

The Highland Council

Planning, Development and Infrastructure Committee
25 January 2017

Agenda Item	6
Report No	PDI/ 03/17

Planning Performance Framework and Quarter 3 Performance Review

Report by Director of Development and Infrastructure

Summary

This report advises Members on the delivery of the Development Management, Building Standards, and the Development Plan services for the 3rd Quarter of 2016/2017. In addition the report seeks homologation of the Council's response to the Scottish Government's recent consultation on increasing Building Warrant Fees. Further information is also provided on the recently launched consultation on the review of planning.

1. Introduction

- 1.1 Key performance indicator information is reported to committee every quarter, and the figures for the third quarter of 2016/17 are now available.

2. Development Management

- 2.1 The figures set out in **Appendix 1** demonstrate that 63% of all local planning applications were determined within 2 months. The Year to Date figure stands at 67%, against the Service target for 2016/17 of 70%. Whilst slightly below target, the performance remains good given the personnel changes that have taken place over the course of this financial year.
- 2.2 The pre-application advice service for local and major planning applications has continued to operate well over the last three months. The major developments pre-application advice service continues to deliver 100% of packs within four weeks. The local pre-application advice service has fallen slightly from last quarter, with only 57% of the packs being delivered within the target 6 week period. This reflects the efforts being made to focus on the determination of planning applications.
- 2.3 Enforcement information is also shown in **Appendix 1**. For Quarter 3, 25 enforcement complaints were received. Over the course of the quarter a total of 6 formal Notices were served.
- 2.4 On 25 November 2016, the Council received feedback from Scottish Government on performance against the key markers of good performance for the period 2015/16. It is pleasing to note that the Service received a positive report with thirteen markers scored green, two marked amber and none marked red. A copy of the letter and scorecard is attached as **Appendix 2**.

2.5 Work continues to improve our processes and procedures and a number of projects are being moved forward which will help deliver efficiencies. As an example all planning officers have been issued with tablets to reduce paper use and assist with site visits.

3. Building Standards

3.1 The report for last quarter demonstrated that performance in responding to warrant applications had dropped significantly, which was due mainly to the launch of eBuilding Standards. It is pleasing to report that Quarter 3 has seen performance improving and climbed to 77%. It is anticipated a return to 90% will be achievable in Q4 once the backlog has been managed, and new procedures have bedded in further. The five other performance measures remain constant at 94% average (**See Appendix 3**).

3.2 Following the launch of eBuilding Standards in August 2016, Highland has seen the highest percentage of applications being received electronically in the whole of Scotland with a figure of just over 90%.

4. Development Plans

4.1 Q3 saw a range of development plans activity being undertaken. The West Highland and Islands Proposed Local Development Plan was being prepared for consideration by Area Committees in early 2017 taking account of previous consultations. Consultation on a modified plan for the Caithness & Sutherland Area was undertaken comments analyses during December for referral back to the Area Committees in early 2017 and Scottish Government Reporters thereafter.

4.2 In November, workshops were held to collaborate with local communities and Council partners in planning for major development in the Inverness East area. A Development Brief is being prepared for consultation during 2017. Planning guidance on Aquaculture and Onshore Wind Energy has been published and consultation on two further landscape studies that will be added to the Wind Energy guidance has started. Joint work with officers in Care & Learning to review the Council's School Roll Forecasts has been completed and figures published, which included a detailed review of the background methodology. In November, the Pentland Firth & Orkney Waters Marine Spatial Plan which officers jointly led with Orkney Isles and Marine Scotland won an award in the Partnership category of the Scottish Awards for Quality in Planning.

5. Review of the Planning System

5.1 On 10 January 2017, Scottish Government launched 'Places, people and planning: a consultation on the future of planning in Scotland'. The consultation paper is available to view online at: <http://www.gov.scot/Publications/2017/01/3486> and runs until April 2017.

5.2 The consultation paper recognises that Scotland needs a planning system which helps growth to happen and unlocks the potential of people and places. The proposals set out have been developed in response to the independent review of the planning system which was published in May 2016, and identifies four main areas of change:

- **Making plans for the future.** We want Scotland's planning system to lead and inspire change by making clear plans for the future. To achieve this, we can simplify and strengthen development planning;
- **People make the system work.** We want Scotland's planning system to empower people to have more influence on the future of their places. To achieve this, we can improve the way we involve people in the planning process;
- **Building more homes and delivering infrastructure.** We want Scotland's planning system to help deliver more high quality homes and create better places where people can live healthy lives and developers are inspired to invest. To achieve this, planning can actively enable and co-ordinate development; and
- **Stronger leadership and smarter resourcing.** We want to reduce bureaucracy and improve resources so Scotland's planning system can focus on creating great places. To achieve this, we can remove processes that do not add value, and strengthen leadership, resources and skills.

5.3 Twenty separate proposals are set out to improve the planning system. A number are fundamental including changes to Development Planning timescales, making provisions for the preparation of community led neighbourhood plans, overhauling the role of the DPEA to enable more local decision making, proposals to assist in the delivery of infrastructure to support new housing and proposals to ensure a better funding arrangement for the system.

5.4 Given the timing of the consultation in terms of the Council elections and purdah period, there will not be an opportunity for a formal consideration of a Council response at PDI Committee. It is suggested that Members may wish to consider a seminar to discuss the proposals so that formal input can be made to an officer response for approval by the Chair and Vice Chair prior to the purdah period starting. Alternatively Members may wish to make their views known directly to the Head of Planning and Environment so that these can be captured within any response that can be formally homologated once the new Committee arrangements are in place. Members are asked to express their preference.

6. Consultation on Raising Planning Fees

6.1 The Scottish Government is consulting on enhanced fees, following the independent review of planning recommendation that fees for major applications should be increased substantially so that the service moves towards full cost recovery. The consultation paper which was issued in December 2016, seeks views on a new fee maximum of £125k for major applications for most categories

of development (£62.5k for applications for planning permission in principle). It includes details of a reduced charge per unit or per 0.1 hectare for developments over a certain size to ensure that applicants in Scotland do not pay more than they would in other administrations for any size of proposed development. The paper can be accessed using this link: <http://www.gov.scot/Publications/2016/12/7646>.

- 6.2 The proposed changes retain the current structure and do not contain any across the board increase. Scottish Government recognises the specific challenges faced by the Agriculture and Aquaculture sectors and note the extremely limited instances of such proposals being of a scale that would reach the existing fee maxima. As a result the consultation does not propose an increase to the maxima for these categories of development.
- 6.3 This is very much the first step – the Scottish Government will be considering wider changes to the fee structure, including scope for further discretionary charging taking account of changes to the planning system flowing from the review (as set out in the consultation paper referred to above).
- 6.4 The consultation paper seeks views as to whether respondents agree with the maximum fee level. Work undertaken for Highland has shown that given the number of major applications we deal with, there is potential for around an additional £100k of income arising from this proposal, if the scale of development of the previous year is repeated. Whilst there is a risk that developers may try and reduce the scale of developments to avoid the new fees, it is hoped that this first step fee increase will help us maintain our levels of service which are generally well received by applicants. As a result it is intended to welcome this increase in fee maximum, but encourage the Scottish Government to begin a more fundamental review of fee structures to achieve cost recovery as quickly as possible. Members are asked to support this approach.

7. Consultation on Building Warrant Fees

- 7.1 The Scottish Government launched a consultation in November 2016 to seek views on increasing building warrant and other associated fees, to make the building standards system achieve full cost recovery and place it on a sustainable footing for the future.
- 7.2 A review of building warrant fees is overdue as there has been no increase since the introduction of the present building standards system in 2005. The Scottish Government proposes increasing building warrant fees by approximately 10%, and estimate this will bring in around an additional £3.5m to local authorities. The fee increase has two aims. These are to provide local authority Verification services with additional resources to encourage the recruitment of professional staff, and to introduce an alternative funding mechanism, funded by the increase in fee income, to cover the costs the building standards related running costs of the Scottish Government Building Standards Division (BSD). Responses were due on the consultation by 10 January, and the submitted response is attached as **Appendix 4**. Members are asked to homologate the response.

7.3 In broad terms, the response welcomes the Scottish Government's proposal to increase building warrant fee income to make the Scottish Building Standards (the Verification) system achieve full cost recovery, and supports the aim that the additional fee income generated can also provide additional resources for local authority building standards (Verification) services to encourage the recruitment of new trainee/apprenticeships into the profession. With regards to the second aim of the proposal: to increase fee income to introduce an alternative funding mechanism to cover the building standards related running costs of the BSD, we have submitted that we do not support this. It is felt that the building warrant fee paying customer should not be levied by additionally having to pay for a central government function. Furthermore, clearer information should have been provided into the 'related running costs' of the BSD for this to be considered fully.

8. Implications

8.1 There are no direct resource, legal, equality, climate change/Carbon Clever, rural, or Gaelic implications arising from this report.

Recommendation

That the Committee:

- notes the performance updates across the Development Management, Building Standards and the Development Plans teams;
- agrees the approach to be taken to the Consultation on the Review of the Planning System;
- agrees the response to Scottish Government on the increase in planning fees; and
- homologate the Council's response to the consultation on Building Warrant fees.

Designation: Director of Development and Infrastructure

Author: Malcolm Macleod, Head of Planning and Environment (Ext: 2506)

Date: 13 January 2016

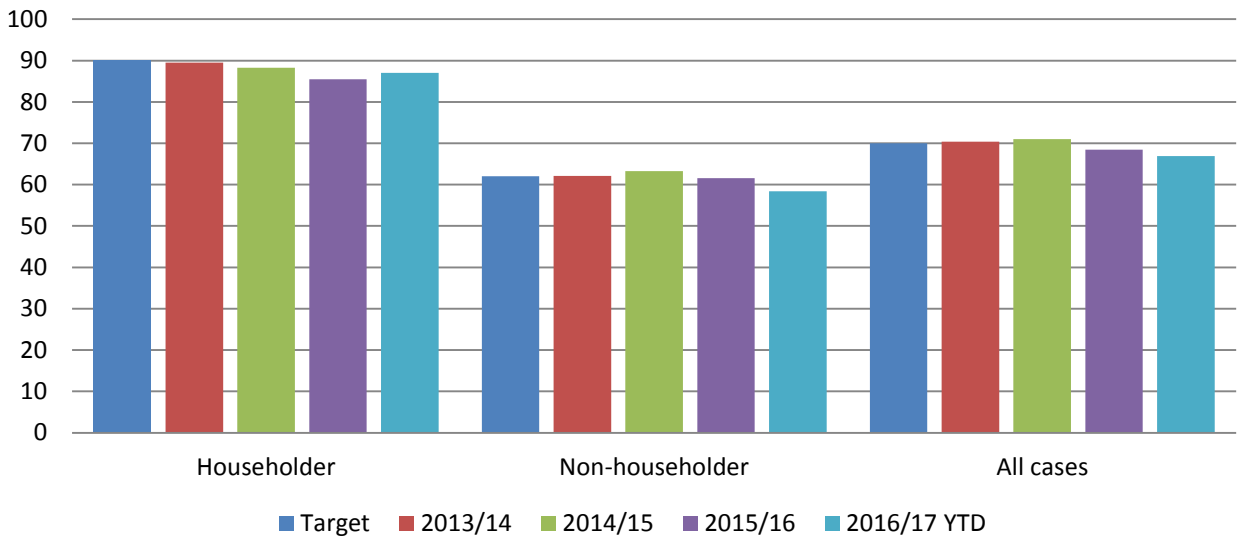
Appendix 1
Performance Statistics

Highland
Quarter 3 2016/17

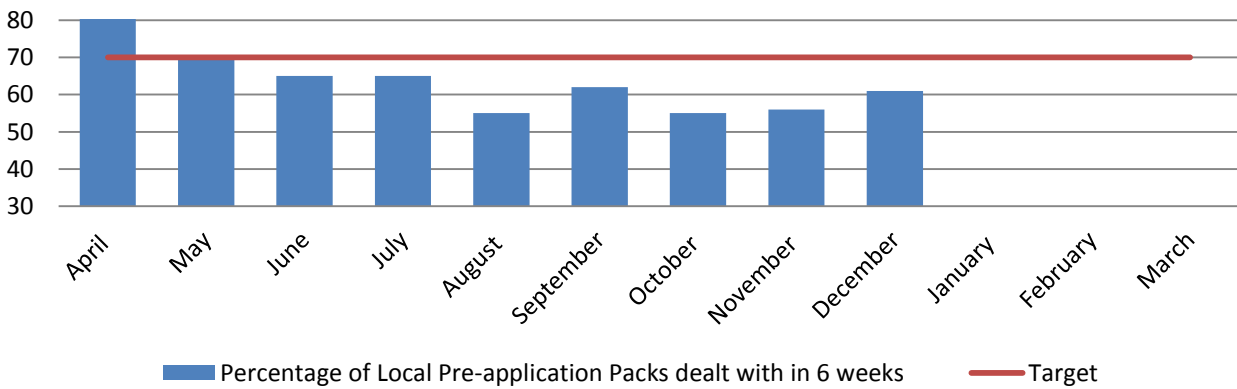
Planning Applications			
Category	Total Number of Decisions	% Within Agreed Timescales	
Processing Agreements	1	0.0%	
Major Applications	1	0.0%	
Local Applications			
EIA developments			
Other Applications			
	Total Number of Decisions	% within timescales*	Average Time (Weeks)
All Major Developments	6	16.6%	42.0
All Local Developments	589		11.6
Local: less than 2 months	371	62.9%	
Local: more than 2 months	218	37.1%	
Local developments (non-householder)	420		13.3
Local: less than 2 months	229	54.5%	
Local: more than 2 months	191	45.4%	
Local developments (householder)	169		7.7
Local: less than 2 months	142	84.0%	
Local: more than 2 months	27	16.0%	
Other Consents	118		9.1
Other : Less than 2 months	79	67.0%	
Enforcement Activity			
	Number		
Cases Taken Up	25		
Notices Served	6		
Reports to Procurator Fiscal	0		
Prosecutions	0		
Pre-Application Advice			
Major Packs within 4 weeks	100.0%		
Local Packs within 6 weeks	57.0%		

* 4 months for major developments and 2 months for local developments and other consents

Development Management Performance - % of local planning applications dealt with in 2 months



Percentage of Local Pre-application packs in 6 weeks



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Mr Steve Barron
Chief Executive
Highland Council

25 November 2016

Dear Mr Barron

PLANNING PERFORMANCE FRAMEWORK 2015-16

Thank you for submitting your authority's annual Planning Performance Framework (PPF) report covering the period April 2015 to March 2016. Please find enclosed your feedback report, which is based on the evidence provided within your PPF.

I am very pleased that the quality of PPF reporting has again improved with many authorities setting out a very clear story of how the service is operating and detailing their priority actions for improvement. There have been general improvements across most of the categories however, there still remains high levels of inconsistency in planning authority decision making timescales across the country. This was also reflected through the recent publication of the statistics for the first quarter of 2016-17 which shows that certain authorities, and certain cases, are dragging the statistics down considerably. I asked officials to look into the reasons for delay in some of the lengthiest cases and will report on that to the High Level Group on Performance.

Planning performance improvement has come a long way in recent years and the PPF framework provides an excellent opportunity for authorities to set out the details behind their performance and showcase good practice and innovative ideas. I hope we can continue to work positively with authorities to improve monitoring processes and continue our collective commitment to improving services.

This is an exciting time for planning – the momentum of the independent planning review is continuing and we will be publishing a consultation outlining options for change in the winter, to inform the future Planning Bill. The consultation will cover a variety of options to enhance community involvement in planning; help deliver homes and infrastructure; simplify development planning and management processes; and focus on improving the service and reputation of planning. It is a challenging timetable but a fantastic opportunity to deliver real change.

Although there are some things that we need legislation to change, many of the panel's recommendations don't need legislation, they need a change in working practices, a recognition that planning creates the places where people work, live, learn and play. To achieve the outcomes we all want to see, authorities need to reposition planning to ensure that it sits at the very heart of the authority and has the resources available to it to make sure it provides the best service possible to developers, stakeholders and the authority in which it sits. To help achieve this we will shortly be launching a consultation on raising the planning fee maximum in an effort to move towards cost recovery. Following the planning bill we will consult further on potential reform of the fee regime.

I hope that you and your authority will actively participate as we progress, ensuring that we see real change throughout the planning community.



KEVIN STEWART

CC: Malcolm MacLeod, Head of Planning and Building Standards

PERFORMANCE MARKERS REPORT 2015-16

Name of planning authority: **Highland Council**

The High Level Group on Performance agreed a set of performance markers. We have assessed your report against those markers to give an indication of priority areas for improvement action. The high level group will monitor and evaluate how the key markers have been reported and the value which they have added.

The Red, Amber, Green ratings are based on the evidence provided within the PPF reports. Where no information or insufficient evidence has been provided, a 'red' marking has been allocated.

No.	Performance Marker	RAG rating	Comments
1	Decision-making: continuous reduction of average timescales for all development categories [Q1 - Q4]	Green	<p>Major applications At 20.6 weeks you were over 4 weeks quicker than 2014/15 and remain better than the average of 38.8 weeks. RAG = Green</p> <p>Local Non-Householder You have continued to reduce your decision making timescales from 12.3 weeks to 11.9 weeks, quicker than the national average of 12.3 weeks. RAG = Green</p> <p>Householder applications A slight increase to 7.3 weeks from 7.1 weeks in decision making means timescales have increased but you are still quicker than the national average and within the statutory timescale. RAG = Amber</p> <p>TOTAL RAG = Green</p>
2	<p>Processing agreements:</p> <ul style="list-style-type: none"> offer to all prospective applicants for major development planning applications; and availability publicised on website 	Green	<p>There has been a slight drop in the number of processing agreements which have been entered into. Agreements are offered to all prospective applicants for major developments and they are used for more complex local applications. RAG = Green</p> <p>Information relating to processing agreements is provided on your website. RAG = Green</p>
3	<p>Early collaboration with applicants and consultees</p> <ul style="list-style-type: none"> availability and promotion of pre-application discussions for all prospective applications; and clear and proportionate requests for supporting information 	Green	<p>17% of applications are subject to formal pre-application discussions. You have demonstrated your commitment to entering into pre-app discussions and the benefit these have to ensure the efficient processing of an application. RAG = Green</p> <p>You provide pre-application packs to all prospective applicants which contain information about what supporting information is required. You also hold monthly meetings to discuss prospective applications and the information required to support them. RAG = Green</p>

4	<p>Legal agreements: conclude (or reconsider) applications after resolving to grant permission</p> <ul style="list-style-type: none"> reducing number of live applications more than 6 months after resolution to grant (from last reporting period) 	Green	You have monitored all legal agreements throughout the year to ensure they do not become drawn out. This monitoring has also helped to identify improvement actions for the year ahead.
5	Enforcement charter updated / re-published within last 2 years	Green	Your enforcement charter is 13 months old.
6	<p>Continuous improvement:</p> <ul style="list-style-type: none"> progress/improvement in relation to PPF National Headline Indicators; and progress ambitious and relevant service improvement commitments identified through PPF report 	Green	<p>Most of your NHIs are moving in the right direction with reductions in timescales for major and non-householder developments although there has been a slight increase in the time taken to decide householder applications. Your LDP and enforcement charter are up to date and you have a good record with regards to pre-application discussions and processing agreements.</p> <p>RAG = Green</p> <p>You have made progress with all your commitments with 2 reaching completion during the reporting period with those incomplete carried over to next year. You have also committed to a good range of improvements for the year ahead.</p> <p>RAG = Green</p>
7	Local development plan less than 5 years since adoption	Green	<p>Your LDP was adopted in 2012 and is 4 years old.</p> <p>We note you have a number of other area specific plans some of which are more than 5 years old.</p>
8	<p>Development plan scheme – next LDP:</p> <ul style="list-style-type: none"> on course for adoption within 5 years of current plan(s) adoption; and project planned and expected to be delivered to planned timescale 	Amber	<p>You have stated that there has been a delay to replacing your LDP due to a change in staffing structures and placing priority on replacing two remaining area LDPs.</p> <p>RAG = Amber</p> <p>You do have a project plan in place however due to the change in priorities this will now need to be updated along with your DPS.</p> <p>RAG = Amber</p>
9	Elected members engaged early (pre-MIR) in development plan preparation – <i>if plan has been at pre-MIR stage during reporting year</i>	Green	You have outlined how you ensure elected members are engaged effectively in the preparation of Main Issues Reports through the use of fortnightly meetings which are used to update members and provide them with a chance to inform the content of the MIR.
10	<p>Cross sector stakeholders* engaged early (pre-MIR) in development plan preparation – <i>if plan has been at pre-MIR stage during reporting year</i></p> <p><i>*including industry, agencies and Scottish Government</i></p>	Green	You take a similar approach to involving stakeholders in the preparation of your LDP MIRs and ensuring that links with community planning are maintained.

11	Regular and proportionate policy advice produced on information required to support applications	Green	You have a range of supplementary guidance in place which sets out clearly what is required to support applications in specific circumstances. This guidance is also supported by the town centre masterplans you have produced.
12	Corporate working across services to improve outputs and services for customer benefit (for example: protocols; joined-up services; single contact arrangements; joint pre-application advice)	Green	You engage a range of services within your pre-application discussions and will be further integrating the planning and transportation services to provide greater co-ordination with roads construction consent.
13	Sharing good practice, skills and knowledge between authorities	Green	You regularly meet with other Local Authorities and share hosting responsibilities for the North of Scotland Development Plan Forum. One of the roles of the forum is to help identify and deliver tailored training for constituent authorities. You also participate in benchmarking and have representatives on all of HOPS committees.
14	Stalled sites / legacy cases: conclusion or withdrawal of old planning applications and reducing number of live applications more than one year old	Amber	You have cleared a large number of cases during the year however you have more cases remaining than you did last year. It is noted that these account for less than 5% of all cases dealt with by yourselves and that you are taking a proactive approach to reducing these cases.
15	Developer contributions: clear and proportionate expectations <ul style="list-style-type: none"> • set out in development plan (and/or emerging plan); and • in pre-application discussions 	Green	You have supplementary guidance in place which is regularly reviewed and updated if required. RAG = Green Your pre-application pack outlines your developer contribution policy and this is supplemented by case specific advice. RAG = Green

HIGHLAND COUNCIL
Performance against Key Markers

Marker		2012-13	2013-14	2014-15	2015-16
1	Decision making timescales				
2	Processing agreements				
3	Early collaboration				
4	Legal agreements				
5	Enforcement charter				
6	Continuous improvement				
7	Local development plan				
8	Development plan scheme				
9	Elected members engaged early (pre-MIR)	N/A	N/A		
10	Stakeholders engaged early (pre-MIR)	N/A	N/A		
11	Regular and proportionate advice to support applications				
12	Corporate working across services				
13	Sharing good practice, skills and knowledge				
14	Stalled sites/legacy cases				
15	Developer contributions				

Overall Markings (total numbers for red, amber and green)

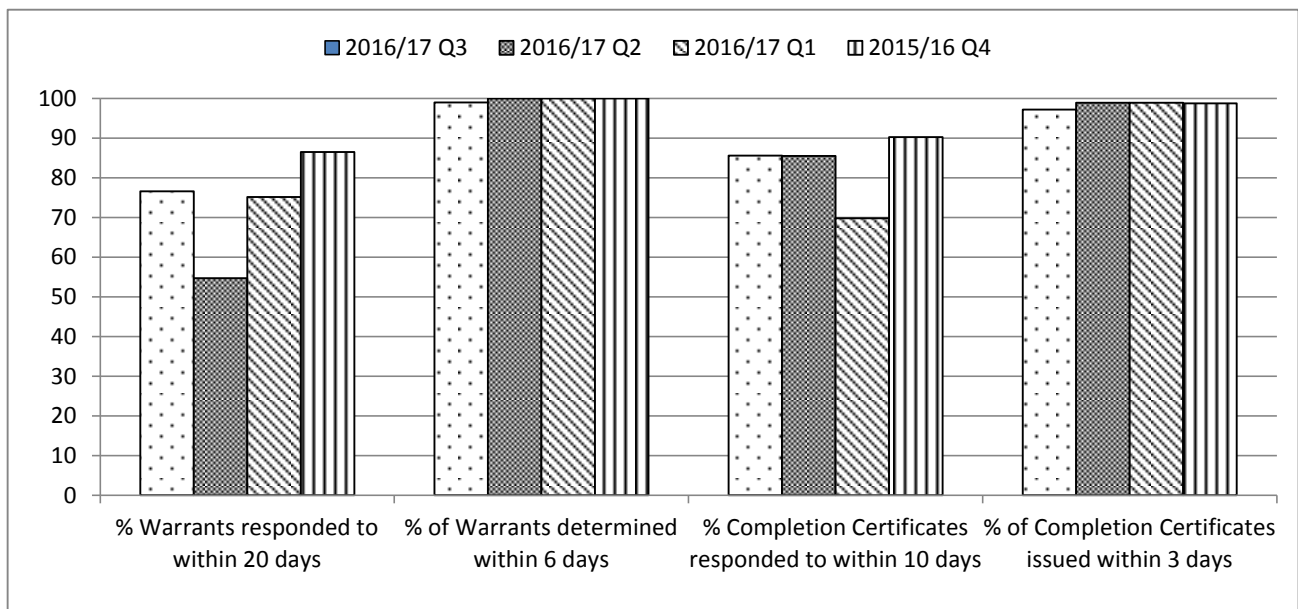
	Red	Amber	Green
2012-13	0	4	9
2013-14	1	1	11
2014-15	1	2	12
2015-16	0	2	13

Decision Making Timescales (weeks)

	2012-13	2013-14	2014-15	2015-16	2015-16 Scottish Average
Major Development	29.4	31.6	24.9	20.6	38.8
Local Householder Development (Non-)	15.0	12.2	12.3	11.9	12.3
Householder Development	7.4	7.0	7.1	7.3	7.5

Appendix 3 Building Standards Performance 2016/17 Quarter 3

	% Warrants responded to within 20 days	% of Warrants determined within 6 days	% Completion Certificates responded to within 10 days	% of Completion Certificates issued within 3 days	Target
2016/17 Q3	76.6	99	85.6	97.2	90
2016/17 Q2	54.7	100	85.5	98.9	90
2016/17 Q1	75.20	100.00	69.80	98.90	90
2015/16 Q4	86.54	100.00	90.30	98.80	90



Building Standards Volumes and Income (Last 4 Quarters)

	2015/16 Q4	2016/17 Q1	2016/17 Q2	2016/17 Q3
Warrants Decided	660	772	775	748
Compl. Certs	666	1097	743	681
Income (£000)	437	479	533	491

Appendix 4

Scottish Government Consultation on Building Warrant Fees

Consultation Answers: -

Q1. Should building warrant and associated fees be increased to make the Scottish Building Standards system achieve full cost recovery?

Ans

The Highland Council welcomes the Scottish Government proposal to increase building warrant fee income to make the Scottish Building Standards (the Verification) system achieve full cost recovery. A revision of the fee scales is overdue and has not been increased since 2005.

Highland Council also supports the aim that the additional fee income generated can also provide additional resources for local authority building standards (Verification) services to encourage the recruitment of new trainee/apprenticeships into the profession thereby filling gaps in workforce structures and to demonstrate a commitment to ensuring succession management policies are complied with and for the employment of a younger and more vibrant workforce.

With regards to the second aim of the proposal; to increase fee income *to introduce an alternative funding mechanism to cover the building standards related running costs of the BSD*. The Highland Council is not supportive of this aim. The building warrant fee paying customer should not be levied by additionally having to pay for a central government function. Furthermore, clearer information should have been provided into the "related running costs" of the BSD for this to be considered fully.

Q2. Should fees for building warrant applications (minimum fixed fee and incremental steps) and fixed fees for amendment to warrant applications, demolition, conversion etc., be increased as described in the proposals?

Ans

The fixed fees for conversions, demolitions, amendments where the costs are less than £5k and applications to extend the validity period of a warrant are no longer cost effective nor cover the administration and professional surveyor's time for dealing with such applications.

The fees for works up to the value of £5k do not cover the verification costs to administer. It is long overdue that the minimum fee be reviewed as well as the incremental steps for other values.

Highland Council fully supports therefore the proposals to increase the fixed fees and the incremental increases of the fee ranges throughout the value of works categories

Q3. Should discounts for using a certifier of design or construction be increased?

Ans

The Certification of Design scheme is popular with building warrant customers in Highland for the speed of delivery of the building warrant process mainly; and the assurance that a competent person is responsible for the design of their proposed work. The discount in fee is a secondary benefit to the customer however, due to the amount of discount offered being fairly minor unless the value of work is in excess of £100k.

Discounting fees however is a loss of income to the verifier. Increasing the discount as proposed will have a greater effect on fee income and in the lower value of work categories will almost cancel out the increase in fee income. For this reason Highland Council is of the view the discounts should not be increased.

Q4. Should fees for those who have undertaken unauthorised work be increased?

It is correct that late building warrant applications and the submission of completion certificates where no building warrant was obtained creates more work for the verifier in trying to determine compliance with the regulations. It is also correct that where a person has knowingly undertaken work without the benefit of a warrant or completion certificate that they should pay an additional fee as a penalty for ignoring the legislative process.

Highland Council is of the view that the penalties should be substantially increased for those submitting late building warrants and completion certificates where no building warrant was obtained.

Q5. Are there any alternative options to achieve full cost recovery that should be considered?

Highland Council can offer no alternative options to this fee proposal that will achieve full cost recovery. However, it would request that the following be given consideration: -

- In situations where structural work is proposed as part of a building warrant application and the applicant opts to submit structural calculations in lieu of obtaining a structural design certificate from a Certifier of Design the expectation is that the verifier pays the costs related to passing the calculation out to a 3rd party certifier for checking. This process is flawed and penalises the verifier as the costs involved in doing this work very often is almost as great as the warrant fee income for the job and is drain on fee income. The verifier should have the ability to pass on to the customer the costs involved in undertaking this 3rd party checking exercise.
- The building warrant fee system is a mechanism where local authority verifiers receive payments intended to cover the costs of providing a verification service. The 'other' part of the service; The Building Standards functions eg. the statutory parts dealing with unauthorised works, enforcement and dealing with defective and dangerous buildings etc are funded by the Scottish Government payment to local authorities of the '*local government settlement*'. For the avoidance of doubt and to allay the fear that in lieu of an increase in building warrant fees Scottish Government must make it clear there is no intention of removing the '*local government settlement*'.

Q6. Additional views or comments?

This fee consultation document has not been presented to Members within Highland Council as the Development & Infrastructure Committee meeting date is scheduled for 25 January 2017.

Therefore, the responses given above will require ratification by Members on that date. If the outcome of the Committee meeting requires additional or revised comments on the subject of fees these will be forwarded to Scottish Government Building Standards Division following the Committee meeting.