioning Division, undertook a future proofing exercise at the start of the review. This enabled officers to think about the strategic context in which they deliver their services and what the future may hold in terms of service delivery. It allowed them to identify some of the risks and uncertainties and also the opportunities that may arise from the proposed changes at the national level. They recognised that however services are delivered, future service delivery needs to be flexible, cost efficient and to be able to exploit new technology.
- 4.2 This initial scoping work identified that the Council will need to be in a position to actively support communities should they wish to pursue the approaches set out within the Localism Bill. It was recognised that there may be several ways in which this can be delivered and these are explored in more detail in section eight.. However it was recognised that there are no dedicated budgets for this activity and so some savings may need to be reinvested to support this work.

## **5. Needs analysis**

- 5.1 The Cheltenham Strategic Partnership has prepared a “needs analysis” for the area. It is based on evidence drawn from a range of sources including the Joint Strategic Needs Assessments undertaken at a county level but also drawing on more locally based information provided by a range of stakeholders and partners.
- 5.2 The review has taken this information and developed its own needs assessment for the built environment, a copy of which has been made available to members. The member working group considered the analysis and requested that it be updated to reflect the needs of Cheltenham’s diverse communities and neighbourhoods, whether defined geographically or demographically. The working group is of the view that when commissioning services, a “one-size-fits-all-approach” may not be appropriate for some areas of the borough.

5.3 The needs analysis sets out key messages in relation to the economy, housing, green space, climate change, demography, health and deprivation. A spatial planning response to these issues is being addressed through the Joint Core Strategy, but the review team have used these needs to help develop a set of outcomes

## 6. Developing outcomes

6.1 Developing outcomes is the critical phase of any commissioning exercise as they answer the question “what do we want our services to achieve”. Experience from the leisure and culture review, has helped us to adopt a rigorous approach to developing outcomes by asking:

- Do the outcomes describe an end result / the difference we will make?
- Do the outcomes relate to the needs we have identified?
- Are the outcomes easily understood by elected members and members of the public?
- Do the outcomes feel like an intrinsic part of what Cheltenham Borough Council does?

6.2 Using this framework, the project group developed an initial set of outcomes based on the needs and the current corporate strategy and these were tested with the member working group. Debating the fundamentals of “what do we want our Built Environment services to achieve” has enabled members to have healthy and innovative discussions and they have inputted a further range of outcomes that they would wish to see delivered, focusing on the economy, good design and flexible use of space, heritage and sustainability. In discussing outcomes they have also identified some of the underlying principles that they would want to see built into any service provision. The outcomes were tested with a range of stakeholders through a number of sessions which, although focusing on heritage and conservation, gave us an opportunity to ascertain what is important to our stakeholders. In creating these outcomes the review team are mindful that a service which delivers value for money to the community is imperative.

6.3 The proposed outcomes are included in a chart at **appendix 3**

### Primary outcome:

Promote, enhance and build a better and sustainable environment for Cheltenham.

### Environmental outcomes

- To ensure the conservation and enhancement of Cheltenham's architectural and landscape heritage is conserved and enhanced
- Cheltenham's architectural and landscape heritage is well maintained and their long-term future is secured
- New developments meet high design and sustainability standards, respecting and responding to Cheltenham's special heritage identity.
- Biodiversity is protected and enhanced and the natural environment is able to adapt to climate change
- Existing buildings, including heritage assets, continue to be functional and fit for purpose as the climate changes

### Economic outcomes

- Cheltenham's architectural and landscape heritage and sense of local distinctiveness makes the borough a desirable location for businesses.
- Cheltenham's architectural and landscape heritage and sense of local distinctiveness creates an attractive environment where people choose to relocate in search of employment
- Cheltenham's architectural and landscape heritage and sense of local distinctiveness creates an attractive environment which attracts visitors

- Cheltenham's businesses are able to grow and invest in the borough through encouraging good quality new architecture designed for the future and ensuring historic buildings are flexible to business needs whilst safeguarding their special qualities
- Cheltenham's economy develops in a sustainable way which reflects environmental limits and the need to reduce carbon emissions.

### **Social outcomes**

- People have an improved quality of life and wellbeing through being able to access and enjoy formal and informal recreation and green spaces.
- People have an improved quality of life and wellbeing by enhancing and sustaining a sense of local distinctiveness and good design of new buildings
- People have an improved understanding of Cheltenham's cultural heritage
- People have an improved quality of life and wellbeing by maintaining a high quality built and natural environment
- People have influence over and are able to contribute to their local environment
- People live in safe, warm & affordable homes that meet their personal needs
- People have access to a wide range of social and community facilities

### **Value for money outcomes**

- People receive value for money from the services the Council provides
- The gap between the cost of delivery and fee income is reduced

6.4 As we are starting to progress a range of commissioning reviews it is evident that there needs to be linkages with the outcomes from the other reviews, so the outcomes have been tested against those being developed in leisure and culture, housing and green environment.

## **7. Current service delivery**

7.1 There are a number of services within the scope of the review but it is also obvious that defining outcomes for these services will also impact on other services eg parks and gardens, housing, economic development and car parking. However these areas have not been considered as part of this review in order to keep the review process to a manageable scale.

### **7.1.0 Building control**

7.1.1 Building Control seeks to achieve minimum standards of construction to ensure the health and safety of people in or around buildings and is also increasingly concerned with energy conservation and with access and facilities for disabled people. It has an enforcement role and this can result in action through the courts. The Building Regulations are a statutory framework against which the service provides advice and support to customers about safe, secure and comfortable buildings and so enforcement is generally considered to be a 'last resort'.

7.1.2 Tasks which the Building Control team undertake include:

- Assisting customers so that their projects are successfully completed and comply with the requirements of the Building Regulations
- Checking applications for compliance with the Building Regulations
- Site inspections to check for compliance with the Building Regulations

- Enforcement action relating to the Building Regulations
- Dealing with dangerous structures
- Providing help and advice on issues of inclusive design and access to buildings
- Assisting colleagues in the planning service
- Street naming and numbering
- Access audits
- Assisting with the resolution of dangerous structures and related incidents.

7.1.3 The Building Control service operates in a competitive market and there are numerous private sector suppliers of services. Building Control is required by government guidance to break-even on fee income.

7.1.4 Joint working with Tewkesbury Borough Council (TBC) has been operational since November 2009 through a Section 101 agreement where we deliver the services to TBC. This action was aimed at providing a resilient service which could be developed to work effectively within a competitive environment. There was also assessed to be a small financial benefit resulting from the loss of one manager and one support team member.

7.1.5 There are a total of 13.6 full-time equivalent (FTE) staff comprising. 3 (FTE)support officers, 9.6 (FTE) site inspection staff and 1 manager working across the two authorities.

## 7.2 ***Strategic land use***

7.2.1 This team provides the strategic framework within which spatial planning related to the community strategy outcomes can be delivered. This requires effective engagement both internally with officers and elected members and externally with statutory stakeholders and the wider public. The Localism Bill will require a review of engagement and the way in which services are delivered particularly in respect of activities undertaken with parish councils and community groups. The work of the team can be broken down across three strands which are set out below:

<b>Delivering the statutory development plan for Cheltenham</b>	<b>Monitoring and research</b>	<b>Stakeholder engagement</b>
Preparation and implementation of the Cheltenham Borough Local Plan and Cheltenham's Local Development Framework.	Land use monitoring.	Working with stakeholders and organisations across Cheltenham Borough in disseminating planning policies/advice/best practice.
Support preparation and management of Gloucester, Cheltenham and Tewkesbury Joint Core Strategy.	Preparing LDF annual monitoring report.	Working with divisions across the Council to input into spatial planning.
Delivering Strategic Environmental Assessment	Undertaking residential land availability and capacity	Working through the local strategic partnership to ensure the Sustainable

(SEA).	studies.	Community Strategy and LDF are co-ordinated and deliverable.
Providing advice and responding to planning applications and appeals – both in Cheltenham and neighbouring authorities where development has implications for Cheltenham.	Undertaking projects/research to support the strategic planning function.	Working with neighbouring local authorities.
Responding to national planning policies and proposals.		Working with parish councils.

7.2.2 There are 4.5 FTE staff in the team. One of these posts is a fixed term post shared by Cheltenham, Gloucester and Tewkesbury to support the JCS programme. For the past two years there has been a shared planning manager (0.5 of FTE) dedicated to supporting Tewkesbury Borough planning service, but it was recently agreed that due to capacity issues this arrangement should cease.

7.2.3 Through the Joint Core Strategy team, officers work across all three councils on a reciprocal basis. Currently one of the members of the team is on maternity leave and the development management team have seconded a member of their staff to support the JCS.

7.2.4 In April 2011 the team took over responsibility for housing enabling. Currently the postholder is on maternity leave and Tewkesbury has been offering support on a part time basis. However it has been recognised that this is not sustainable in the longer term.

### 7.3 ***Development Management***

7.3.1 The team manages the development of land and buildings within the borough, carrying out the Council's statutory obligations as set out in the legislative framework (Town and Country Planning Act 1990, Planning (Listed Buildings and Conservation Areas) Act 1990, Planning and Compulsory Purchase Act 2004). The objective is for development in the borough to achieve the aims and aspirations of national and local policy and create a better environment for Cheltenham, its inhabitants, workers and visitors.

7.3.2 The team assesses and determines a variety of proposals including applications for: planning permission (both building works and change of use); listed building and conservation area consent; advertisement consent; and certificates of lawful use or development.

7.3.3 The work can be broken down across two work strands as set out in the table below:

<b>The application process</b>	<b>Other services and activities</b>
<b>Validation</b> – acknowledge application, check relevant information provided and request any additional information needed.	<b>Duty planning officer</b> – provides advice to anyone who contacts the planning department (in person, email, phone).

<p><b>Consultation</b> - inform interested parties, neighbours, consultees and invite comments on proposal.</p> <p><b>Negotiation</b> – hold discussions with applicant and other interested parties to steer proposals successfully through the planning process. Identify flaws and opportunities for improvement.</p> <p><b>Determination</b> – most applications are delegated to officers, but planning committee determines contentious schemes.</p>	<p><b>Pre-application discussions</b> – with applicants ranging from private individuals to large corporations (chargeable and non-chargeable).</p> <p><b>Post-decision work</b> – appeals, amendments to proposals, monitoring of compliance with conditions and investigating and enforcing breaches of planning control.</p> <p><b>Councillor enquiries</b> – work closely with members to help with their case work.</p>
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7.3.4 There is a total of 16.5 FTE staff comprising a manager, 9.5 FTE planning/enforcement, 5 FTE support officers and an apprentice. As outlined above one FTE planner is currently seconded to planning policy on JCS work.

7.3.5 Key development management performance data

Indicator	result for (Q4 2010)	Previous quarter
% of apps decided within 8 weeks	88% (245 of 278)	84% (283 of 337)
% of major apps decided in 13 weeks	66.67% (4 of 6) (Target – 60%)	66.67% (4 of 6)
% of minor apps decided in 8 weeks	84.62% (33 of 39) (Target – 65%)	61.40% (35 of 57)
% of other apps decided in 8 weeks	90.13% (210 of 233) (Target 80%)	90.51% (248 of 274)
% of delegated decisions	91.67% (264 of 288)	92% (320 of 349)



**7.4 Urban Design**

7.4.1 The team consists of professionals in urban design, heritage, arboriculture and landscape architecture. They deal with projects and cases both proactively and reactively. The focus ranges from strategic (policy development, cross boundary issues) to detailed (building construction details, planting schedules, tree health, street design).

7.4.2 The team deals with a range of partners and customers – both internal and external – officers and elected members; central government, county and district councils; developers, property owners, members of the public, interest groups etc. Much of the work is now focussed on working with local community groups interested in improving or maintaining their environments (streets, parks, urban spaces, heritage assets, trees etc) which is in tune with the Government’s thinking on the Big Society but is resource intensive. The other major work strand is support for the Cheltenham Development Task Force.

7.4.3 The work can be broken down between two different work streams as set out below:

<b>Reactive work</b>	<b>Proactive work</b>
<ul style="list-style-type: none"> <li>○ The lead case officers for listed building consent and minor related planning applications, tree preservation orders and conservation area tree applications.</li> <li>○ Work with Development Management (and applicants) on planning and related applications, pre-application, enforcement, s.215, compliance, appeals &amp; court cases (expert witness) &amp; Planning Committee.</li> <li>○ Best practice, design advice and project support on traffic management, street design, maintenance and asset management to the Integrated Transport team, GCC and Gloucestershire Highways.</li> <li>○ The tree team manage CBC and CBH tree assets (3-yearly conditions survey, planting, remedial work, contract management etc) and management of tree response in adverse weather, accidents, damage to buildings etc.</li> <li>○ The Heritage team advises Property, Parks &amp; client divisions (listed buildings, registered parks etc).</li> <li>○ Support &amp; advise Cheltenham Development</li> </ul>	<ul style="list-style-type: none"> <li>○ Prepare &amp; adopt supplementary planning documents, development briefs, concept statements, conservation area character appraisals etc.</li> <li>○ Heritage organises Heritage Open Days, annual review of Local Index &amp; instigate repairs and s.215 notices.</li> <li>○ Project design &amp; implementation eg Civic Pride, street/space enhancement, public art, heritage repairs etc.</li> <li>○ Professional, design, funding &amp; project management advice on community projects eg DIY Streets, Jenner Gardens.</li> <li>○ Presentations to the public, interest groups, members &amp; officers on tree, heritage &amp; urban design issues.</li> <li>○ Work with University of Gloucestershire, Festivals and education work.</li> </ul>

<p>Task Force on planning, urban design, landscape and heritage issues.</p> <ul style="list-style-type: none"> <li>○ Support policy work on the joint core strategy.</li> <li>○ Advise developers, owners and prospective purchasers on responsibilities and other issues regarding trees &amp; historic buildings.</li> </ul>	
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The team is made up of a team manager, 2 FTE heritage officers, one landscape architect and 2 trees officers.

## 8. Other providers and market development

8.1 The review team considered what alternative models are available to the Council for delivering the services in scope. A paper was prepared for the member working group setting out examples elsewhere in the country where some of the services in scope have been outsourced, where decision making has been devolved to other public sector bodies such as parish councils, and where there are shared-services.

### *Outsourced models*

8.2 Urban Vision is just one of a number of organisations in the private sector that are providing planning services for local authorities. It is a joint venture between Salford City Council, Capita Symonds and Galliford Try. The Partnership employs about 500 people providing most built environment related services including planning and building control. They provide Salford City Council and Breckland District Council with a full development management service. They also provide a number of specific services to other local authorities, including minerals and waste planning service, handling public inquiries and hearings, planning enforcement, urban design, conservation and heritage services, strategic planning and the development of core strategies. . They recognise that every authority is different and has its own planning policy framework, corporate agenda and way of engaging with local members and local people and have indicated that they tailor their service to ensure that the service they provide is related directly to the local authority.

8.3 There is no doubt that if Cheltenham Borough Council should decide to outsource its planning services, there would be providers who could take this job on in a professional way. However, the question we have found difficult to resolve is whether outsourcing would or could deliver significant savings or a more efficient service. Authorities that have been down this path seem reluctant to engage with us on these points. We have also had difficulty in obtaining comparative performance data with neither Salford Council nor Breckland Council participating in the CIPFA benchmarking review.

8.4 Our own benchmarking suggests that the efficiency of our existing Built Environment services is not a major issue. We have an in-house service that generally delivers a good and efficient service and this is confirmed by the views expressed by our stakeholders. Furthermore there is a clear risk in outsourcing a service so central to the character and future prosperity of Cheltenham to an external agency. This being the case, the review concluded that going down the outsourcing route comprehensively is not appropriate at this time. However, stakeholders and the review group felt that there may be scope to procure elements of the service from other organisations on a "call off" basis to cover peaks in demand, or specific projects. It is appreciated that this already happens to a limited degree within the services in scope, but given the current economic climate and uncertainties around workloads, consideration could be given to reducing staffing to lower levels and using such an arrangement to provide additional capacity should demand for services

increase. It was recognised that any such decision would need to be subject to a costed business case, to ensure that both cost and quality considerations are addressed by any alternative delivery arrangement.

- 8.5 Although the review does not propose comprehensive outsourcing, it is important that the Council continues to compare itself with other authorities and particularly with those that have outsourced to see what we can learn from alternative models of service delivery. Therefore work is ongoing to explore with other councils why they decided to outsource their services and what benefits and/or challenges they have experienced - for example, what revenue savings have been secured, and how residual central service costs been absorbed. It will also be useful to explore with them how they propose to accommodate changes to planning legislation as set out in the Localism Bill and how they intend to address local setting in relation to planning fees, if they are tied to a contract with an external provider.
- 8.6 Notwithstanding the above the review group agreed that it would be appropriate that once there was certainty about the localism bill and planning fee legislation and its impacts in terms of income and expenditure was known, it would be sensible to undertake some soft market testing. In order to enable the division to fully implement such legislation it is proposed that this market testing is undertaken in 2013/14.

#### ***Voluntary and community groups***

- 8.7 Some elements of the work in scope particularly in relation to neighbourhood planning and consultation could be undertaken by the voluntary and community sector. An initial conversation has been undertaken with the Gloucestershire Rural Community Council, which currently supports parish councils in respect of parish planning. Depending how the Localism Bill progresses, the GRCC sees an opportunity to play a part in helping empower local communities. The review group felt that the dialogue with the GRCC should be maintained, once there is clarity about the Localism Bill and neighbourhood planning. The GRCC has already been approached to help support the work with parish councils to assist them through the JCS process. There is already a strong network of voluntary and community groups who support neighbourhood engagement. Again, as clarity develops on the Localism Bill, further dialogue needs to be had with the sector as to how they anticipate their community support role developing. The Commissioning division has responsibility for supporting market development within the voluntary and community sector and will need to ensure that there is dialogue and a close working relationship with the voluntary and community sector..
- 8.8 The Council already has strong links with the Cheltenham Civic Society. It plays an active role in the community and helps support the planning process by contributing its views through the consultation process and in running the successful Civic Awards and blue plaque schemes. The Council values the contribution the society makes and recognises the dedication of those involved. During the review, events were held with stakeholders where the Civic Society was given an opportunity to consider whether it would be interested in supporting further activity which might otherwise not be undertaken by the Borough Council due to resource constraints. There was a discussion among stakeholders about what, if any, wider role the Civic Society could take in supporting the Heritage team. Although the Society were interested in greater involvement, it acknowledged that its membership had limited technical knowledge. This would restrict it from taking a significant role in projects with a strong technical or legislative element (such as conservation area boundary reviews). The discussion concluded that the main role should continue to be “promotional” activity much as it currently undertakes (such as design awards, Heritage Open Days etc.) and that steps might be taken to see how this role could be expanded. The Society also cautioned that it has limited volunteer capacity. As part of the market development, it will be important to work with organisations such as Third Sector Services to ensure that volunteering for societies such as the Civic Society is promoted. During these stakeholder sessions, representatives from the Cheltenham Local History Society also flagged up the possibility of their skills being used to help promote heritage issues within the town and again, a dialogue needs to be maintained with them as to what opportunities there are to become more involved.

- 8.9 It was also recognised that there are a number of resident groups and “friends of” groups who have an interest in the built environment. It is important that there should continue to be a dialogue with them over specific issues within their areas of interest, as there has been with the Friends of Imperial Square and Gardens over the redesign of Imperial Gardens and with the Friends of Pittville Park over the potential restoration of Pittville Gates.
- 8.10 The Architects’ Panel also supports the planning process and the council is grateful for the work of the panel members, who give up their time to review design issues on selected planning applications and provide comments back as part of the process. During the course of the review, members of the panel felt that there was more that they could do to support the process and particularly mentioned the possibility of supporting the re-application process. Clearly there are issues in relation to commercial confidentiality, but if the applicants were willing, the panel may be able to provide upfront advice and support which could result in a speedier and more customer focused experience. Again, as with other groups, the review team felt that there needs to be an ongoing dialogue as to what opportunities there are to extend the remit and the skill-base of the panel.

***Other public sector provision***

- 8.11 Parish councils already have a role within the planning process and the localism bill envisages that this role could increase in the future. At the C5 meeting which is a meeting between representatives of the five parish council and the council, informal soundings were taken about their appetite to play a greater role in the planning process. They showed initial scepticism and wariness about the localism bill, wishing to see the final details. During the course of the review the council has contacted the parish councils asking them more formally about their appetite to play a greater role. [The 5 parish councils in Swindon Village, Charlton Kings, Prestbury, Leckhampton with Warden Hill and Up Hatherley](#) responded **unanimously with** the following views:
- Parish council views of development are often contrary to borough wide plans as most parishes don't want to see more development in or adjacent to their areas, particularly on greenbelt land.
  - **The creation of a tiered Planning System would be likely to create grey areas which would have a disastrous impact on existing communities and it is important that planning decisions across the borough are reasonably consistent and fit in with strategic plans for the whole borough.** The current arrangement of the borough council balancing the interests of communities across the town is the best option, particularly because there is professional expertise and capacity at borough level, which is not available at parish council given that the parish councillor role is voluntary. There is the risk that parish councils would be less able to resist pressure from large developers.
  - The advantages to parish councils may not outweigh the costs involved in investing. Being held liable for the costs of successful appeals against local decisions is a matter of serious concern. There would need to be written assurance that external funding was available to support these costs.
  - The value of existing parish plans is left unknown if neighbourhood plans come into being.

[However, parish councils do need to play a role in ensuring that the impact of any new developments on existing communities are carefully thought through.](#)

- 8.12 Any further comments will be updated at the cabinet meeting but the feeling so far is that there are grave concerns about the proposal that they take on more responsibility within the planning process. Of course not the entire borough is covered by parish councils and should parishes be given a greater role we would need to think about how we ensure consistency to other non parished areas.
- 8.13 As previously outlined some of the current services are already delivered through existing shared arrangements. A copy of the draft report has been sent to Tewkesbury Borough Council who are our partners in delivery of some of the services so that they are aware of the outcome of the review.

- 8.14 Tewkesbury make a natural partner for shared services in relation to the built environment because of the many cross boundary issues. The current JCS arrangements are working well and having stronger links with the Tewkesbury team has been beneficial and the review team would be keen to see this co-operative way of working continuing even if there are not more formalised shared arrangements.
- 8.15 Cheltenham has a shared Building Control service with Tewkesbury Borough Council and this has been successful in achieving the efficiencies and resilience set out in the business case which led to its creation. The service remains open to extending the scope of joint working in line with its business objectives, but any such decision will require buy-in from our local authority partner, based on a robust rationale. The review team was aware that there may be opportunities to explore widening the partnership for Building Control and that exploratory conversations had taken place with two other authorities but at the current time it was felt that the existing shared arrangements need to bed down and that any review could be considered when the partnership agreement is under review.
- 8.16 During the stakeholder sessions it was recognised that shared arrangements can deliver more service resilience particularly for small teams such as heritage and conservation. There seemed a genuine appetite from other heritage, tree, landscape and design officers and stakeholders to see if there can be more collaborative working across Gloucestershire including the archaeology section at the county council.
- 8.17 The review team were also aware of the opportunity to explore with Gloucestershire County Council whether there are ways in which we could be commissioned to deliver some of their services or whether there are opportunities to commission them to undertake certain aspects of service delivery for us. Currently the County Council are working with Gloucester City Council on Project Fusion (a project to deliver a range of shared services) and wish to deliver some outcomes from this work before considering how they might take this forward with other district councils. The relevant commissioning director at the County Council has been sent a copy of the draft report and ongoing dialogue will continue.

***Local authority company***

- 8.18 The project team has also explored whether there is an opportunity to consider a trading company model for some of the services under scope, such as Building Control. This service already works in a competitive market and the review team felt that there may be opportunities to explore different delivery models such as a trading company, social enterprise or management buyout. However, trading conditions are currently difficult and fee income levels are unpredictable. This is a difficult time to be, in effect, starting a new business. It is also questionable whether the savings gained by setting up a trading company are as substantial and they might seem, as the corporate overheads which are currently charged to Building Control would be in practice difficult to save if the service became an arms length company. Nonetheless it is felt that this option needs to be kept in mind and perhaps reconsidered when trading conditions improve.
- 8.19 For the reasons explained in this section, the review team does not recommend a major change in the way Built Environment services are delivered. The preferred approach which is supported by the Director of Built Environment is to further integrate the team, taking the opportunity of a downturn in service demand to further streamline the staffing structure.

**9. Consultation**

- 9.1 The Council took the opportunity to work with English Heritage on the review and secured a small sum of funding from them as part of a wider national review programme. It was evident from our initial discussions with English Heritage, that they recognised that Cheltenham heritage provided a unique selling point for the town. They were keen to support us with the review, particularly in view of the challenges and opportunities of having a large

conservation area, a significant number of listed buildings and a local index of buildings of architectural or historic interest. The funding was used to support a number of facilitated sessions with members, officers and stakeholders. The Council was pleased to secure the expertise of Les Sparks OBE, who had previously worked at Birmingham City Council and has a national reputation within the planning community.

- 9.2 The consultation involved several facilitated sessions with a range of stakeholders, members and officers as set out in appendix 5. The initial sessions did not include officers from the service areas, enabling a full and frank discussion about services and the outcomes which stakeholders wished to see delivered. Further sessions were then held which enabled all the parties to come together to share ideas. Despite perceptions prior to the events that different sectors would wish for different outcomes, there was remarkable alignment across attendees as to the desired focus of the service. The review team are grateful for the participation of all those involved and the willingness to support the process.
- 9.3 One of the main messages emerging from the sessions was the need for consistency and transparency in advice. The development industry had particular concerns about the planning process and some of the Planning Committee decisions, particularly where applicants had already received pre-application advice and there were discussions about how this advice could be better reflected within reports to assist members. Les Sparks undertook a further piece of work to review one specific planning refusal which had resulted in a lost appeal and reviewed the initial paperwork and appeal paperwork - a copy of his report is attached at appendix 6. His recommendations will be considered by the Planning Committee.
- 9.4 The stakeholders valued the work of the heritage and conservation team and the process raised questions as to whether the level of resourcing is sufficient for the town where heritage is such a key feature. In a constrained financial environment, providing additional staffing resources is not an immediately viable option. However, ensuring that the skills of our heritage staff are targeted and used to the best effect is a more realistic way forward. This would involve increasing heritage knowledge right across the planning service so that planning officers could deal with a wider range of applications, releasing the heritage and conservation team to focus more on higher profile developments and a more strategic approach to securing improvements - for example, a programme of Article 4 directions to remove permitted development rights in sensitive areas thus preventing inappropriate external changes to character buildings within the town's seven Conservation areas.
- 9.5 The work from the stakeholder sessions has been used to support the development of the outcome framework. The events were so successful in bringing together a range of stakeholders and sharing views about service improvement, that the review team believe the services in scope should run regular events with their customers to ensure that they get qualitative feedback and use the expertise and willingness of groups to support target outcomes.
- 9.6 The review was aware that the services in scope also undertake their own consultation with customers by way of surveys and these needs to be encouraged in the future.

## **10. Benchmarking**

- 10.1 Some of the services in scope have undertaken a benchmarking exercise co-ordinated through the Planning Advisory Service and the Chartered Institute of Public Finance and Accountancy (CIPFA). The purpose of the benchmarking exercise is to use the information to compare performance and costs with peers and to support more effective service improvement plans.
- 10.2 Along with 97 other councils, CBC submitted data on its activity, income and costs to CIPFA which was based upon one month activity and then multiplied up for the year. CBC then selected 11 similar authorities to be within its benchmarking group to compare itself with:

City of Lincoln Council  
 Gloucester City Council  
 Guildford Borough Council  
 Harlow District Council  
 Norwich City Council  
 Oxford City Council  
 Tunbridge Wells Borough Council  
 Watford Borough Council  
 Welwyn Hatfield  
 Worcester City Council

- 10.3 The data indicates that compared to the authorities within this group we have the second lowest costs for strategic planning, are in the second quartile (slightly better than average) for the costs of processing planning applications, the costs of compliance (enforcement) and the amount of income we generate from fees. We are in the third quartile (slightly worse than average) for the costs associated with “other” planning work.
- 10.4 From other benchmarking data, we know that Cheltenham has the highest costs and spends the most hours on appeals compared with other authorities. However, the number of planning appeals is less than 2% of the total number of applications. In recognition of this as an issue, the corporate strategy includes a commitment to monitor the proportion of planning decisions upheld at appeal on a quarterly basis.

Authority	Population	Total Reported Costs £'k						
		Applics Received (High is good)	Generic (Low is good)	Strategic Planning (Low is good)	Planning Applics (Low is good)	Compliance & Delivery (Low is good)	Other (Low is good)	Application Fees (High is good)
Oxford City Council	154	1444	341	567	651	132	259	665
Cambridge City Council	123	1222	550	470	857	185	604	547
Norwich City Council	136	1134	228	352	424	94	291	299
Guildford Borough Council	136	1973	314	434	930	185	578	624
<b>Cheltenham</b>	<b>112</b>	<b>1534</b>	<b>218</b>	<b>182</b>	<b>553</b>	<b>78</b>	<b>286</b>	<b>495</b>
Gloucester City Council	115	926	329	135	267	87	135	315
Welwyn Hatfield	108	1760	140	264	456	52	336	428
Tunbridge Wells Borough Council	107	1876	206	478	809	213	199	478
Worcester City Council	94	765	182	504	370	77	205	266
Watford Borough Council	81	880	280	449	829	137	243	275
Harlow District Council	79	315	87	214	197	41	112	123
Ranking within club	6	4	5	2	6	4	7	4
Ranking within 50 districts	22	19	34	24	32	17	41	22

Key to ranking of

quartile	Top quartile		3rd quartile	
	2nd quartile		Bottom quartile	

10.5 The project team has reviewed the benchmarking data and feel that it is a useful starting point, but is mindful of not drawing too many conclusions from it, due to the different ways in which authorities allocate costs and also the diverse nature and character of the built environment in each locality. The council has recently completed a further benchmarking exercise and we have just received the draft results. However they have been compiled on a different basis and this is making early comparisons difficult. The review team is mindful of the need for balance between cost and quality considerations and cautions against any suggestion that we should be seeking to be lower quartile for costs, regardless of the impact on services and the quality of delivery against target outcomes, which stakeholders clearly value.

10.6 The benchmarking exercise and further analysis has however highlighted some issues relating to support service recharges and the way that they are allocated across the range of built environment services. The review has given further consideration to this, so that there is clarity on allocations and what this might mean for different delivery models, using the experience from the work we are undertaking on the local authority company.

## 11. Systems thinking

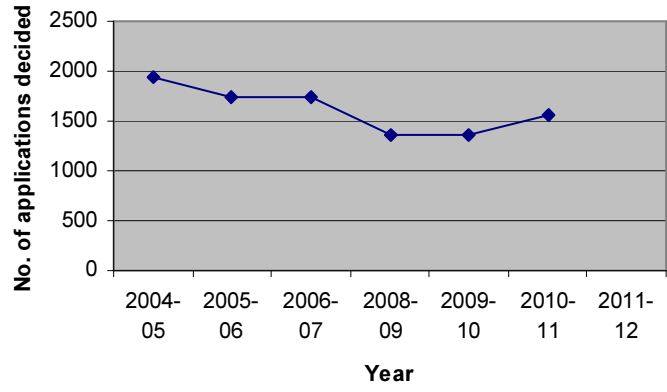
11.1 As part of the commissioning review of the Built Environment services, the project team requested that a systems thinking review be undertaken to assess how efficient current processes are. The review team has started by considering the planning application process, leading to a redesign of the way in which we process planning applications. The systems thinking approach was supported by the business transformation team, and led by 4 officers from the service. The review group was grateful for the way in which the officers involved with systems thinking work embraced the approach, and the enthusiasm they showed to ensure that the needs of the customer were paramount.

11.2 The system redesign has already identified efficiencies (such as savings in costs of courier services) but more importantly, has led to a better customer service, as once the planning officers has received an application they now contact applicants directly to introduce themselves and explain how the process will work. This helps overcome some of the concerns raised by members about how people perceive the planning process as a stressful experience, and the feedback to date from customers has been extremely positive. Evidence would also suggest that the revised process has started to result in a quicker turn around time for planning decisions. Using information available through the uniform system the typical turn around time from receipt of application to the issuing of a decision notice before redesign was 47 days, this has now been reduced to 42 days

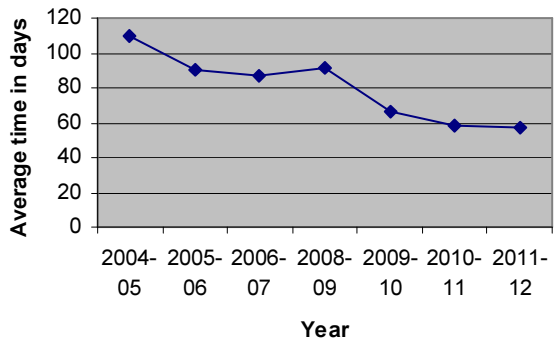
11.3 Set out below are some performance graphs for the development control area of activity which demonstrate that workload has dipped since the recession but also demonstrates how performance has improved over a similar period, and particularly demonstrates the marked improvement in timescales for dealing with validated applications.

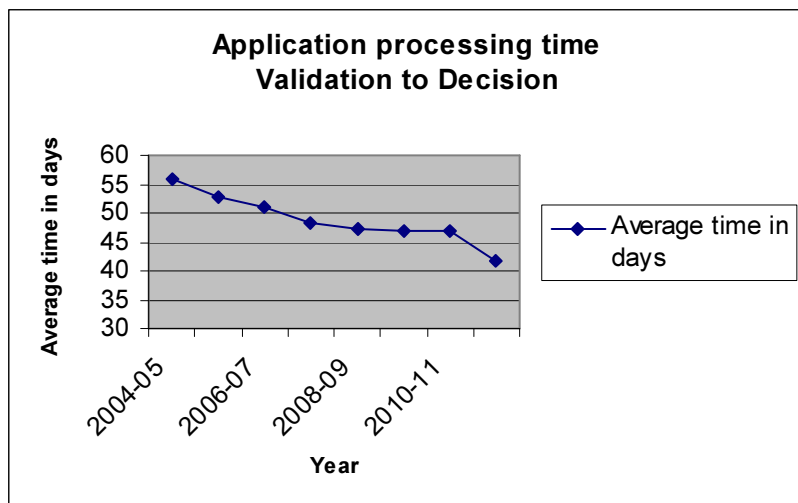


**No. of Applications Decided**



**Application processing time  
Registration to Decision**





- 11.4 The next areas for redesign are condition compliance, enforcement and appeals. The review group are keen to ensure that this approach to service management is embedded within the team, to ensure that there is continuous improvement review. Those involved with the current exercise believe that there are further efficiencies to be made in administrative processes, which have the potential to release capacity to support other priority areas for the delivery of outcomes.
- 11.5 The review also highlighted the opportunity to conduct a systems thinking review for Building Control, which the service manager is keen to participate in. The Commissioning division will build this into their work plan for 2012/13 and the division will need to explore how they will release capacity from within the building control team to support the systems thinking work.

## 12. Costs/savings and the MTFs

12.1 The costs associated with the services in scope are set out below:

Commissionable costs	Development Control and Urban Design	Heritage and Conservation	Strategic Land Use	Building Control	Total
Expenditure	113,400	0	148,100	590,400	<b>851,900</b>
Income and recharge to outside bodies	(462,900)	0	(26,600)	(659,100)	<b>(1,148,600)</b>
<b>Net operational budget</b>	<b>(349,500)</b>	<b>0</b>	<b>121,500</b>	<b>(68,700)</b>	<b>(296,700)</b>

Overheads - BE	642,500	78,100	19,400	23,400	<b>763,400</b>
Overheads – other divisional recharges	296,200	25,900	44,500	95,200	<b>461,800</b>
Recharges to other CBC services			(67,900)		<b>(67,900)</b>
<b>Net Cost of Service</b>	<b>589,200</b>	<b>104,000</b>	<b>117,500</b>	<b>49,900</b>	<b>860,600</b>

- 12.2 The Government has proposed that councils may be able to set their own planning fees to more closely reflect the costs of running the service. The legislation and detail of how this might work is yet to be finalised, making it difficult for the review group to draw clear conclusions about how this might work in practice. Clearly it presents a significant opportunity to raise more revenue and reduce the funding gap in the medium term financial strategy. Current estimates would suggest that the charging regime envisaged by the Government could generate an additional £200k income. However, if and when the new charging regime comes in, the Council will have to strike a balance between its wish to raise more income and its need to ensure that applicants are not adversely affected by the new fee levels. The Council has experience of setting building control fees which reflect the cost of delivering the service and this experience should be drawn upon when setting planning fees.
- 12.3 The benchmarking data will assist in the estimation of appropriate fee levels and the review team recommends that the cabinet should be mindful of the estimated amount when setting the medium term financial strategy but recognising that the actual amounts are uncertain until the legislation and guidance is finalised.
- 12.4 Set out at appendix 4 are the savings and additional income that have already been delivered by the services in scope. It can be seen that the accumulated savings amount to £434,800, with a reduced staffing of 11.1fte. This is impressive given that service improvement has improved over the same period (see graphs above). It can be seen that within the scope of the overall budgets this is a significant amount and the review team are mindful of how much more savings can be delivered without impacting upon service quality.
- 12.5 However the review group feel that there are some additional savings which can accrue through systems thinking, restructuring the service and through consideration of additional income particularly in areas which the council does not currently charge for.

### 13. Assessment of current service provision against the outcomes

- 13.1 The review group are of the opinion that the current service can deliver against the outcomes but recognise that the way in which the services are organised may need to change. The Director of Built Environment has already started a review of his division.
- 13.2 The 2011-12 budget round identified a revenue savings target of £30,000 from enforcement activities. However, our consultation in relation to the commissioning process has clearly identified strong enforcement as an essential component of creating a level playing field for developers and securing an effective approach to improving the built environment. Therefore these savings have to be achieved without reducing the service at the 'sharp end'.

13.3 The senior management restructure has provided the opportunity to bring together all aspects of built environment enforcement under a single team, encompassing private sector housing, heritage and planning compliance enforcement activities. Work to progress the new structure is currently underway.

13.4 The essential focus of the new enforcement team is to:-

- provide a co-ordinated enforcement response to built environment issues;
- underpin minimum housing standards, particularly in the private rented sector;
- ensure that unauthorised development is prevented, legitimised or removed;
- secure improvements by targeting eyesores, statutory nuisance, vacant buildings and inappropriate changes to the heritage of the town;
- help facilitate positive development and investment through the targeted use of compulsory purchase orders;
- provide an independent internal review mechanism for investigating complaints about breaches of the building regulations.

13.5 Subject to further internal restructuring, there is a clear opportunity to bring together other areas of enforcement under a single 'environmental enforcement' umbrella. This would include a range of functions currently within the public protection team, such as pollution, air quality and contaminated land.

13.6 There is already a significant degree of cross-divisional working between the strategic land use, development management and Urban Design teams; this includes regular input from strategic land use to pre-application discussions in relation to larger development sites and proactively prepared design concept statements and development briefs.

13.7 This co-operation extends to staff sharing for both operational and staff development reasons. For example, a member of the development management team was recently seconded to strategic land use for six months to assist with progressing essential work on the joint core strategy.

13.8 There is already a blurred line between policy development and Built Environment, with many of the local development framework policy documents being prepared, consulted upon and reported to members via Built Environment, rather than strategic land use. Examples include the extensive suite of Conservation Area Character Appraisals, Civic Pride urban design framework, 'Garden Land and Infill Development' and 'Residential Alterations and Extensions' supplementary planning documents. Bringing the strategic land use and development management teams together under a single service manager, would help to ensure an appropriate balance of resourcing is maintained between policy development and development management activities.

13.9 The outcomes are very clear about the need for the Built Environment services to help deliver a sustainable economic base based on maximising the value of the town's heritage, while at the same time delivering a service which meets the needs of the communities it serves. The challenge for the division will be to ensure that the resources within the team are used to best effect and that there is more targeted resourcing.

## 14. Developing an outcome service specification

14.1 The review group has concluded that at the current time the continuation of the in house and shared service arrangements are the most appropriate option. The Council has agreed that from April 2012, it will be a commissioning Council and will need to determine how such in house services are monitored, so that there is similar rigour and assurance to those services which are provided via alternative delivery methods.

- 14.2 Clearly, the Council does not wish to develop a bureaucratic or time consuming process, but there needs to be a degree of comparability to other services provided via a Commissioner/provider split. The review group is suggesting that the Commissioning division work with the Director of Built Environment and his managers to develop an outcome service specification, or service plan, which will provide a basis for performance monitoring and enable members to see that the recommendations from the review are progressed and delivered, as well as performance against the adopted outcomes framework.
- 14.3 It is proposed that this will be in place from 1 April 2012 for a three year period, with annual reviews.