

MTRP Proposal - 18/19 and Beyond - Business Case

Service Area	Regeneration, Investment and Housing
Unique Reference Number	RIH181903
Proposal Title	Modernised Development Services
Version	20/12/2017
Proposal Summary Description	Removal of building control budget, increase in pre-application income and reduction in staff in pooled administration and technical support teams.
Impact on Performance	Building control - none. Pre-application advice – none. Admin and technical support – There will be some delay to undertake support tasks as workload is redistributed amongst existing staff. Unlikely to significantly affect target timescales and performance.
Impact on FTE Count	Building Control: 0 Development Management (Pre-app): 0 Pooled admin : Loss of one FTE from a Team of three FTEs. Technical support: Loss of one FTE from a team of eight FTEs
Impact on other Service Areas	Building control: None Development management (pre-application): additional cost for other Service areas as planning advice on potential development proposals, previously provided free, will now be charged in accordance with the existing schedule of fees. Fees are calculated on type of development and are calculated on a cost recovery basis. Pooled admin: loss of one FTE will affect the rate at which some support services are provided including processing Norse invoices and purchase orders, providing information for legal searches and coordinating FOI responses. Technical support (planning systems): Loss of one FTE will affect the speed at which some tech support services are provided including plotting of planning and building control applications which link into the website resulting in a slight delay in consultees being able to view new applications online.
Impact on Citizens	Building Control: None Development Management (Pre-app): planning advice on potential development proposals and permitted development, which were previously provided free of charge will now be charged in accordance with existing schedule of fees. Fees are calculated on type of development and are calculated on a cost recovery basis.

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	<p>Pooled admin: Loss of 1FTE will affect the speed at which some support services are provided including providing information for legal searches and coordinating FOI responses.</p> <p>technical Support (planning systems): Loss of 1FTE will affect the speed at which some Tech Support services are provided including plotting of planning and building control applications which link into the website resulting in a slight delay in the public being able to view new applications online.</p>
Delegated Decision (Head of Service/Cabinet Member/Cabinet)	Head of Service
Activity Code	RIH11 Building Control, RIH13 R&R Pooled Admin, AIH16 Development Management

**Only detail high level 'total' figures in tables below. Do not break down costs into separate elements within the table as more detailed description can be given in the 'Required Investment' section. In year savings 2017/18 should not be included in table.*

Net Savings (£000's)	2018/19	2019/20	2020/21	2021/22
	59			

Implementation Costs (- £000's)	2018/19	2019/20	2020/21	2021/22
Revenue – Redundancy/Pension	70*			
Revenue – External consultants				
Revenue - Other				
Capital – Building related				
Capital - Other				
Implementation Cost - Total	70*			

**Subject to confirmation by HR*

Current Position
<p>Building Control:</p> <p>The building control team consist of one FTE building control manager, four FTE building inspectors and one FTE admin support. The team oversee the implementation and enforcement of the building regulations. This involves the processing of applications and undertaking site inspections with income derived from associated fees. Monitoring of construction projects can also be overseen by privately commissioned approved inspectors, therefore the service needs to be competitively priced. The enforcement of building regulations and dangerous structures is a statutory function which can only be undertaken by the council. It is estimated that the council have 79 per cent of the market share of building control applications, with the remaining 21 per cent undertaken via approved inspectors. Demand for the service is largely responsive to the private market and any periods of recession affect the amount of development taking place.</p>

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The building control service currently has a net budget of £14,531 and completed the last financial year with an over recovery of £109,986. This was due to over recovery of income from fees and staff cost savings due to vacant posts. All posts are now filled.

Pre-application Advice:

The planning service provides pre-application advice for developers seeking informal discussions around proposed developments. The section provides a discretionary and a statutory service. The fees for the statutory service are prescribed by legislation and the fees for the discretionary service are required to be cost recovery only. The main difference between the two services is the discretionary service allows for a round the table meeting with the developer and a planning officer/technical specialist. The provision of pre-application advice is encouraged by Welsh Government on the basis that identifies potential problems before an application is formally submitted. There are 11.1 FTE planning officers delivering the pre-application service as part of their general development management duties. The cost of delivering the pre-application service is embedded within the current net budget for development management which currently stands at £269,671. Response times are subject to specified targets but performance is not part of the Welsh Government data returns.

The service currently has an income target of £20,000. The approved schedule of charges includes a number of exemptions for certain types of development and groups. These include heritage proposals (advice relating to works to listed buildings), tree proposals (for trees protected by Tree Preservation Orders or protected by a Conservation Area), small scale development for a non-profit making community facility, registered charity or voluntary sector organisation, development proposals for the council's own assets or community council proposals, and permitted development and general enquiries from householders. There is no difference in the level of advice provided between the paid and exempt service.

Pooled admin:

As part of a service review for the Regeneration, Investment and Housing Service in 2012, all general administrative staff were centrally pooled and provide administrative support to all service areas. Specific technical support functions were retained within the relevant teams. The pooled admin team has a budget of £66,358 and consist of three FTEs. They provide admin support for the head of service and service managers as well as processing invoices and purchase orders for the integrated property unit and internal room bookings. They provide information for legal searches to the land charges section and are also responsible for coordinating Freedom of Information responses and performance indicator data collection. The team manage operational issues such as stationary, photocopiers and incoming and outgoing mail.

Technical support (planning systems):

Development services covers the planning, planning policy and building control functions which are facilitated by the use of a back office IT system. The day to day operation, problem resolution and plotting/uploading of data to website is coordinated and overseen by 2FTEs. Corporate IT assistance is provided for network and server issues but as an IT package bespoke to development services, the day to day management of the system is the responsibility of the Service Area. The efficiency of the Planning Service is measured by the time taken to issue a decision, with the national target being 80% of all decisions made within eight weeks of receipt (monitored through a performance indicator). This data is collected on a quarterly basis by the Council and Welsh Government and the results published on the Welsh Government website. Every council also needs to submit an annual performance report which rates their performance against a number of indicators and benchmarks. In order to provide an efficient and timely service, it is necessary to ensure that the

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registration of applications and the undertaking of the public and statutory consultation process is undertaken as quickly as possible. Residents and statutory consultees rely on the council's website to access uploaded documents. Any delay in completing the registration process impacts on the ability of the service to meet performance targets.

Key Objectives and Scope

Building control:

To make the building control service cost neutral by removing the allocated budget of £14,531. The team would be required to increase marketing and enforcement activity in order to increase income to cover the decrease in core budget. This would require an increase of at least 5 per cent in the market share of available building control submissions. No changes to existing staff levels are proposed.

Increasing pre-application Income:

To revise the list of existing exemptions and increase income by at least £3,000. The following exemptions would be removed and charges levied in accordance with the existing schedule of fees:

- Heritage proposals (advice relating to works to listed buildings),
- Development proposals for the Council's own assets, and
- Permitted development enquiries for householder development.

It is not proposed to amend the scale of fees as these are regularly reviewed in accordance with the requirement to be based on cost recovery only.

Deleting one FTE pooled admin:

To reduce the number of staff in the pooled admin Team by one FTE. This will be achieved through the reallocation of work within the service area.

Deleting 1FTE planning systems assistant:

To reduce the number of planning system support staff by one FTE. This will be achieved through the reallocation of work within the development management team.

Options considered

Building Control:

- 1) Increase staff numbers by 1FTE in order to be more proactive and secure more income.
 - Additional cost of £44,437 for an additional building control officer to enable more proactive marketing of the service, greater partnership working opportunities and increased enforcement work.
 - No noticeable difference to the service available to the public.
 - By increasing the market share of available building control work from 79 per cent to 90 per cent, this equates to an additional income in the region of £34,500. This would not cover the costs of employing an additional building control officer and would require increased budget allocation
 - There is no guarantee of securing additional income from building control applications. Private sector approved inspectors are able to offer better incentives to secure certain contracts and it is unlikely that councils would be able to realistically secure more than another 5per

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cent of the market share without government intervention.

- 2) Retain existing staff numbers but make the service cost neutral.
 - Increasing income targets by £14,531 will require increased marketing and more proactive enforcement by existing staff to achieve at least a 5 per cent increase in the building control applications market.
 - No noticeable difference to the service available to the public.
 - Service is reliant on the construction market which is affected by the economy. During a recession period, income will be unpredictable and there may be pressures from the under recovery of income.
- 3) Ceasing to provide non statutory building control functions.
 - The loss of four FTE building control officers and one FTE admin support officer (currently filled posts). Only one FTE officer would be retained to cover statutory functions such as dangerous structures and enforcement. Income would be minimal as the service would be unable to process standard building control applications.
 - Existing budget would need to be retained and an additional cost of £35,000 to cover the cost of one FTE officer to undertake statutory functions.
 - Noticeable difference to the service offered to the public as they would no longer be able to submit applications for approval to the council

Increasing Pre-application Income:

- 1) Remove all exemptions and charge for all forms of pre-application advice.
 - Potential additional income Risk of people choosing not to use the service and proceeding to submit applications which require more amendment or negotiation. This impacts on the efficiency of the development management team and adversely affects performance figures and Welsh Government data returns.
 - Noticeable difference to service users as they would now be required to pay for a service which was previously provided free of charge. This would include householders, charities, community councils and the council's own property agents.
- 2) Review the list of exemptions.
 - Potential additional income as some exemptions are removed to reflect the amount of work involved in providing advice or to bring them in line with charging schedules at other authorities. Pre-application advice for listed buildings and the council's own assets involves a considerable amount of work for existing officers due to the nature of the proposals and the frequency of enquiries. While listed building applications incur no statutory fee, both types of enquiry are often very detailed and require significant officer involvement. In respect of householder permitted development enquiries, other councils such as Blaenau Gwent currently charge £25 for advice on permitted development. Pre-application advice for householder developments is already chargeable at £25 under the statutory system.
 - Risk of service users not using the service and proceeding to submit applications which require more amendment or negotiation. These applications would take more time to process which impacts on the efficiency of the development management team. This adversely affects performance figures and Welsh Government data returns.

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- Noticeable difference to some service users as they would now be required to pay for a service which was previously provided free of charge, particularly householders.

- 3) Retain the exemptions list as currently approved.
 - Council continues to provide advice free of charge.
 - No noticeable difference to service users.

Deleting one FTE Pooled Admin:

- 1) Retain the pooled admin team as existing.
 - Retain the current level of admin support for the service area in order to provide greater resilience to the admin No change to existing filled posts.
- 2) Reduce the Pooled Admin team by one FTE.
 - Budget saving of £20,565 from the deletion of one FTE position, currently filled.
 - Reallocation of some work will be required.
 - Potential delay in administering and coordinating Freedom of Information enquiries, undertaking legal searches and processing purchase orders and invoices.
- 3) Delete the pooled admin team (three FTEs).
 - Budget saving of £66,358 with no admin function provided.
 - Reallocation of all work resulting in delays to other services.
 - Significant delays in administering and co-ordinating Freedom of Information enquiries, performance data returns, undertaking legal searches and processing purchase orders and invoices.

Deleting one FTE planning systems assistant:

- 1) Retain the technical support team as existing.
 - Retain the current level of technical support in order to provide greater resilience to the team.
 - No change to existing filled posts.
- 2) Reduce the technical support team by one FTE planning systems assistant.
 - Budget saving of £20,450 from the deletion of one FTE position, currently filled.
 - Reallocation of some work and training to provide some resilience to the Team.
 - Potential delay in plotting and registering planning applications resulting in delays to the public viewing development proposals and delays to the commencement of the consultation process. This would shorten the amount of time planning officers have to determine an application and could lead to delays which would affect performance targets.

Recommended Proposal/Option

Building Control
Option 2:

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Increasing pre-application income:
Option 2

Deleting one FTE pooled admin:
Option 2

Deleting 1FTE planning systems assistant:
Option 2

The proposals above will help modernise the delivery of the development management service.

Required Investment

Building Control Cost Neutral:
No financial cost.
Additional Support required from Corporate Marketing Team.

Increasing Pre-application Income:
No financial cost.
No additional support required to implement.

Deleting 1FTE Pooled Admin:
Redundancy Cost of approximately £25,000*
Potential pension strain cost (assumed £20,000*)
HR Support required.

Deleting 1FTE Planning Systems Assistant:
Redundancy Cost of approximately £25,000*
HR Support required.

*Awaiting confirmation of actual costs from Payroll

High Level Milestones and Timescales

Building Control Cost Neutral:
Budget reduction for 2018/19.

Increasing Pre-application Income:
Increase in income target for 2018/19.
Implementation of revised exemptions list by 1st April 2018.

Deleting 1FTE Pooled Admin:
Implementation by 1st April 2018.

Deleting 1FTE Planning Systems Assistant:
Implementation by 1st April 2018.

Key Risks/issues

Building Control

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Risk Description	Risk Score (as per matrix below)	Mitigation Measures
No increase in income to cover the cost of the Service	6	Increased public marketing of the Service will be undertaken in order to increase awareness of the Service and the Building Control Manager will negotiate partnership working arrangements with Developers.

Increase in Pre-application Income

Risk Description	Risk Score (as per matrix below)	Mitigation Measures
Not meeting income target as Service users choose not to engage with a fee paying service.	4	Increased marketing of the Service with Planning Agents and the public will be undertaken to increase awareness of the benefits of engaging with a paid pre-app facility.

Deletion of 1FTE Pooled Admin Officer

Risk Description	Risk Score (as per matrix below)	Mitigation Measures
Delay in undertaking tasks such as processing payments, Freedom of Information requests and providing information for legal searches	4	Tasks will be re-distributed amongst existing Pooled Admin and Tech Support staff within the Service Area.

Deletion of 1FTE Planning Systems Assistant

Risk Description	Risk Score (as per matrix below)	Mitigation Measures
Delay in undertaking tasks such as plotting and registering planning applications resulting in delays to the public viewing development proposals and delays to the commencement of the consultation process.	9	Tasks will be re-distributed amongst existing Technical Support Team and appropriate training given to undertake new tasks.

Risks should be scored using the following matrix and scoring mechanism

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Probability description	Score	
Very Low probability	1	
Low probability	2	
Medium probability	3	
High probability	4	
Very high probability	5	
Impact description	Score	
Negligible	1	
Low	2	
Medium	3	
High	4	
Very High	5	

Specific linkage with Future Generation Act requirements

Integration – The proposals seek to integrate with the aims of the emerging Corporate Plan which seeks to use our resources to best effect and provide service users with a Service that meets their needs. In particular the building control function and pre-application advice service is essential to meeting the Improvement Plan objective which prioritises and encourages city regeneration and development.

Long Term – The proposal will enable the council to continue to provide a good quality building control and pre-application advice service which meets the requirements of Service users and helps meet the Improvement Plan objective which prioritises city regeneration and development. Good quality development leads to more cohesive communities and a more prosperous Wales.

Prevention – Good quality and safe development will prevent further decline in key parts of the city which enables the council to build a better Newport and more cohesive communities. This is essential to meeting the Improvement Plan objective which prioritises and encourages city regeneration and development.

Collaboration – Development services work closely with other council departments and the private sector to deliver good quality, appropriate and safe developments. Early engagement with, and the provision of a good technical service enables the council to build a better Newport which leads to more cohesive communities and a more prosperous Wales.

Involvement – A modernised approach to delivering the development management service together with increased promotion of the benefits of the service will be targeted at key stakeholders. This will encourage increased use of the service and lead to the delivery of more a cohesive service.

Fairness and Equality Impact Assessment

No