



PLANNING FUTURES

A new conversation about planning

Delivering the Planning Service We Need: Building Planning Department Capacity

Local Government Series, Part 1
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Executive Summary

There is wide spread concern within the planning and development sectors regarding planning department resources and capacity. Cuts to planning department staff over the last decade have restricted the abilities of Local Authorities to offer an efficient and robust planning service. This report offers the first country-wide analysis of planning department capacity and makes a series of recommendations designed to build capacity within the planning system and place it on a sustainable footing going forward.

Planning department resources

The research found that, on average, planning departments saw a reduction in staff of 14.6% between 2006 and 2016. Development Management teams saw an average loss of 13.3%, whilst Planning Policy teams saw an average loss of 17.6%.

However, not all planning departments have followed the same trajectory. 26% of planning departments grew their staff numbers between 2006 and 2016, whilst 51% of planning departments saw staff losses of more than 15%.

Unitary Authorities and Metropolitan Districts saw the greatest losses to their planning department staff (both saw losses of 24.2%), whilst Non-Metropolitan Districts and London Boroughs managed to retain more of their staff (losing 12.1% and 1.4% respectively).

Nevertheless, it should be noted that there were examples of planning departments that had either increased and decreased their staff dramatically across all Local Authority types and across all Regions. This suggests local factors can be a key determinant of planning department resourcing.

Impact on planning service

For those Local Authorities that had seen significant cuts to their planning staff there was a negative effect on the planning service that they offered.

Most have pursued a strategy of prioritising their statutory duties “at the expense of everything else”. This has ultimately led to a planning service within many Local Authorities that is more reactive and less proactive.

Local Authorities and their planning departments have had to take steps to mitigate the impact of cuts to planning staff. On average planning departments have been affected by 1.5 corporate or service restructures. Managers have also had to innovate in terms of how staff are deployed and take a more corporate approach to service delivery.

Some departments have coped better than others. Whilst some departments found cuts of up to 20% in their staff “manageable”, others, facing more modest cuts, reported times when their services were nearing the point of collapse.

Constraints & drivers of planning department capacity

1 Funding

As Central Government has cut funding to Local Authorities, they have had difficult decisions to make about how to fund their services and where to allocate resources. Whilst some have maintained or increased investment, others have seen planning departments as a relatively painless area in which to make cuts.

2 Political leadership

The research found that the support of elected members, particularly Council Leaders, is critical

to delivering planning department capacity. Council Leaders who understood the value of planning, and viewed it as important to delivering the broader objectives of their local authorities, were more inclined to protect planning department budgets and staff.

3 Professional leadership

Many planning departments have coped well with cuts to planning staff and have, to some extent, managed to protect their departments' capacity. Although the approaches taken differ greatly between Local Authorities, their success or failure is determined to a great extent by the ability and professionalism of planning service heads, managers and staff.

4 Recruitment and retention

The research revealed almost universal concern amongst Council Leaders and Service Heads regarding their ability to attract both the numbers and quality of planners needed to offer a sustainable service going forward. This was due both to a shortage of planners in general and to competition with the private sector where pay and benefits tend to be more attractive.

5 The impact of Government policy

Rapid change in government policy has caused uncertainty for Local Authorities, increased their administrative burden and diverted resources from the frontline planning service.

Key recommendations

1. Local Authorities should make a greater effort to ensure that all aspects of their planning service receive adequate funding. Funding should be sufficient to deliver the full range of planning services and go beyond simply focusing on their statutory duties.
2. To support this, Central Government should grant Local Authorities the autonomy to set Development Management fees locally - facilitating the full recovery of the costs of the development management process.
3. National Government should work with organisations such as the Planning Advisory Service (PAS) and the Local Government Association (LGA) to provide comprehensive training on planning for all Council Leaders on the value and role of planning.
4. The Government, along with professional bodies and think tanks must work to promote a broader understanding of the value of planning as a positive driver of local economic growth.
5. The Government should invest more in services such as PAS in order to support senior staff in deploying existing resources more efficiently and effectively. Peer review and leadership training for Planning Managers and Services Heads should be used more widely in order to spread best practice working already in use within many Local Authorities.
6. In an effort to bring more planners into the public service, all Local Authorities should offer the widest possible range of training opportunities. These should include planning apprenticeships, student placements and graduate schemes.
7. Local Authorities should also review planners pay and conditions in order to ensure that a career within the public service continues to be desirable for planners of all grades.
8. The Government should consider setting up a Planning Policy Delivery Unit (PPDU) within DCLG to ensure that policies developed at National level are likely to be effective in practice and are practical to implement.

Introduction

Much of the debate on planning in the UK has focused on policy and legislation set at the level of National Government. It has focused on the rules governing the planning system – through which local planning policies are made and in accordance with which planning applications are decided.

This is an important debate. In order to deliver sustainable development that meets our economic, social and environmental needs, we need planning policies and legislation that are fit for purpose.

However, the performance of the planning system is not only determined by policy. Critically, effective planning also depends on the talents of the professionals charged with administering the planning system. It depends on the people who plan.

Housing and infrastructure delivery, economic development and the creation of beautiful and sustainable places depend as much on the work of planners, as they do on the nature of the planning system itself. If the planning system is to deliver the development that we need as a country, we must ensure that we have the right people in place – and in the right quantities.

Over the past few years, there has been widespread concern within the planning sector – amongst public, private and third sector stakeholders – that cuts to planning department staff since the financial crisis have placed an unacceptable constraint on Local Planning Authorities' capacity to deliver development through the planning system.

The purpose of this report is to investigate the issue of capacity within the planning system – within hundreds of planning departments across England. Drawing on our detailed survey of planning department capacity, and interviews with planning managers and Council Leaders, it offers a detailed account of changes to planning department resources during the decade between 2006 and 2016.

It highlights where cuts to staff have been most severe and examines the impact of cuts to planning departments and their ability to deliver an efficient and effective planning service. It looks at how Local Authorities have sought to mitigate cuts to planning staff, and attempted to do more with less. It also looks to Local Authorities that have expanded their service, and seeks to understand how they have made this possible in a context in which funding is constrained.

The report argues for greater investment in planning and in planners and sets out a series of recommendations designed to put our planning service on a sustainable footing for the future.

1 Context

The role of planning

Planning is central to the work of Local Government. The planning system offers Local Authorities across the country a mechanism through which they can set out their strategic development priorities, through the Local Plan making process, and deliver development, through the development management process.

At their best, Local Plans offer a comprehensive vision for the future development of their areas. They highlight opportunities and express the aspirations of local communities. They provide an assessment of local need in terms of the economy and society and direct and coordinate development within Local Authority areas.

They can provide certainty for developers and other investors and guide housing and infrastructure development. In so doing, they also provide a template for the broader social and economic regeneration of an area and contribute to the development of vibrant and sustainable local economies.

Local Plans are delivered through the development management process, where decisions are made on individual planning applications. Efficient and effective development management processes therefore play an important part in delivering the broad range of priorities for the local communities. Indeed, this is key to delivering a broad set of local authority objectives – from housing supply to physical and economic regeneration.

Delivering long-term value

It is also important to recognise the broader benefits that good planning can have for Local Authorities. Council tax and business rates collected on new developments can contribute much needed revenue for a range of council services. This is becoming increasingly important as Central Government funding to Local Authorities continues to be reduced. With the prospect of the Government moving towards a policy of 100% business rate retention for Local Authorities, the benefits of an efficient and effective local planning service may become more important still¹.

Planning proactively for local development should form a central element in every Local Authority's forward business plan.

¹ This policy has been in development for some time and, as yet, its future is uncertain. However, the Government has recently re-affirmed its commitment to the policy. <http://www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/news-parliament-2017/business-rates-retention-17-19/> [Accessed 05/11/2017]

National policy objectives

In the context of a national housing crisis, disparities in development across regions and deindustrialisation affecting many parts of the country, policy makers within Central Government also look to the planning system to develop and deliver solutions.

At the National level, the planning system is regarded as central to delivering the homes the country needs and has an important role in delivering the Industrial Strategy. The recent Housing White Paper² places the planning system at the heart of its approach to delivering more homes, whilst the Green Paper, “Building our Industrial Strategy”³, also emphasises the role of the planning process in driving economic development.

Planning department resources

Planning clearly has a major role to play in delivering both local and national policy objectives. Yet in recent years, there has been wide spread concern within the planning sector regarding the resources available to local planning departments to plan proactively for, and deliver, the development that communities across the country so desperately need.

Indeed, there is consensus amongst planning stakeholders that the under-resourcing of planning departments is one of the key barriers to delivery through the planning system. Planning Consultant GL Hearn, reported in its 2015 Annual Planning Survey that over half of Local Authorities thought that under-resourcing of their planning departments would “present a significant challenge to achieving their aims” that year. Meanwhile 75% of applicants were dissatisfied with the length of time that it took to determine their planning applications⁴. A follow up survey in 2016 revealed little improvement in the situation⁵.

The available evidence suggests that planning departments are in decline both in terms of their budgets and staff numbers. In November 2014, the National Audit Office (NAO) published a report, The impact of funding reductions on local authorities, which reported average cuts of 46% to the planning services of single tier authorities between 2010-11 and 2014-15. The figure for District Councils was 24%⁶. A study conducted by the RTPI, Investing in Delivery, found a 27% reduction in Development Management staff within planning departments in the North West of England between 2010 and 2015⁷.

2 DCLG, Fixing our broken housing market [2017] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf [Last accessed 6/11/2017]

3 Department for Business, Energy & Industrial Strategy, Building our Industrial Strategy [2017] https://beis.gov.uk/citizenspace.com/strategy/industrial-strategy/supporting_documents/buildingourindustrialstrategygreenpaper.pdf [Last accessed 6/11/2017]

4 GL Hearn/BPF (2015) <http://www.glhearn.com/SiteCollectionDocuments/Publications/GL-Hearn-Annual-Planning-Survey-2015-Report-FINAL.pdf> [Last accessed 6/11/2017]

5 GL Hearn/BPF (2016) “Last year, we made the call for increased investment in the planning system. In the wake of continued pressure on public finances this has not materialised” <http://www.bpf.org.uk/sites/default/files/resources/BPF-GL-Hearn-Annual-Planning-Survey-2016-final.pdf> [Last accessed 6/11/2017]

6 NAO, The impact of funding reductions on Local Authorities (2014, p26) <https://www.nao.org.uk/wp-content/uploads/2014/11/Impact-of-funding-reductions-on-local-authorities.pdf> [Last accessed 6/11/2017]

7 RTPI, Investing in Delivery (2015, p4) <http://www.rtpi.org.uk/media/1496890/RTPI%20Arup%20Research%20Report%20Investing%20in%20Delivery%2010%20October%202015.pdf> [Last accessed 6/11/2017]

Planning department capacity

Whilst much of the recent debate on planning departments has focused on resources, it is also important that planning resources are deployed efficiently and effectively. This report therefore looks at the broader issue of planning department capacity.

Whereas the term “resource” refers to an input to the planning process, we associate the concept of capacity with output. Planning department capacity refers to the ability of planning departments to deliver their function as set out in policy and legislation.

In practice, planning department resources are central to delivering capacity, yet there are a range of other factors that can also have an impact on the ability of planning departments to meet their obligations.

The report therefore looks not only at resources, but how successfully those resources have been deployed in order to meet the duties and obligations of planning departments. It also looks at a range of other factors which may constrain planning department capacity, such as issues surrounding staff management and the policy environment created through Government policy.

The role of planning departments

In England, the National Planning Policy Framework(NPPF) sets out the role of the planning system in delivering sustainable development. It outlines the role of planning in delivering economic development and housing development – along with the infrastructure which enables the provision of both.

At a minimum, Local Authorities must prepare an up to date Local Plan and determine planning applications within specified timescales – 8 weeks for minor applications and 13 weeks for major applications⁸. These statutory duties are responsibilities of the planning policy and Development Management teams respectively. The performance of Local Authorities is measured on these criteria.

However, the role of planning departments in delivering policy objectives extends well beyond their strict statutory obligations. Not all aspects of the planning process can be easily measured, quantified or evaluated.

The NPPF states that the planning system should “proactively drive and support sustainable economic development to deliver homes, business and industrial units, infrastructure and thriving local places that the country needs.”⁹ It also states that the planning system should “help achieve economic growth” and that “local planning authorities should plan proactively to meet the development needs of business and support an economy fit for the 21st century¹⁰.”

The NPPF therefore sets out a broad role for the planning system – and by extension, Local Authorities and their planning departments. It defines the role of planning as proactive rather than reactive. To fulfil their function, planning departments must engage with the full range of local and national planning and development stakeholders in order to bring development forward that is appropriate to local need and that underpins the future success of their communities.

⁸ DCLG, Planning Practice Guidance (2014) <https://www.gov.uk/guidance/determining-a-planning-application> [Last accessed 06/11/2017]

⁹ DCLG, NPPF (2012, P5) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf [Last accessed 06/11/2017]

¹⁰ Ibid. P6

2 Planning Resources

Much of the evidence regarding planning department resourcing has been anecdotal at best, with little systematic research and analysis of the nature and scope of the problem across the Country¹¹.

This chapter presents the results of the Planning Futures' Survey of Planning Department Capacity. The survey findings give the first country-wide assessment of changing staffing levels within the planning service. The results give an overview of the long-term trends and explore differences in resourcing across regions and different types of local authorities. This builds a comprehensive picture of the changing fortunes of planning departments over a ten-year period, from 2006 to 2016.

The Planning Futures Survey of Planning Department Capacity was sent to every Local Authority in England. At the time of writing, 254 of those surveys were returned, with 95 Authorities returning a full set of data for all three years for which information was requested (2006, 2011, 2016). This gives an adequate sample for analysis and contains a reasonable spread across the regions and across different Local Authority types.

As might be expected, we found that staff numbers within many planning departments have been in decline for some time – many in severe decline. However not all planning departments – or Local Authorities, for that matter – have followed the same trajectory. Whilst the predominant picture is one of decline, many Local Authorities have protected their planning services. Others have increased their staff numbers¹².

General trends

Change in Average Planning Department Size

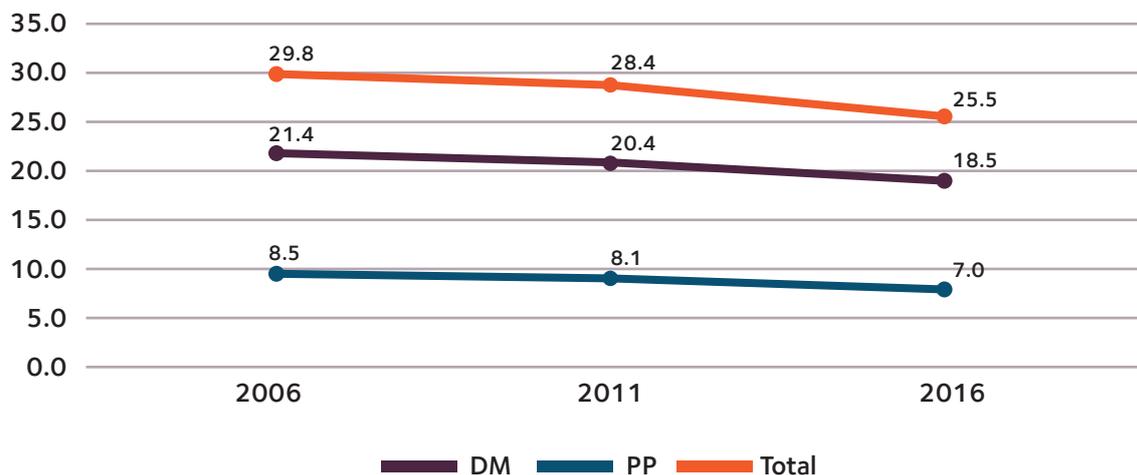


Fig 1. Source: Planning Futures (n=95)

¹¹ The RTPI (2015) report, Investing in Delivery, gives an in-depth account of planning department resources in the North West of England, but does not provide an analysis of the situation across the rest of the country. <http://www.rtpi.org.uk/media/1496890/RTPI%20Arup%20Research%20Report%20Investing%20in%20Delivery%2010%20October%202015.pdf> [Last accessed 6/11/2017]

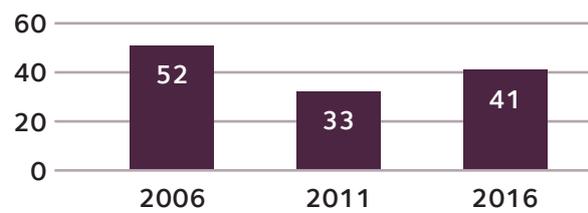
¹² All figures represent FTE (Full Time Equivalent) figures for permanent staff. Whilst the Planning Futures Survey did request figures for temporary and agency staff, most Local Authorities were unable to provide this information. For further details please see methodology section in Appendix 1.

Figure 1 outlines the change in average Planning Department size, average Development Management team size and average Planning Policy team size between 2006 and 2016. For the purposes of this report, planning department size is based on the sum of the totals for Development Management and Planning Policy staff numbers .

The figures indicate an average reduction in total staff numbers of 4.3 (14.6%) across England. Development Management teams have lost on average 2.9 (13.3%) members of staff, whilst planning policy teams have lost on average 1.5 (17.6%) members of staff.

In the context of wide spread concern about staffing numbers this may seem modest. Indeed, the drop may seem manageable in the context of the general drop in the number of planning applications decided by Local Authorities within the sample over the same period.

Average Number of Major Applications Decided



Average Number of Minor Applications Decided



Fig 2. Source: DCLG, (n= 84)

Nevertheless, there may be some cause for concern for the future. Figure 2 shows the change in both major and minor applications¹⁴ decided by Local Authorities within the study sample over the course of the decade to 2016. Whilst both major and minor applications dropped significantly in the five years between 2006 and 2011, the figures indicate that, as staff numbers continue to decrease, the number of decisions made by Local Authorities are increasing. This means that, on average, workloads are now increasing for planning department staff. Should this trend continue, planning departments will find themselves under greater pressure in years to come.

Divergent Trends

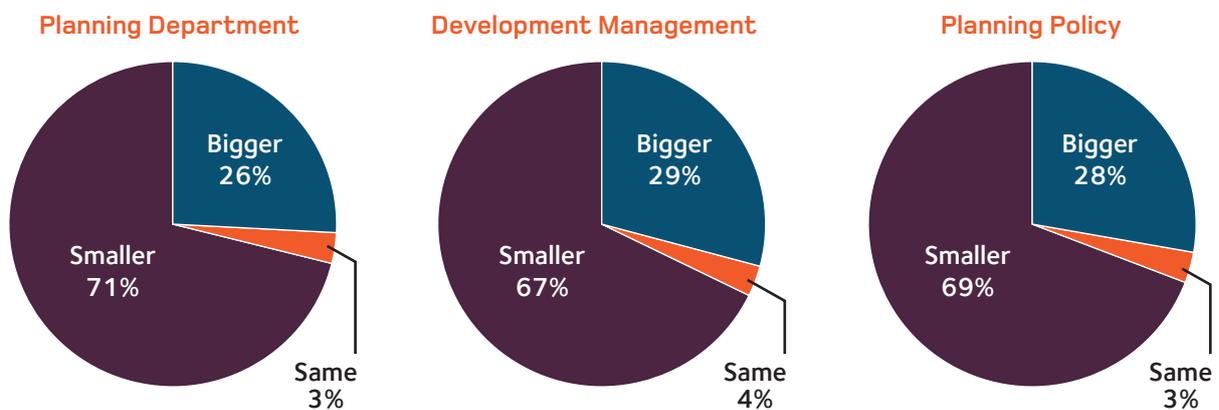


Fig 3. Source: Planning Futures (n=95)

¹⁴ Figure 2 is based on DCLG performance data corresponding with the Local Authorities in our sample.

The average decline in planning department size across the country is certainly significant. However, the headline figures to some extent obscure the fact that not all planning departments have followed the same trajectory. Figure 3 displays the percentages of planning departments that have grown, become smaller or remained the same in terms of staff numbers over the period 2006-2016. Whilst many planning departments are now smaller than they were in 2006, 26% have grown overall. 29% of Development Management teams were bigger in 2016 than they were in 2006 as were 28% of planning policy teams.

% Growers and Shrinkers 2006 – 2016 by Segment

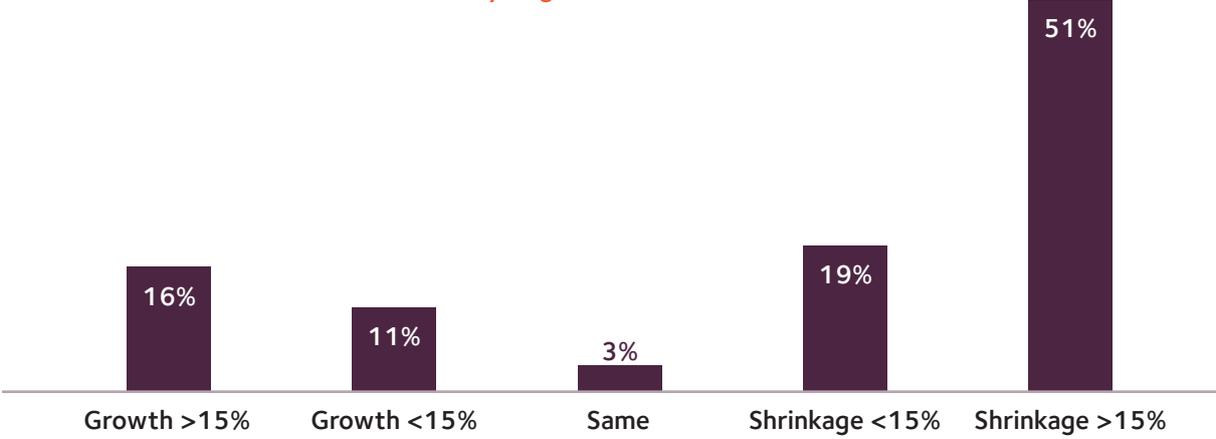


Fig 4. Source: Planning Futures (n=95)

Figure 4 gives a more detailed breakdown of the different outcomes for planning departments over the study period. Compared to the average drop in planning department size of 14.6%, 51% of planning departments were more than 15% smaller in size in 2016 than they were in 2006. Meanwhile, 16% of Planning Departments had grown by more than 15%.

Figures 3 and 4 give a more complex picture of planning department resources than has been available until now. Whilst they confirm that many planning departments in general have faced a significant decline in their resources, they also highlight the fact that losses have not been uniform across the Country. There is cause for concern here as the figures suggest that many planning departments that are in decline, are in very serious decline indeed.

The fact that some departments have seen significant losses whilst others have grown also suggests that local factors have an important role to play in determining planning department resourcing. We will move on to consider some of these factors in Chapter 4.

However, it is worth exploring if there are any trends based on type of Local Authority or Region that might explain the variation in outcomes for planning departments.

Variation by Local Authority type

Change in Average Department Size 2006 – 2016 by region

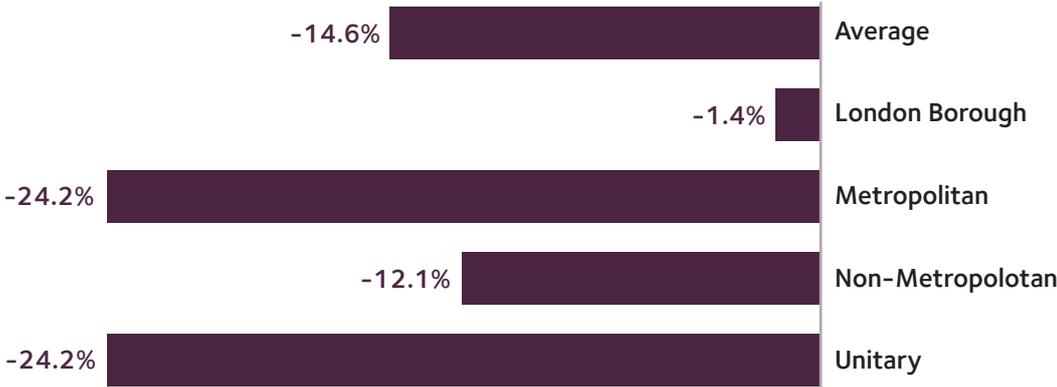


Fig 5. Source: Planning Futures (n=95)

Figure 5 looks at the variance between Local Authorities of different types – Unitary Authorities, Metropolitan and Non-Metropolitan Districts, and London Boroughs.

Here, we see that Metropolitan Districts and Unitary Authorities have seen a much more dramatic drop in their staffing levels than Non-Metropolitan Districts and London Boroughs, which have on average managed to keep their staffing levels at close to 2006 levels. Non-Metropolitan districts have also managed to protect their staff numbers suffering only a moderate loss of 12.1%.

This would seem to reflect the National Audit Office finding that Metropolitan Districts and Unitary Authorities have seen a far greater cut in their planning budgets than their Non-Metropolitan counterparts¹⁵.

However, we must exercise caution when interpreting these figures. Whilst the general trends hold in many cases, there are examples of Local Authorities of each type amongst those that have both grown at the greatest pace and those that have shown the greatest decline.

In London, for instance, whereas the average has remained steady, some planning teams have grown rapidly, whilst others have seen dramatic decline, with one planning department seeing its number reduced by as much as 53%.

15 NAO, The impact of funding reductions on local authorities (2014, p26) <https://www.nao.org.uk/wp-content/uploads/2014/11/Impact-of-funding-reductions-on-local-authorities.pdf> [Last accessed 6/11/2017]

Regional Variations

Change in Department Size 2006 – 2016 by region

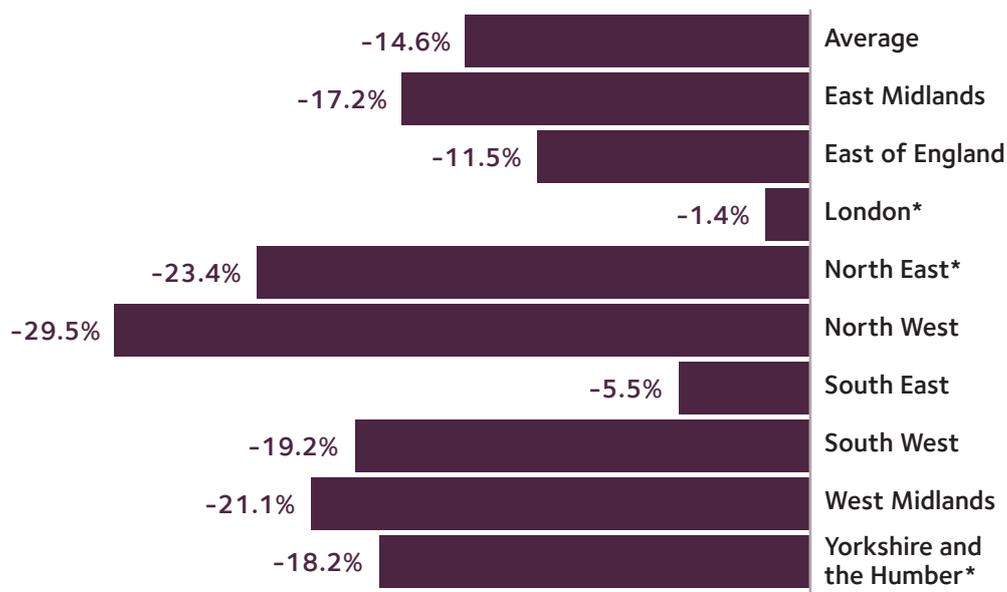


Fig 6. Source: Planning Futures (*n = <10)

Figure 6 shows the variation between planning departments across the regions. Clearly, some parts of the country have seen far greater cuts to their planning departments than others. Of particular interest are the figures for the North West of England. Here planning departments have seen an average reduction in staff of nearly 30%. This is by far the sharpest decline for departments in any region within the country. In London and the South East of England, losses have been far more modest.

However, caution is required here as well. The planning departments that grew by more than 15% (15 in total) are spread across seven different regions. Those that shrank by more than 15% (49 in total) are spread across nine different regions.

Whilst there are clear patterns, both in terms of regional variation and in differences between Local Authority type, crucially, neither of these factors seem to determine the outcome for planning departments in terms of resources.

Conclusion

The survey results clearly show that the majority of planning departments have seen significant staff losses over the ten-year period from 2006 to 2016. We will explore the impact that this has had on planning department capacity in the next Chapter. However, the results also indicate that not all planning departments have seen the same outcomes. Many planning departments of all types and across all regions have managed to grow their planning staff in what many regard to be a difficult fiscal environment for Local Authorities. This is significant, as it suggests that planning department capacity may be driven by Local as well as National factors.

3 Impact of Change

It is important to understand the impact that cuts to planning resources have had on Local Authority planning departments and their capacity to deliver efficient and effective planning services.

This chapter draws further on the survey data and on insights from interviews conducted with Council Leaders and Planning Service Heads from across the country. It focuses on the outcomes of staff cuts in terms of service delivery. It also looks to the strategies deployed by managers to mitigate the impact of cuts and boost capacity where resources have become constrained.

As we noted in the previous chapter, Local Authorities across the country have differed in terms of the resources that they have allocated to their planning departments over the last decade. Equally, each Local Authority has its own story to tell in terms of the impact that changes in staffing levels has had on its planning service and in terms of how they have coped with change.

Performance

Both Council Leaders and Service Heads highlighted a concern that missing targets on key measures, such as determination speeds, could result in sanctions for their Local Authorities. For many, this has led to a strategy that places a priority on statutory planning duties “at the expense of everything else”.

To this extent, planning departments have done well. The evidence suggests that most have succeeded in meeting their development management targets over the course of the study period. DCLG data indicates that most Local Authorities within the sample have continued to meet Government targets in terms of determination speeds. Indeed, over the study period – Local Authorities have generally shown an improvement in the percentage of applications determined within specified time frames.

Further, the sample of local authorities¹⁶ for which both performance and staffing figures are available shows no significant correlation between decreasing staff numbers and a deterioration in meeting determination speed targets.

Nevertheless, there is cause for concern. Whilst many Local Authorities have succeeded in delivering their statutory obligations to date, there was concern amongst some Local Government stakeholders about their prospects of this continuing into the future. As planning applications continue to increase and staff numbers remain in decline, many planning departments are concerned that they might not be able to meet their statutory obligations moving forward.

Quality & scope of service

Whilst it is important that Local Authorities meet their determination speed targets for development management, the quality of the planning service cannot be assessed simply as a function of determination speeds.

Where Local Authorities have seen significant cuts to their planning budgets and staff, Council Leaders and Planning Service heads acknowledge that this has had a negative impact on the broader quality and scope of their planning services.

Much of the planning process takes place outside of the determination period. Before an application is submitted, developers may wish to engage with planning departments on prospective developments in order to understand policy and local priorities. For many developers, formal or informal pre-application advice is an important stage in bringing forward a scheme.

Following the determination of an application, planning departments have an important role in signing off planning conditions, which are often central to delivering on a planning permission.

These activities are not captured within the official determination speed statistics, but they are central to delivery through the planning system. Indeed, the NPPF calls for Local Authorities to approach “decision-taking in a positive way to foster the delivery of sustainable development”¹⁷. Yet it is in relation to these obligations that Local Authority officers and members felt they were falling short.

The impact of cuts on the planning service was seen most clearly in terms of Local Authority capacity to meet their broader obligations as set out in the NPPF (as set out in chapter 1). The move to a “statutory only” approach to planning within declining planning departments has in essence led to a more reactive and less proactive planning service within many Local Authorities.

Operational changes

Many Local Authorities have attempted to mitigate staff losses, by introducing efficiencies designed to maintain planning department capacity. Where resources have been reduced, Local Authorities and their planning departments have in many instances transformed their structures and processes in order to minimise losses to front line capacity. They have had to do more with less.

The research indicates that Local Authorities have had varying degrees of success in maintaining an effective planning service. Whilst some departments found cuts of up to 20% in their staff “manageable”, others, facing more modest cuts, reported times when their services were nearing the point of collapse.

The following sections give an overview of the various strategies that Local Authorities have pursued in order to mitigate the impacts of cuts and to protect or improve their services.

Structural changes

In the context of broader cuts to Local Government funding over the last decade, both corporate and service restructures have become a common means of cutting costs and delivering a more efficient planning service.

Corporate or Service Restructure Effecting Planning Service

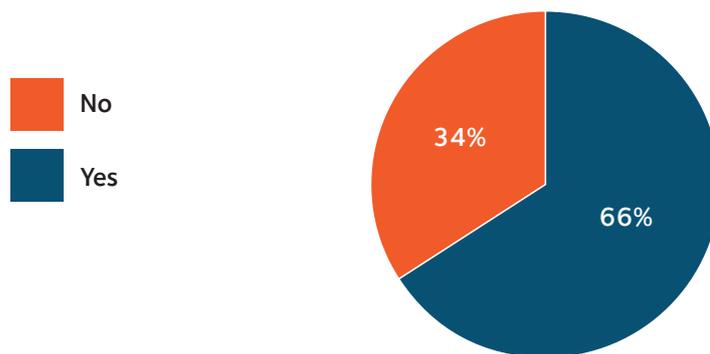


Fig 7. Source: Planning Futures (n=197)

Figure 7 shows that 66% of Local Authorities have undertaken a corporate or service restructure that has directly affected their planning department. On average, planning departments were subject to 1.5 restructures over the course of the study period. However, some planning departments have seen more turbulence than others. 21.8% of planning departments faced at least three restructures between 2006 and 2016, whilst others have faced up to 10.

Local Authorities have differed in their approach to changing structures. Some have experimented with merging services within their Authority. Others have reorganised their planning department structures and reconfigured their planning teams.

Others still have engaged in service sharing of various forms with other Local Authorities, or have outsourced some or all of their development management services.

Changes in structure have become common place within Local Authorities. It goes beyond the scope of this report to make judgements on best practice in this area. There is great diversity amongst Authorities in terms of how their services and departments are configured, and each Local Authority must find an approach that is best aligned with its needs.

Staff Management

Staff Management is key to maintaining and driving planning department capacity. As workloads have increased due to declining staff numbers, many Local Authorities have introduced more flexible working arrangements for staff in order to increase the efficiency of the service.

In some cases, this has involved allowing officers to move between planning teams in order to cope with peaks and troughs in applications. Elsewhere, graduate and student planners have been used to plug gaps in the service. In other cases, reductions in pay and hours have been used to retain posts. However, there are signs that for some planning departments the pressure of delivering an effective planning service has at times been too much. As caseloads have steadily increased, some managers have reported increased rates of stress related absences from work – with some opting to leave the public sector or even the industry.

It is clear that in all cases where cuts to staff have brought about restructures, changes in process and working practice, managers are dependent on the good will of staff. The interviewees expressed concern about the future and questioned if the commitment to a public service ethos of planners was being taken for granted.

A new focus on income

Under pressure to raise funds, many planning departments have become more commercial in their outlook. With little flexibility on planning application fees, Local Authorities have introduced new fees, or increased existing fees, for other services offered by their planning departments. Planning Service and Department Heads reported an increase in charging for pre-application services; selling specialist services to other local authorities; charging administration fees; and charging applicants for services such as design.

To protect planning staffing levels, Local Authorities have pursued numerous strategies to fund posts. These included funding posts through grant funding or by using capital expenditure linked to specific schemes to fund posts.

A note on Local Plan preparation

Within Government¹⁸ and amongst planning stakeholders, there is serious concern about the slow roll out of Local Plans.

However, it is difficult to attribute the slow progress in this area simply to a shortage of staff. The data does not show any clear link between changes in planning staff and the production of Local Plans. Of the Local Authorities that had grown their planning policy staff by more than 15%, only 45% had adopted a post-NPPF Local Plan by July this year. For those that had seen reductions of more than 15%, the figure was 42%.

There are two possible reasons for this. The first is that in many instances, the preparation of Local Plans is dependent on external consultants and expert reports. The expertise required is often not available in-house and much of the work surrounding the preparation of Local Plans is therefore outsourced. Consequently, the resource deployed in the preparation of Local Plans may not have been captured within the survey data.

Secondly, the adoption of a Local Plan is often a deeply political process. Most officers and members cited political difficulties as the key reason for delays. These difficulties were both internal, in terms of reaching agreement amongst members on the content of plans, and external, particularly in terms of issues surrounding the duty to cooperate.

Resources are surely as important to Plan making as any part of the planning process. Indeed, the Local Plans Expert Group identified a lack of resources as a barrier to producing Local Plans¹⁹. However, the relationship between staff numbers and plan making remains inconclusive within our findings and may need further investigation.

18 DCLG, Fixing our broken housing market (2017) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf [Last accessed 6/11/2017]

19 DCLG, Local Plans: Report to the Communities Secretary and to the Minister of Housing and Planning (2016) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/508345/Local-plans-report-to-government.pdf [Last accessed 6/11/2017]

Conclusion

It is important to recognise that all Local Authorities are different. They differ in their structure and processes and in how they deploy their planning staff. They also differ in terms of how they have managed change. For those planning departments that had seen cuts to their planning service, the experience of how those cuts were implemented and how they effected the overall service differed as well.

Whereas some – even those who had faced significant cuts – felt that they had coped well, others feared that their service was on the brink of collapse. Whilst some felt that cuts had forced them to improve the efficiency of their service, others argued that they were now working at maximum capacity and had no scope for further reductions.

Overall, the research indicated a system under severe strain. Managers were keen to emphasise the commitment and flexibility of planning staff as key to maintaining their service. They spoke of difficult years ahead. As applications in many areas increase, some fear for the sustainability of the system.

4 Constraints & Drivers of Planning Department Capacity

The last two Chapters have shown that cuts to planning departments are widespread and that this has had a negative impact on the service that they offer – they have become less proactive and more reactive in their approach.

However, we have also seen that each Local Authority has its own story to tell in terms of planning department capacity. Some have succeeded in investing in planning and planners, often in difficult circumstances. Others have had some success in mitigating the impacts of cuts.

In order to develop a set of recommendations to put England's planning service on a strong footing, it is important to understand the underlying drivers of planning department capacity.

This chapter identifies five factors that determine planning department capacity.

Funding

The most serious constraint on planning department capacity, stems from a general scarcity of funding. As Central Government has cut funding to Local Authorities, with more revenue to be generated locally, Local Authorities are entering a period of adjustment. Local Authorities have difficult decisions to make about how to fund their services and where to allocate resources. The fact that some Local Authorities have prioritised planning does not mean that it is easy for any Local Authority to find the money to fund their service.

Throughout the interview process, both members and officers stressed their concern that they were unable to recover the cost of the development management process through planning application fees. This means that Local Authorities must subsidise Development Management. In August, LGA analysis suggested that if current trends continue, local tax payers would face a bill of £1bn to fund the planning service over the next 5 years²⁰.

The announcement – in the Government Housing White Paper – of a 20% increase in planning fees was welcomed by both officers and members interviewed for this report. However, many stressed that it would not result in cost neutrality for their development management service. The 20% increase was also seen by some as rather arbitrary, who argued for greater autonomy to match fees to a level that was appropriate to their own service.

Other elements of the planning service are completely unfunded through fees. Planning policy, and the costs associated with preparing Local Plans, remain with the Local Authorities. Whilst we have seen that Local Authorities can generate income through fees – for Development Management and non-statutory services – funding the planning function remains challenging.

Political leadership

Ensuring that planning departments are adequately funded is the responsibility of Local Authorities. This is not to say that the policy environment created by Central Government does not have an impact, albeit indirectly. Yet it is ultimately the responsibility of the Local Authorities' leadership to fund an efficient and effective service.

The research found that the support of elected members, particularly Council Leaders, is critical to delivering planning department capacity. Council Leaders who understood the value of planning, and viewed it as important to delivering the broader objectives of their local authorities, were more inclined to protect planning department budgets and staff.

Planning Service Heads who had seen their planning departments grow over the course of the study period, consistently cited the support of Council Leaders as being a key determinate in boosting resources. Conversely, it was clear that where this leadership is absent, planning services have suffered.

Professional Leadership

Faced with cuts to budgets and staff, planning managers have had to deploy staff more effectively and efficiently. This involved the implementation of best practice in terms of process, restructuring services and effectively managing redundancies and flexible staffing arrangements. Many service heads have also successfully placed their services on a more commercial footing in order to generate additional income.

Although the approaches taken to these measures may differ greatly between Local Authorities, their success or failure is determined to a great extent by the ability and professionalism of planning service heads, managers and staff.

Whilst many managers have shown a great ability to innovate and take a proactive approach to maintaining their service, they often have little support to do so.

Where they were aware of the support on offer, managers were positive about free advice available through the Planning Officers Society, the Planning Advisory Service and the RTPI. They also cited the importance of sharing best practice with colleagues through their own professional networks. Whilst professional leadership is critical to the success of the planning service, it is also under threat as staff losses continue. This brings us on to the next point.

Recruitment and retention

Whilst underfunding has sent planning departments into a decade of decline, problems with recruitment and retention of planners has also posed a challenge for Local Authorities wishing to maintain or build their planning departments. The research revealed almost universal concern amongst Council Leaders and Service Heads regarding their ability to attract both the numbers and quality of planners needed to offer a sustainable service going forward.

This was due both to a shortage of planners in general and to competition with the private sector where pay and benefits tend to be more attractive.

Impact of Government Policy

Planning in the UK has seen a period of rapid change since the introduction of the NPPF. Whilst there is an important debate to be had about the proper role of the planning system and change is not in itself a bad thing, constant “tinkering” with the planning system can have a number of negative impacts on planning department capacity and the ability of Local Authorities to deliver through the planning system.

The Government’s Housing White paper acknowledges this problem to some extent, and claims that the Government has listened to the concerns “expressed by many within the housing and planning sector that the pace of change in policy and legislation can make local delivery more difficult”. Local Authority stakeholders had a number of concerns. Firstly, that policy was poorly communicated, with new approaches floated by government, with little detail and uncertain timescales. Managers argued that this caused uncertainty, particularly in terms of the preparation of Local Plans, and created delays.

Secondly, Managers argued that new policies were often introduced with insufficiently detailed guidance – making implementation difficult and time consuming.

Finally, there was concern that a constant turn over in policy created a significant administrative burden for planning departments. As new policies are introduced, planning departments need to communicate changes to officers and members and introduce new systems and processes.

Conclusion

In order to deliver a quality planning service, planning departments must be adequately resourced. Nevertheless, planning department capacity is dependent on a range of intersecting factors. Planning departments need the support of strong political leadership. In order to operate efficiently and effectively, it is dependent on committed and professional staff. Planning departments also need the support of National Government, and a policy environment that facilitates the work of planners, not one that complicates the system further.

5 Key Recommendations

1 Funding

- 1.1 Whilst there are always competing priorities for Local Government funds, Local Authorities should make a greater effort to ensure that all aspects of their planning service receive adequate funding. Funding should be sufficient to deliver the full range of planning services and go beyond simply focusing on their statutory duties.

Local Authorities should recognise the importance of the planning function to delivering on their broader objectives and as a means to delivering their long-term economic sustainability. They should therefore ensure that their planning departments have sufficient resources to drive development proactively.

- 1.2 To support this, Central Government should grant Local Authorities the autonomy to set Development Management fees locally – facilitating the full recovery of the costs of the development management process.

However, care should be taken to ensure that planning fees are not used strategically by Local Authorities as a disincentive to development, and should continue to be monitored centrally.

2 Local Political Leadership

- 2.1 National Government should work with organisations such as the Planning Advisory Service (PAS) and the Local Government Association (LGA) to provide comprehensive training on planning for all Council Leaders. This training should place a strong emphasis on the link between planning and the delivery of broader Local Government objectives, such as social and economic regeneration.
- 2.2 The Government, along with professional bodies and think tanks must work to promote a broader understanding of the value of planning as a positive driver of local economic growth. Organisations that promote the positive value of planning should consider launching campaigns specifically aimed at Council Leaders in order to encourage investment in planning.

3 Professional Leadership

The Government should invest more in services such as the PAS in order to support senior staff in deploying existing resources more efficiently and effectively. Peer review and leadership training for Planning Managers and Services Heads should be used more widely in order to spread best practice working already in use within many Local Authorities.

4 Recruitment and Retention

- 4.1 In an effort to bring more planners into the public service, all Local Authorities should offer the widest possible range of training opportunities. These should include planning apprenticeships, student placements and graduate schemes.
- 4.2 Local Authorities should also review planners' pay and conditions in order to ensure that a career within the public service continues to be desirable for planners of all grades.

5 Impact of Government Policy

The Government should consider setting up a Planning Policy Delivery Unit (PPDU) within DCLG. This unit should act as the liaison between National and Local Government throughout the policy making process. Its role would be to ensure that policies developed at National level are likely to be effective in practice and are practical to implement.

Appendix 1

- Methodology

This report draws on a mixed methodology. The first phase consisted of a quantitative survey, which was sent to every Local Planning Authority in England. The survey contained a range of questions on planning department staffing levels for the years 2006, 2011 & 2016. Following an analysis of the survey data, and an expert round table discussion on the findings, Planning Futures conducted a set of semi-structured qualitative interviews with Council Leaders and Portfolio Holders, Planning Service Heads and Planning Department managers. Details of interviewees and round table participants can be found below.

Interview participants

Cllr Ged Bell, Newcastle City Council
Cllr Eileen Blamire, Lancaster City Council
Tim Cronin, LB Wandsworth
Andrew Dobson, Lancaster City Council
Simon Excell, Gloucestershire CC.
Cllr Richard Farnell, Rochdale Borough Council
Iain Fairlamb, Sunderland City Council
Kath Lawless, Newcastle City Council
Kieron Manning, City of Lincoln
Cllr Richard Metcalfe, City of Lincoln
Cllr Dr Nigel Moore, Gloucestershire CC.
Mark Robinson, Rochdale Borough Council
Julie Roscoe Manchester City Council
Cllr Angela Stogia, Manchester City Council
Cllr Shama Tatler, LB Brent
Adrian Thorpe, Oadby and Wigston Council

Round table participants

Richard Blyth, RTPi
Anna Davies, Taylor Wimpey
Peter Farnham, OPDC
Mike Keily, Planning Officers Society
Jonathan Layzell, Stonewater
Alice Lester, LB Brent
Stuart Murray, GL Hearn Capita
Jeremy Owen, LUC
Tom Pike, Anderson
Michael Stanworth, Cratus
Andrew Taylor, Countryside

Appendix 2

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About Planning Futures

Planning Futures is a think tank dedicated to developing new ideas for planning in the UK. As we face ever growing pressures to build more homes, and deliver the infrastructure that our economy needs to thrive, it is essential that we get our planning policies right. As the only think tank dedicated solely to this field, we offer an independent, pragmatic approach to planning issues. Our research programme is informed by our expert advisory board, and provides a strong evidence base for unlocking UK's development potential.

Our 2017/18 programme focuses on delivery through the planning system at local level. We will be making the case for properly resourced planning departments across England and for greater transparency, consistency and effectiveness in decision making by officers and at committee

The Local Government Series

This is the first report of three within our Local Government Series – an ambitious research programme designed to examine the planning system in practice, “on the ground”, within hundreds of Local Authorities across England. Part two will explore the democratic dimension of planning and focus on the operation of planning committees. The final report will offer a broader view of the planning service at the local level and examine the factors underlying effective housing delivery through the planning system. Parts two and three of the Local Government Series will be released early next year.

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