

## **PRG: Example Improvement Story**

### **1. Planning Applications**

The Council's Performance Review Group (PRG) considers a Performance Digest report on a quarterly basis to identify emerging and existing performance challenges. The Digest report draws upon a wide range of information, including Directorate's own performance reporting and London-wide benchmarking data.

The Performance Digest report to December 2012 Performance Review Group identified that determination for 'other' and 'minor' applications as being in the bottom quartile for performance compared to other London local authorities.

PRG requested senior officers from the Planning Service attend on two occasions (April 2013 and November 2013) to consider performance issues and support improvement planning.

As a result, the service's performance has improved significantly. For example, Tower Hamlets is now the top performing borough for determining minor planning applications in 8 weeks – compared to 23<sup>rd</sup> out of 25 authorities in 2012/13.

The service is now better equipped to respond to changes and challenges associated with managing development in a dynamic inner-London borough such as Tower Hamlets. It is therefore considered that PRG intervention is no longer required although formal reporting through the Directorate's DMT and PRG Performance Digest will continue to take place. The service explicitly recognised the value of PRG's intervention.

	<b>Q3 2012/13 (1<sup>st</sup> LAPS Data)</b>	<b>Q2 2014/15 (Latest Data)</b>
Planning 'Other'	25 <sup>th</sup> out of 25 London LAs	13 <sup>th</sup> out of 25 London LAs
Planning 'Minor'	23 <sup>rd</sup> out of 25 London LAs	1 <sup>st</sup> out of 25 London LAs

\*25 authorities participate in the benchmarking

**PERFORMANCE REVIEW GROUP:  
PERFORMANCE SPOTLIGHT SESSION**

**1. General information**

<b>Name of measure / activity / area under review:</b>	Development Management – Speed of Planning Application Determination (NI 157 a) b) and c))
<b>Responsible service head:</b>	Owen Whalley – Head of Planning and Building Control
<b>PRG meeting date:</b>	18 <sup>th</sup> April 2013
<b>Item: (to be completed by Corporate Strategy &amp; Equality)</b>	Item 5

**2. Performance – Issues and Reasons**

Introduction

- 2.1 This report has emerged out of analysis of comparative Tower Hamlets performance, set against other London Boroughs in respect of the % of “minor” and “other” planning applications determined within the specified 8 week period (NI 157 b) and c) produced by the London Councils in its Dashboard Report dated December 2012. The quarter 1 figures for the period 2012/13 evidences that the Tower Hamlets is determining 37.4% of “minor” applications and 54.4% of “other” applications within in the statutory 8 week period (compared to a London Average of around 68% and 79% respectively).
- 2.2 For completeness, this report to PRG provides accurate details covering Tower Hamlets performance against all three performance criteria:
- NI157a) Percentage of planning applications (defined as “major” planning applications) determined within the statutory 13 week period.
- NI157b) Percentage of planning applications (defined as “minor” planning applications) determined within the statutory 8 week period.
- NI157c) Percentage of planning applications (defined as “other” planning applications) determined within the statutory 8 week period.
- 2.3 National targets directing the appropriate speed of planning application determination (England and Wales) requires the following targets to be met
- 60% of “major” planning applications should be determined within 13 weeks;
  - 65% of “minor” planning applications should be determined within 8 weeks;
  - 80% of “other” planning applications should be determined within 8 weeks.
- 2.4 Performance against these targets is reported to D&R DMT (on a quarterly basis) and performance is continually monitored across Development Management at team and individual level, through proper application of Performance and Development Reviews (PDRs) and regular case officer planning application caseload reviews, as directed by Planning and Building Control Service Plan targets and priorities.

### The “Planning Guarantee”

- 2.5 Against this background, the Coalition Government is closely monitoring performance against the speed of “major” planning application determination, with evidence suggesting that there has been a general decline in performance across England and Wales, with over 20% of “major” applications taking longer than 26 weeks to determine and 9% taking longer than a year. The Government suggests that delays in planning application determination processes can mean frustration, unnecessary expense for developers and delaying growth and investment opportunities.
- 2.6 A consultation document entitled “Planning Performance and the Planning Guarantee” (November 2012) focussed specifically on the speed and quality of “major” planning application decision-making, advising that special measures will be put in place where 30% or fewer “major” applications are determined within the statutory period or where more than 20% of “major” decisions are overturned on appeal (over a rolling two year period). The consultation document also introduced the concept of the “Planning Guarantee” which argued that no planning application (“major” or otherwise) should take more than a year to be decided, even where a planning appeal is involved. It advises that cases should take no more than 26 weeks to be determined by the local planning authority and states that where the application is determined outside the 26 week period, the authority will be obliged to refund the planning application fee. This requirement is likely to be a focus for 2013/14 and it is understood that the threat of these sanctions will be in place after further performance monitoring around September/October 2013. This target has been included within the 2013-14 Planning and Building Control Service Plan.
- 2.7 The consultation document strongly encourages local planning authorities to enter into “Planning Performance Agreements” with developers. Planning applications with associated signed Planning Performance Agreements are excluded from the performance statistics and would be excluded from the “Planning Guarantee” requirements. The significance of Planning Performance Agreements will be further highlighted in this report, when outlining measures and initiatives underway to resolve current performance issues.

### Comparative Data (through time and benchmarking)

- 2.8 LBTH receives around 3,000 planning applications year on year, with some of the largest and most complex development proposals requiring consideration/determination. No other London Borough deals with the scale of development and planning applications common to Tower Hamlets. The Borough’s town planning framework is very much driven and directed by the growth agenda, especially the requirement for a significant number of new homes (including affordable housing), new employment opportunities and the delivery of associated physical and social infrastructure to support housing and employment growth. There are significant political expectations that development proposed within Tower Hamlets should secure a range of local benefits and requirements and as a consequence, the extent and complexity of negotiations and the range of planning issues that require detailed consideration are involved, again more so than in any other London Borough.
- 2.9 Over previous years, LBTH performance against three National Indicators has compared relatively favourably with other comparative London Borough performance. The recent dip in performance against all criteria has been largely as a

consequence of major service re-structuring (required to deliver necessary savings), the time lag experienced in filling vacant posts following re-structure, the service impacts of dealing with subsequent planning application backlogs and the modification of working protocols to ensure that planning application workflow can accommodate new working arrangements. The comparative data is outlined in Table 1 below.

**Table 1**  
**Overall Performance (Compared to other London Boroughs)**

	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>Q.4 2012-13</b>
NI157a)	59.1%	39.3% (38.4%)	33% (59.5%)	33.3%
NI157b)	88.6%	72% (65.6%)	52.4% (68.6%)	68.7%
NI157c)	88.8%	68.9% (79.6%)	58.6% (80.3%)	71.07% (1)

Note: (London Average in brackets)

(1) The figures for Quarter 4 (2012-13) have not yet been fully audited.

2.10 “Major” planning applications are classified as any development proposal that seeks to deliver 10 new residential units or in excess of 1,000 sq. metres of commercial floorspace. A significant proportion of “major” applications received by Tower Hamlets fall within the “large scale major” category, where the number of residential units proposed exceeds 200 units or 10,000 sq. metres of commercial floorspace; again more than any other London Borough. Crucially, whilst other London Boroughs have seen a gradual dropping off of “major” planning application and pre-application submissions, there is still a significant interest in developing in Tower Hamlets with “large scale major” pre-application negotiations currently underway (London Dock/News International, Wood Wharf, Bishopsgate Goods Yard and a number of major sites on the Isle of Dogs) as well as significant “large-scale major” planning applications submitted for determination (City Pride/Island Point, Arrowhead Quay, Carman Street, Turnberry Quay). We are expecting 33 planning applications to be submitted in the next 2-5 years, seeking to deliver a total of 15,000+ new residential units of which 4,341 are expected to be affordable homes. The challenge continues to be focused around the management of a number of significant and complex “large scale major” planning applications alongside a more day to day “minor” and “other” planning application caseload. The contrast between these application types is more polarised in Tower Hamlets compared to other London Boroughs (in view of the scale of development the subject of “major” planning applications) especially as Tower Hamlets receives the most “strategic” planning applications compared with any other London Borough (“strategic” applications are defined as those referable to the London Mayor).

2.11 The Service has recently invested in some benchmarking data (2011-12), which compares Tower Hamlets against 15 other London Boroughs. This data indicates that Tower Hamlets provides the cheapest Development Management service per head of population. Significantly, it is also highest ranked as the cheapest Development Management Service, when considered as a percentage of net budget requirement. This is likely to be due to the high levels of planning fees generated by the “large scale major” application types submitted for determination and the relatively limited resources expended to deal with such significant and complex development proposals. In 2011-12 the Borough decided 110 “major” applications and only Southwark (out of the benchmarking sample) determined more “major” applications during the same period (112 applications) although it is most likely that the proportion

of “large scale majors” determined by Southwark was lower than that determined by Tower Hamlets. It is worth noting that Southwark was ranked the most expensive service amongst the 15 comparable Borough sample and provided the most costly Development Management service as a proportion of its net budget requirement.

- 2.12 Following the savings made through the Planning and Building Control re-structure and in view of the level of planning fees that are still being received by the Borough exceeding expectations (even with current recessionary pressures) the service has probably become even more cost effective, compared to other comparable London Boroughs. This will need to be continually monitored to ensure that resources are available to deal with the “large scale major” applications, which take longer to determine within the statutory period and require significant resources to facilitate a robust determination process.

#### Performance 2012-13

- 2.13 The performance for the financial year (2012-13) is outlined in Table 2 below. This indicates a significant dip in performance during the first quarter, which was also a feature of the last quarter of the previous reporting year (2011-12) influenced partly by the departure of key personnel late in 2011 and the unsettling impact of the re-structure arrangements.

Table 2  
Performance Statistics 2012-2013

- 2.14 After such a poor first quarter performance (NI 157a) - 35.7%, NI 157b) – 37.74% and

NI Indicator	2011-12	1 <sup>st</sup> Quarter 2012/13	July 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013
NI157a		35.71	75.00	N/A	14.29	33.3	N/A	55.56	38.46	50	N/A
NI157a YTD	39.25	35.71	39.13	34.62	30.30	28.95	27.5	32.65	35	36.96	33.33
NI157b)		37.74	42.86	54.55	42.86	74.36	51	62.7	69.06	59.52	73.91
NI157b) YTD	72.03	37.74	37.2	40.87	41.29	45.16	46.35	48.42	49.90	50.65	52.48
NI157c)		54.39	48.05	40.74	61.4	65.57	58.6	61.9	70.78	65.85	74.14
YTD		54.39			52.22			55.32			58.73

NI 157c) – 37.14%) it has been very difficult to lift the Year to Date (YTD) performance to 2011/12 performance levels (especially in respect of the NI 157b) and NI 157c) categories). However, it is significant that monthly performance has improved markedly in these two categories over the last two quarters (Oct-Dec 2012 and Jan-Mar 2013) following the bedding down of the post re-structure Development Management staffing/reporting protocols, especially following the filling of long-standing vacant posts, re-training and recruitment within the Applications Support Team, the consequential speeding up of the validation process and the stricter monitoring of planning officer performance against NI 157 a), b) and c). Performance has gradually improved and in March 2013, the service determined 73.9% “minor” applications and 74.14% “other” applications within the statutory period. This

performance management regime will continue into the next monitoring period (2013-14) linked to Service Plan targets and individual PDRs.

- 2.15 The % of “major” applications determined within the statutory period remains below target and initiatives are underway to lift this figure during 2013-14, as required by the Coalition Government’s recent consultation documents and its publicised “Planning Guarantee”. Further details of this will be outlined in later sections of this report.
- 2.16 Even though the speed of determination has dipped, there has been surprisingly little evidence (anecdotally) that customer satisfaction has been materially affected. Any complaints have been around delays associated with planning application validation and applicants have generally been satisfied with the speed of determination once a planning officer is in receipt of a valid planning application and are supportive of the Service; bearing in mind the challenges associated dealing with high levels of complex, large scale developments alongside more minor application submissions. It is generally considered (again anecdotally) that officer effectiveness and efficiency has been largely maintained under difficult circumstances, especially with the Service operating in a state of flux whilst fully implementing the service restructure.
- 2.17 The Service re-structure was completed around November 2011 and implementation commenced early in January 2012. This involved the modification of planning application team structures and reporting lines to provide a more localised approach to planning application determination with each team dealing with the full range of planning application types (including “strategic” applications referable to the London Mayor) and the introduction of a Pre Applications Team. Only a small number of senior staff members were able to be assimilated into the new structure, which meant that a significant interview process had to be undertaken, with significant competition amongst staff for the new posts. Whilst this provided significant career opportunities for existing staff to progress to more senior positions, filling these posts was drawn out and created vacancies elsewhere in the Section. With other staff leaving the authority for various reasons, this left significant gaps in staffing resources during this critical period which inevitably impacted on the ability of the service to maintain previous performance levels.
- 2.18 The staff “churn” and the filling of subsequent vacant posts (with all posts occupied) was finally completed in February 2013 (over 12 months from the commencement of the implementation stage of the re-structure process). The Section continues to respond effectively to staff vacancies as and when they arise and it is crucial that vacant posts are filled quickly to ensure service continuity.
- 2.19 There have also been a number of situations where the Strategic Development and Development Committee have refused planning permission for schemes contrary to officers’ advice (6 planning applications by SDC - around 35% of cases considered and 5 planning applications by DC – around 15% of cases considered). These planning refusals (especially SDC cases) were invariably appealed, which meant that officers had to be taken out of day to day planning application duties to deal with the subsequent appeals/public inquiries to ensure that the Council’s stated position can be robustly defended on appeal. It is worth noting that with all SDC 2012-13 overturned cases, the Council’s position has not been supported by either the London Mayor or the Planning Inspectorate and the resource implications of defending these decisions has been significant (in terms of opportunity costs as well as real costs).

2.20 The planning application determination period commences from the receipt of a valid planning application and previous delays in the validation and subsequent consultation process made it very difficult for planning officers to determine applications within the specified period. This has now largely been resolved following the filling of vacant posts and re-training of staff operating within the Application Support Team. Targets directing the speed of planning application validation is now included in the 2013-14 Planning and Building Control Service Plan.

### **3. Budget/Resources**

3.1 The main cost element of a Development Management budget is staff salaries, consultation costs and costs associated with the provision of external advice (including, viability advice, environmental impact assessment advice and legal advice/advocate services advice – appointment of Counsel/Queen’s Council to cover public inquiries and applications for Judicial Review). The primary income elements are planning application fees and the fees associated with general advice (including pre application advice and costs recovered through the provision of general advice).

3.2 It is usually the case that the Development Management Service is cost neutral with the service funded out of the planning application fees received, with some circumstances where planning applications fees received introduces a slight budget surplus by year end. This provides evidence that the level of planning application submission and the scale and complexity of development proposals, linked to the number of “large scale major” applications being submitted and one that the Development Management Section will need to continually manage in terms of available staff resources to respond effectively to service demands.

3.3 Development Management has been required to rely on agency resources for part of this period, covering vacant posts and ensuring that performance gradually improves throughout this difficult period. This further indicates the pressures the Service has been under in terms of maintaining performance against NI157 a), b) and c) whilst seeking to deal with challenging resource constraints, again significantly influenced by changes in organisational structure and a Service being required to operate in a state of flux throughout 2012-13.

3.4 The structure has been further tweaked, changing Planning Officer graded posts (SO1 – PO3) to Graduate Planner graded posts (SC6 – PO2) to provide opportunities for graduates to join the organisation and to deal with a larger number of more straightforward planning application types, thereby giving more experienced officers time to deal with the more complex and involved applications and realising further savings in the salaries budget.

### **4.0 Improvement Planning**

4.1 Since the summer of 2012, various initiatives have been on-going with a view to resolving the underlying issues that have affected the performance of the Development Management Service. The initiatives are inter-related and in view of the continual submission of planning applications and the need to maintain a throughout of planning application decisions at any one time (irrespective of the time taken) it takes time for the full impact of these initiatives to be fully realised in terms sustainable improvements in the speed of planning application determination.

- 4.2 Each of these initiatives is included within the Improvement Actions listed below and are further outlined in the supporting text (paragraphs 4.3 - 4.15).

<b>Improvement Actions</b>			
<b>Activity</b>	<b>Key Milestones</b>	<b>How will this impact performance?</b>	<b>Progress to date</b>
<b>Dealing with backlog of historic planning applications</b>	Deletion of all out of time historic cases that are no longer needing to be progressed	The planning applications database was historically overloaded with out-of-time/forgotten-about planning applications, which represented a significant distraction when seeking to improve performance and the quality of information.	This was 90% completed over the summer period. A final trawl is scheduled for the end of April and once this has been concluded, the only "live" applications will be those that are being actively considered by existing staff.
<b>Reducing on-hand "out-of-time" applications without significantly affecting "in-time" performance</b>	<p>Reducing the level of on-hand out-of-time applications to below 30% (as a proportion of the total of on-hand applications)</p> <p>Having specific targets associated with the determination of applications for approval of details, thereby providing suitable focus and priority.</p>	This will return the service to previous performance standards, with true focus on dealing and managing in-time performance.	Since November 2012, significant progress has been made in relation to the number of out of time cases in the system. It is hoped that the 30% target figure should be secured by the end of the 1st quarter of 2013-14.
<b>Focus on application validation – validating planning applications in 8 working days (from receipt of a valid application)</b>	This target is now monitored, is included as part of the Service Plan and is integral to the management of individual and team performance (through PDRs etc). Monitoring of this target will be on-going throughout 2013-14,	This will ensure that planning officers receive a complete and valid planning application early in the 8 or 13 week determination timeframe and have sufficient time to carry out the duties expected of them prior to the expiration of the statutory period. It should have a significant positive impact on the proportion of planning applications determined within the statutory period.	Following retraining of staff, the filling on long standing vacancies and the introduction of planning application validation protocols, the speed of validation has improved markedly. This has had a positive impact on the speed of



<b>Improvement Actions</b>			
<b>Activity</b>	<b>Key Milestones</b>	<b>How will this impact performance?</b>	<b>Progress to date</b>
			application determination overall.
<b>Use of Planning Performance Agreements</b>	Improving major in-time performance, securing 60% in time target per quarter by the end of 2 <sup>nd</sup> Quarter of 2013-14.	<p>Entering into a Planning Performance Agreement takes the relevant planning application out of the application monitoring regime, which should have a positive impact in respect of the proportion of “major” applications determined within the 13 weeks – assuming the Service performs well against the fewer “major” applications that are not covered by Planning Performance Agreements.</p> <p>The degree of success however is reliant to a certain extent on the Strategic Development and Development Committees not overturning officers’ recommendations.</p>	Planning Performance Agreements are now actively being considered in relation to all new “major” planning application submissions, although where officers are satisfied that “major” applications can be easily determined with 13 weeks, the case is determined without a Planning Performance Agreement in place so that the authority can benefit from a “major” application determined within the 13 week period, thereby improving overall performance against NI157a).
<b>Individual Performance Monitoring and Management</b>	Production of bespoke individual performance reports, to be used as a performance management tool – linked to regular case reviews and PDRs.	Regular review of individual and team performance. This should drive improvements in in-time case performance, deal with under-performance of individuals, introduce competition between teams and individuals and provide a consistent focus for future PDRs and case reviews.	This report has now been produced and is soon to become operational. Linked to more accurate individual officer case listing and clarity over expiration dates, performance should significantly improve throughout 2013-14.
<b>Development Management Guidance Manual</b>	Finalisation of the Manual in accordance with the targets	Whilst not directly impacting on performance, this document will be seen as the primary information source	Work is due to commence on the document early in 2013-14, once the

Improvement Actions			
Activity	Key Milestones	How will this impact performance?	Progress to date
	outlined in the Planning and Building Control Service Plan 2013-14	associated with Development Management operational protocols. There will be a performance element to the document, with service expectations and targets outlined explicitly, as well as detailed working practices required to facilitate the successful application of service standards.	historic backlog has been cleared and the number of out of time cases as a proportion of cases on hand has further reduced (to around 30%).

## Background to the Initiatives

### Tackling the backlog of historic undetermined planning applications

- 4.3 The Planning Applications database (Acolaid/ldox) had a large number of “open” planning applications (“live” on the applications database) which historically were not “closed down” and cleared off the system. These applications appeared on land charge searches and on the GIS database and provided planning application information which was out of date and un-reliable and did not satisfactorily reflect the applications “live” on the planning applications database.
- 4.4 During summer 2012, planning applications were “closed down” and removed from the applications database and there is now significantly greater clarity as to the number of “live” planning applications on-hand and requiring determination by existing staff members. When officers leave the Council, there is now a clear re-allocation procedure adopted to make sure that the service keeps a clear audit trail as to the case re-allocation.
- 4.5 This work requires some further checking to make sure that the application database is fully up to date, as it is likely that there remains some rogue planning applications that still need to be deleted from applications database. This should be finally completed by April 2013.

### Reducing the “live” on hand cases across the Section as well as the number of “out of time” cases as a proportion of “in time” cases

- 4.6 Since November 2012, significant effort has been undertaken to reduce the number of “live” on hand planning applications and in particular the number of live applications outside the statutory determination period. It was recognised that the only way performance was to improve was to actively deal with the “out of time” backlog, whilst improving the speed of determination of planning applications that were being registered/validated (post November 2012).
- 4.7 The number of “out of time” applications as a proportion of “on-hand” planning applications is reviewed on a weekly basis (since November 2012) with meetings taking place with the relevant Planning Applications Area Teams to review and direct progress, to reduce the out of time backlog, whilst

maintaining focus on dealing with “in time” applications within the statutory period.

- 4.8 By the end of March 2012, the on-hand caseloads had reduced by around 25%. The aim is to further reduce the on-hand caseload by a further 10% by the end of April 2013.
- 4.9 It has also become increasingly apparent that officers need to be on top of planning applications that seek approval of details. These cases are not monitored either locally or nationally. The backlog of approval of detail cases has been part of the reason for the excessive number of outstanding on hand cases and the challenges associated with balancing workloads and maintaining appropriate focus on “major”, “minor” and “other” planning application determination.
- 4.10 The 2013-14 Planning and Building Control Service Plan has introduced a target for dealing with these application (80% of such cases determined within 11 weeks) to ensure that these application types are afforded suitable priority and are resolved in a timely manner.

#### Focus on Validation

- 4.11 Since January 2013, targets have been introduced to ensure that planning application validation takes no longer than 8 working days, with individual targets specified for each part of the validation process (initial inputting of data, officer checking, scanning of information and consultation) with this overall timeline included within the Planning and Building Control Service Plan and highlighted as part of the forthcoming PDR regime for 2013-14.

#### Proper Application of Planning Performance Agreements

- 4.12 With “major” planning applications, local planning authorities are encouraged to enter into Planning Performance Agreements with developers, to identify and agree mutually acceptable timeframes to determine the relevant planning applications. The Government has re-emphasised this through the “Planning Guarantee” consultation document and the default position is now to enter into Planning Performance Agreements in respect of “major” applications unless it can be guaranteed that the application is able to be determined within the 13 week statutory period. This will have the effect of taking a number of “major” applications outside the performance monitoring regime, with only those “major” applications likely to be determined within 13 weeks being included and reported. Consequently, the percentage of “major” applications determined within 13 weeks should increase during 2013-14.

#### Individual Officer Performance Management

- 4.13 Following detailed interrogation of the planning applications database and the building of bespoke reporting tools, it is now possible to accurately determine individual officer and team performance across the NI 157 a), b and c) performance measures, as well as across application types that fall outside these National indicators. An example of this performance management tool is attached as Appendix 1 of this report.

- 4.14 This provides a firm basis for future performance management of staff and teams and especially the under-performance of individuals. Monitoring and individual and team engagement will take place on a monthly basis with regular review of an individual's on-hand caseload on a weekly basis. This performance management tool also introduces healthy competition between individuals and teams and should be the focus of sustained improvement in performance, returning the service to previous levels and utilising resources more effectively.

#### Production of a Development Manual

- 4.15 It has been a long standing service commitment to produce a comprehensive Development Management Guidance Manual, which will outline various service protocols, service expectations and performance indicators, linked to PDR and Service Plan targets. The production of such a document is included in the Service Plan 2013-14 and would bring together the various performance management work streams under one comprehensive guidance document.

### 5.0 Risk Management

- 5.1 Sustained improved Development Management performance (meeting recognised targets and standards) is heavily reliant on securing a suitably experienced range of planning officers to carry out the varied tasks expected of them. It is also important that the service has the ability to respond quickly and effectively to peaks in service demand, so that workloads can be effectively managed and service expectations maintained (bearing in mind the significant planning application fees paid in respect of some "major" planning applications). It is important that officers are not unreasonably taken off existing projects to carry out other tasks.

Risks				
Description	Likelihood (out of 4, 4 highly likely)	Impact (out of 4, 4 major impact)	Score (out of 16)	Controls
Not being able to recruit quickly to staff vacancies, being unable to effectively respond to peaks in service demand.	3	4	12	There is limited opportunity to control this risk as currently recruitment of temporary staff to manage peaks in service demands is required to be reported to People Board leading to delays.
Strategic Development Committee and Development Committee overturn officer recommendations – resulting in planning appeals and delays in planning application	3	2	6	Officers are soon to embark on Member training – to outline the Council's planning policies and the reasons why certain applications are recommended for approval.  To generate open dialogue on the various planning issues facing the Borough and to re-energise the professional relationships between officers and Members of the Strategic Development and Strategic Development Committees

determination.				
The Council being placed on special measures by DCLG as outlined above	1	4	4	In view of the performance management arrangements outlined in this report, it is considered unlikely that this risk would become an issue.

## 6. Governance and monitoring arrangements

- 6.1 Monitoring arrangements (through D&R DMT) will continue with performance reported on a quarterly basis. Performance monitoring and management of teams and individuals will take place on a monthly basis with case reviews and case monitoring taking place weekly to ensure that the “out of time” backlog is reduced and “in time” performance maintained and improved.
- 6.2 Performance management will be a standing item in respect of PDRs, case reviews and 1-1s as the service progresses through 2013-14.

## 7. The role of PRG

Action	Date	Impact
PRG should consider supporting a proposal from officers to People Board to explore and agree ways in which Development Management might be able to bypass standard recruitment protocols where recruitment is not financially disadvantageous to the Council, thereby allowing it to respond more effectively to fluctuations in service demands whilst ensuring that Development Management maintains its reputation as a cost effective and value for money service.	a.s.a.p	As outlined in this report, the inability of the service to properly manage recruitment drag and to effectively respond to increases in service demand impacts significantly on its ability to maintain performance standards during a period to re-structure and change.

### PERFORMANCE REVIEW GROUP: PERFORMANCE SPOTLIGHT SESSION

## 3. General information

<b>Name of measure / activity / area under review:</b>	Development Management – Speed of Planning Application Determination (NI 157 a) b) and c))
<b>Responsible service head:</b>	Owen Whalley – Head of Planning and Building Control
<b>PRG meeting date:</b>	21 November 2013
<b>Item:</b> <i>(to be completed by Corporate Strategy &amp; Equality)</i>	Item 3

#### 4. Introduction and Background

- 2.1 Back in April 2013, the Performance Review Group (PRG) considered a report on the performance of the Development Management Section of the Planning and Building Control Division (set against the speed of planning application determination indicators – NI 157a, b) and c)). That report outlined the NI targets, reviewed performance against the various indicators (2010/11, 2011/12, 2012/13) and provided details of a 6 Point Action Plan to address any shortcomings to ensure that improvements made could be sustained.
- 2.2 At the time of previous referral, the figures for the period 2012/13 Year-to-Date (YTD) evidenced that LB Tower Hamlets was determining 37.7% of “minor” applications and 54.4% of “other” applications within in the statutory 8 week period (compared to a London Average of around 68% and 79% respectively). Performance against “major” applications was also below the London Average.
- 2.3 The PRG requested that an update report be presented (after 6 months – November 2013) to review progress made in the interim and the extent to which the improvements made have been sustained to address and overcome previous service performance concerns.
- 2.4 As a reminder, the three performance criteria are detailed below:
- NI157a) Percentage of planning applications (defined as “major” planning applications) determined within the statutory 13 week period.
- NI157b) Percentage of planning applications (defined as “minor” planning applications) determined within the statutory 8 week period.
- NI157c) Percentage of planning applications (defined as “other” planning applications) determined within the statutory 8 week period.
- 2.5 National targets directing the appropriate speed of planning application determination (England and Wales) requires the following targets to be met
- 60% of “major” planning applications should be determined within 13 weeks;
  - 65% of “minor” planning applications should be determined within 8 weeks;
  - 80% of “other” planning applications should be determined within 8 weeks.
- 2.6 PRG will recall that the Coalition Government is closely monitoring performance against NI 157a) (speed of “major” planning application determination). The Coalition Government advised at the time that local planning authorities will be put under special measures where 30% or fewer “major” applications were determined within the statutory period or where more than 20% of “major” decisions were overturned on appeal (over a rolling two year period). The other measure introduced was the concept of the “Planning Guarantee” which argued that no planning application, “major” or otherwise should take more than a year to decide. The Planning Guarantee advised that where an application was determined outside a 26 week determination period, the authority will be obliged to refund the planning application fee.
- 2.7 By way of an update, whilst LB Tower Hamlets was not placed under special measures, 14 local planning authorities did not manage to avoid such measures (including LB

Barnet, LB Lewisham and LB Lambeth). However there is no room for complacency as the Council only marginally “missed the cut” with 33.1% of “major” planning applications determined within 13 weeks (between July 2011 and March 2013).

- 2.8 The Planning Guarantee is now in place and applies to planning applications received post 1<sup>st</sup> October 2013. The 26 week deadline will continue to be monitored as part of the 2013-14 Planning and Building Control Service Plan and will be regularly monitored by Development and Renewal Departmental Management Team. The monitoring target would be set to ensure that no planning applications are determined outside the 26 week period (with no planning application fees refunded).
- 2.9 The only circumstances where the Planning Guarantee would not ratchet into place would be related to those occasions where the Council has entered into a Planning Performance Agreement or is able to formally agree an extension of time with the applicant. These measures and practices are outlined in more detail in later sections of this report.

### **Comparative Data (Update through time and benchmarking)**

Table 1

Overall Performance (Compared to other London Boroughs)

	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>1<sup>st</sup> April – 31 October 2013</b>
NI157a)	59.1%	39.3% (38.4%)	33.3% (59.5%)	44%
NI157b)	88.6%	72% (65.6%)	54% (68.6%)	83%
NI157c)	88.8%	68.9% (79.6%)	60% (80.3%)	82%

Note: (London Average in brackets)

- 2.10 This table shows that performance since the previous PRG meeting (performance against the various NIs) has improved markedly with the % of applications determined within the prescribed period having now returned to 2010/2011 performance levels (although with the exception of NI 157a). That said, performance against NI 157a) is now on an upward trend and it is envisaged that by the end of Q4, the service is seeking to have determined 60% of “major” applications within 13 weeks within the 2013-14 monitoring period. Improvements in performance in respect of “major” applications can have an immediate impact on overall annual performance, in view of the relatively small sample size. Measures are now in place to ensure that no case (received after 1<sup>st</sup> October 2013) remains undetermined after 26 weeks and to ensure that the performance against NI 157a) continues to improve month on month with the objective of securing a 60% determination rate (across Q1, Q2, Q3 and Q4) by 31 March 2014. The general expectations outlined in the April 2013 PRG report have now been realised.

### **3.0 Service Development Issues – Linked to Budgetary Pressures**

- 3.1 The April 2013 PRG report outlined the implications of the 2012 Planning and Building Control Restructure and the resultant staff churn which was required to new staffing structures, modified delegated arrangements and changes to managerial responsibilities. This has now been largely resolved and the Section is now enjoying a period of staff stability. There is a realisation that the Section is operating more

effectively as a unit, fully embracing area team working. Staff members are being given opportunities to extend their range of capabilities, allowing them to operate at a significantly higher level, compared to the situation prior to service re-organisation.

- 3.2 The service is due to be challenged further following, with the pending departure of Pete Smith (Development Manager) but arrangements have been quickly put in place to recruit to this post in order to maintain service continuity. It is hoped that a replacement should be in post around the time of Pete's departure (19<sup>th</sup> January 2014). The service is now more resilient to change and is able to respond quickly and positively to changing circumstances.
- 3.3 A further dynamic that has assisted performance overall has been a greater acceptance by Strategic Development Committee of officers' recommendations. Overturned officer recommendations was an issue raised back in April 2013 as such decisions, especially in respect of "major" applications, resulted in a relatively high level of planning appeals heard by way of public inquiry. This placed resource pressures on both the Development Management Section as well as other Council Services (including legal services and highways and transportation). Planning appeal activity within the Section (especially public inquiries) has been more limited during 2013-14, which has allowed the service to direct greater focus on speed of determination and the proper allocation of resources.
- 3.4 Strategic Development and Development Committees regularly receive reports on planning appeal outcomes which represents a useful aid-memoir when Members assess planning merits on a case by case basis. It also serves as a useful aid when carrying out Member training sessions.
- 3.5 The application validation process has become more streamlined since the previous PRG Report. Case officers now receive valid planning applications in a timely manner, to provide adequate time to properly advertise and consult, to assess the planning merits of proposed development, to carry-out robust site inspections and to draft comprehensive reports and decision notice dispatch within prescribed timeframes.
- 3.6 The service has experienced a general uplift in workload, which is currently reflected across London as the UK emerges out of recession. This uplift is reflected by increases in the number of planning applications submitted but specific to Tower Hamlets, an increase in large scale major applications submitted/due to be submitted. For example, since the last PRG report the Council has received an application to redevelop the former News International site in Wapping as well as the redevelopment of Newfoundland Wharf on the Isle of Dogs. The Service is also fronting/managing the Council's input into the current Thames Tideway Tunnel Examination in Public. Planning applications are due to be submitted in respect of Wood Wharf (proposing around 3500 new residential units alongside commercial floorspace) and pre-application discussions are on-going in respect of Bishopsgate Goodsynd (proposing 1400 new residential units).
- 3.7 The Section has created additional temporary fixed term contract positions to enable the service to respond to these increased service demands; additional resources being cost neutral, funded out of additional planning application fees as well as bespoke pre application fee arrangements. There is clearly little sign that developers are not willing to invest in the Borough and the Section is well placed to respond to this demand, ensuring that the Council maximises the benefits arising whilst maintaining service standards.





## 4.0 Improvement Planning

4.1 The April 2013 PRG report outlined a 6 Point Action Plan to deal with the application backlog and to resolve a number of performance issues. This Action Plan is reproduced below – outlining any further progress.

4.2 It also outlines further actions necessary to respond to the Planning Guarantee initiatives.

Improvement Actions			
Activity	Key Milestones	How will this impact performance?	Updated Progress
<b>Dealing with backlog of historic planning applications</b>	Deletion of all out of time historic cases that are no longer needing to be progressed	The planning applications database was historically overloaded with out-of-time/forgotten-about planning applications, which represented a significant distraction when seeking to improve performance and the quality of information.	This has now been completed and the only planning applications “live” on the applications data-base are those that are being actively considered by existing staff.
<b>Reducing on-hand “out-of-time” applications without significantly affecting “in-time” performance</b>	<p>Reducing the level of on-hand out-of-time applications to below 30% (as a proportion of the total of on-hand applications)</p> <p>Having specific targets associated with the determination of applications for approval of details, thereby providing suitable focus and priority.</p>	This will return the service to previous performance standards, with true focus on dealing and managing in-time performance.	Since November 2012, significant progress has been made in relation to the number of out of time cases in the system. We are now down to around 50% of out of time applications (as a proportion of the total of on-hand applications). This will need to be further reduced – now that the Planning Guarantee is in place as applicants will be expecting planning application fee refunds, if cases remain undetermined after 26 weeks.

<b>Improvement Actions</b>			
<b>Activity</b>	<b>Key Milestones</b>	<b>How will this impact performance?</b>	<b>Updated Progress</b>
<b>Focus on application validation – validating planning applications in 8 working days (from receipt of a valid application)</b>	This target is now monitored, is included as part of the Service Plan and is integral to the management of individual and team performance (through PDRs etc). Monitoring of this target will be on-going throughout 2013-14,	This will ensure that planning officers receive a complete and valid planning application early in the 8 or 13 week determination timeframe and have sufficient time to carry out the duties expected of them prior to the expiration of the statutory period. It should have a significant positive impact on the proportion of planning applications determined within the statutory period.	<p>Following retraining of staff, the filling on long standing vacancies and the introduction of planning application validation protocols, the speed of validation has improved markedly. This has had a positive impact on the speed of application determination overall.</p> <p>We are investigating ways to make greater use of technology and electronic working to ensure that speed of validation further increases and hard copy storage requirement is reduced</p>
<b>Use of Planning Performance Agreements</b>	Improving major in-time performance, securing 60% in time target per quarter by the end of 2 <sup>nd</sup> Quarter of 2013-14.	<p>Entering into a Planning Performance Agreement takes the relevant planning application out of the application monitoring regime, which has a positive impact in respect of the proportion of “major” applications determined within the 13 weeks – assuming the Service performs well against the fewer “major” applications that are not covered by Planning Performance Agreements. This will also assist in terms of the recently imposed planning guarantee as an up to date Planning Performance Agreement will mean that the planning application fee will not be required to be refunded if the application is determined outside the 26 weeks highlighted as part of the Planning Guarantee.</p> <p>The degree of success however is reliant to a certain extent on the Strategic Development and Development Committees not overturning officers’ recommendations.</p>	<p>Planning Performance Agreements are now actively used when registering and determining all new “major” planning application submissions.</p> <p>However, when officers are satisfied that “major” applications can be easily determined with 13 weeks, the case is determined without a Planning Performance Agreement in place so that the authority can benefit from a “major” application determined within the 13 week period, thereby improving overall performance against NI157a).</p>

<b>Improvement Actions</b>			
Activity	Key Milestones	How will this impact performance?	Updated Progress
<b>Individual Performance Monitoring and Management</b>	Production of bespoke individual performance reports, to be used as a performance management tool – linked to regular case reviews and PDRs.	Regular review of individual and team performance. This should drive improvements in in-time case performance, deal with under-performance of individuals, introduce competition between teams and individuals and provide a consistent focus for future PDRs and case reviews.	<p>This report is now operational and is actively used by managers to drive improved individual and team performance across the Section.</p> <p>The Section actively use team meetings and supervisory meetings to manage caseloads and set individual work programme targets – whilst dealing with any individual under-performance issues.</p>
<b>Development Management Guidance Manual</b>	Finalisation of the Manual in accordance with the targets outlined in the Planning and Building Control Service Plan 2013-14	Whilst not directly impacting on performance, this document will be seen as the primary information source associated with Development Management operational protocols. There will be a performance element to the document, with service expectations and targets outlined explicitly, as well as detailed working practices required to facilitate the successful application of service standards.	<p>Work has commenced on this document. The Development Manager has been tasked to complete a draft of this working document (with further work outlined – to be embraced by his successor) prior to his departure from LB Tower Hamlets (17<sup>th</sup> January 2014).</p>

## 5.0 Risk Management

- 5.1 Sustained improved Development Management performance (meeting recognised targets and standards) is heavily reliant on securing a suitably experienced range of planning officers to carry out the varied tasks expected of them. It is also important that the service has the ability to respond quickly and effectively to peaks in service demand, so that workloads can be effectively managed and service expectations maintained (bearing in mind the significant planning application fees paid in respect of some “major” planning applications).

A number of these risks have been reduced – following changes that have responded well to the challenges outlined back in April 2013.

Risks				
Description	Likelihood (out of 4, 4 highly likely)	Impact (out of 4, 4 major impact)	Score (out of 16)	Controls
Not being able to recruit quickly to staff vacancies, being unable to effectively respond to peaks in service demand.	2	4	8	This risk as reduced of late. People Board has endorsed recruitment of town planners required to respond to increased service demands which has been really helpful and supportive.
Strategic Development Committee and Development Committee overturn officer recommendations – resulting in planning appeals and delays in planning application determination.	1	2	3	Members are significantly more robust in their understanding of adopted planning policies and the balances that invariably need to be struck when determining complex planning applications. The Development Manager has worked closely with the Chair of the Strategic Development and Development Committee to gain trust and confidence around officers' recommendations.  Officers have spent a lot of time generating open dialogue on the various planning issues facing the Borough and to re-energise the professional relationships between officers and Members of the Strategic Development and Strategic Development Committees. There has been a degree of

Risks				
Description	Likelihood (out of 4, 4 highly likely)	Impact (out of 4, 4 major impact)	Score (out of 16)	Controls
				success around this engagement process and it is considered important that formal and informal lines of communication continue – moving forward into next year.
The Council being placed on special measures by DCLG as outlined above	1	4	4	We have avoided special measures – but we should not be complacent about this and we need to fully embrace and mitigate any impact of the Planning Guarantee moving forward and guard against special measures being imposed in the future.

## 6. Governance and monitoring arrangements

- 6.1 Monitoring arrangements (through D&R DMT) will continue, with performance reported on a quarterly basis. Performance monitoring and management of teams and individuals will take place on a monthly basis with case reviews and case monitoring taking place weekly to ensure that the “out of time” backlog is reduced and “in time” performance maintained and improved.
- 6.2 Performance management will be a standing item in respect of PDRs, case reviews and 1-1s as the service progresses through 2013-14. The Planning Guarantee will need to be captured within the Planning and Building Control Service Plan and monitored accordingly.

## 7. The role of PRG

Action	Date	Impact
The previous PRG intervention (April 2013) was timely and whilst issues were already being addressed, the PRG dialogue provided added impetus and focus around performance management to ensure that the Service responds effectively to the on-going challenges associated with managing development in a dynamic Inner London Borough such as LB Tower Hamlets. The service has become stronger and more robust as part of the process and improved performance is now operating at a sustainable level and the service is now better equipped to respond to changes in working practices moving forward. It is therefore considered that the PRG intervention is no longer a necessary requirement although formal reporting through the D&R DMT will continue to take place and any issues arising will be resolved.		