

Planning Inspection

Kingston upon Hull City Council

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Service Inspection

This inspection has been carried out by the Audit Commission under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. These principles embody the objectives of our strategic plan and strategic regulation. They also reflect the principles from 'The Government's Policy on Inspection of Public Services' (July 2003).

Audit Commission service inspections should:

- focus on public service outcomes from a user perspective;
- act as a catalyst to help inspected bodies improve their performance;
- concentrate inspection work where it will have most impact, so that it is proportionate and based on an assessment of risk;
- be based on a rigorous assessment of costs and benefits, with a concern for achieving value for money both by the inspected organisation and within the inspection regime itself;
- be, and be seen to be, independent of the inspected organisation;
- report in public, using impartial evidence to inform the public about the performance of public services so as to enhance accountability;
- involve collaborative working with other inspectorates and external review agencies to achieve greater co-ordination and a more holistic approach to the assessment of performance by audited and inspected bodies;
- share learning to create a common understanding of performance that encourages rigorous self-assessment and better understanding of their performance by inspected organisations;
- be carried out objectively by skilled and experienced people to high standards and using relevant evidence, transparent criteria, and open review processes; and
- enable continuous learning so that inspections can become increasingly effective and efficient.

We assess services using published key lines of enquiry (KLOEs) to inform our judgements. The KLOEs can be found on the Audit Commission's website at www.audit-commission.gov.uk.

This report is issued in accordance with the Audit Commission's duty under section 13 of the 1999 Act.

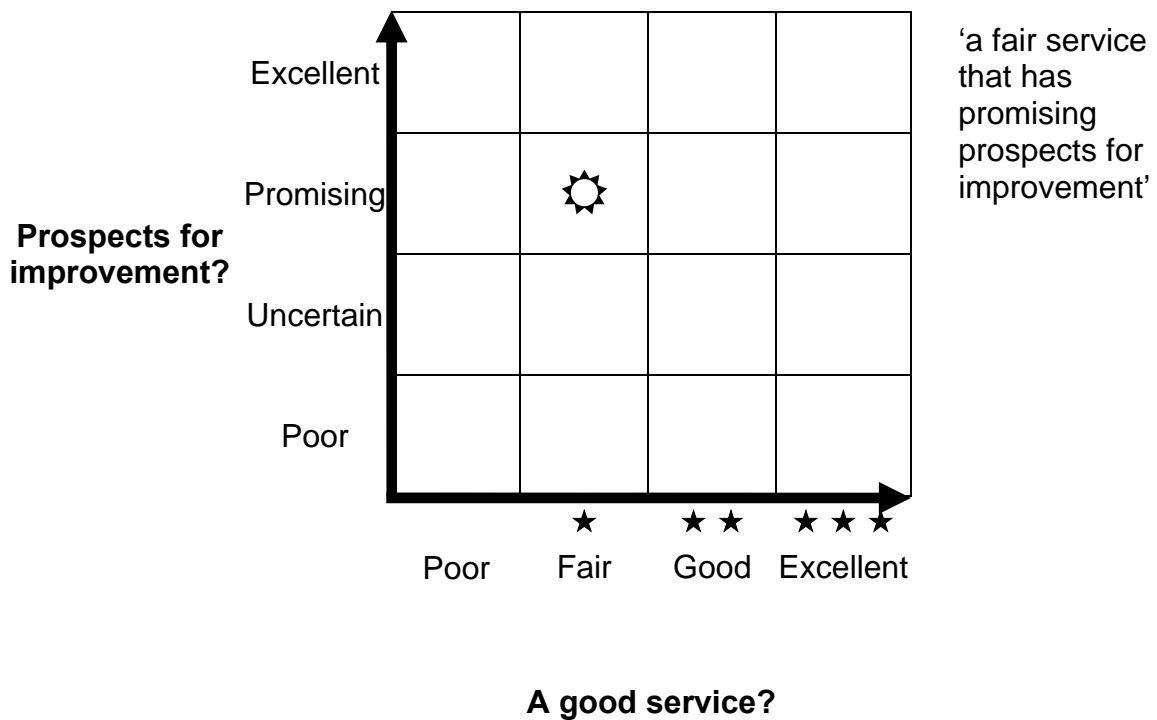
Summary

- 1 The relationships that Kingston upon Hull Council has with developers are good and improving and the service has responded to feedback to make improvements, but further improvement is required. Access to the service through the website is good, the Council achieved maximum Pendleton points for electronic delivery of the planning service, but office opening hours remain limited. The planning committee is well run with high levels of delegation. The approach to diversity is inconsistent and the statement of community involvement is still being developed.
- 2 Overall, service outcomes for users and the community are positive with some good examples of sustainable development. The speed of processing planning applications is poor and there is little focus on the management of value for money. The service uses effective procurement methods, and there are good examples of effective working in partnership with neighbouring councils and outside bodies.
- 3 National performance indicators show a slowly improving service but overall performance on these has been poor. ICT is used effectively in the service, but external funding is not maximised, though good use has been made of planning delivery grant to invest in ICT.
- 4 Performance management is improving and good information about service performance is now available. There is an improved service planning framework and the service is clear about its role in the delivery of the corporate aims although this is not yet measured. There is a clear statutory planning framework in place but the Council has made a patchy start to its new local development framework.
- 5 Significant investment has been made to improve the staffing levels in the service, and relationships between councillors and staff are good.

Scoring the service

- 6 We have assessed Kingston upon Hull City Council as providing a 'fair', one-star service that has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart¹



Source: Audit Commission

¹ The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

7 The service is a fair, one-star service because:

- the planning committee is well managed with the public encouraged to attend and speak;
- there is good electronic service access through the online planning system on the Council's website;
- there is a published customer charter setting out the standards of service which can be expected;
- pre-application discussions and a development team approach to key sites are in place;
- the Council has an up-to-date planning framework, and is making progress with its local development framework (LDF);
- it can point to examples of sustainable development in the city resulting from planning;
- it is now working well in support of partners and agencies to support regeneration of the city; and
- procurement practice within planning is effective and delivering the desired outcomes.

8 However:

- the speed of the planning application process is still not meeting government targets and is poor compared to other authorities;
- the service has missed opportunities to become more representative of the population through open advertisement of vacancies;
- the draft statement of community involvement (SCI) is still being developed;
- the development team approach is not fully effective;
- section 106 agreements have not been used well in the past; and
- current performance on value for money is poor and is not managed effectively.

9 The service has promising prospects for improvement because:

- planning delivery grant (PDG)² has been invested well;
- service to customers has improved;
- relationships with key partners are good;
- performance information is readily available;
- the service is effective at project management and is now on track to deliver its LDF; and
- service capacity has been strengthened.

² The Planning Delivery Grant is a performance-related grant paid to Councils to use as they see fit.

8 Planning Inspection | Scoring the service

10 However, some matters need attention including:

- performance management arrangements are not robust ;
- value for money is not yet a key focus for the service;
- the service needs to make clear measurable links between corporate priorities, service plans and performance targets in personal performance development plans (PPDPs);
- income is not being maximised; and
- sickness levels within the service are high;

Recommendations

- 11 To rise to the challenge of continuous improvement, councils need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the Council. In addition, we identify the approximate costs³ and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context the inspection team recommends that the Council should do the following.

Recommendation

R1 The Council is already developing a spatial plan for the whole of the Kingston upon Hull area. We endorse this course of action and recommend this continues and:

- *this should translate the regeneration strategy for the city into a meaningful plan for future development of the city;*
- *this should be developed and agreed with partners; and*
- *this will also provide the context for the core strategy of the LDF.*

The expected benefits of this recommendation are:

- it will provide clarity about future development of the city; and
- it will ensure that all key partners in the city are working towards the same objectives.

The implementation of this recommendation will have high impact with low costs. This should be implemented by October 2006.

³ Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 per cent and high cost is over 5 per cent.

Recommendation

R2 The Council should ensure that its development team approach becomes fully effective:

- *ensure that there is suitable representation on the team; and*
- *test the effectiveness of the approach with users.*

The expected benefits of this recommendation are:

- it will lead to faster processing of major planning applications and improved performance against best value performance indicators; and
- it will lead to improved customer service.

The implementation of this recommendation will have high impact with low costs. This should be implemented by October 2006.

Recommendation

R3 The Council should revise its draft statement of community (SCI) involvement to ensure that it meets government guidelines and is fit for purpose.

The expected benefits of this recommendation are:

- this will improve the quality of the local development framework; and
- increase community involvement in the planning process.

The implementation of this recommendation will have high impact with low costs. This should be implemented by July 2006.

Recommendations

R4 The planning service should develop local performance indicators and use these to manage performance.

- *These indicators should include:*
 - *measures of its contribution to corporate objectives;*
 - *measures to demonstrate and improve value for money, quality and added value; and*
 - *measure the service's performance against its customer charter.*

The expected benefits of this recommendation are:

- improved performance and value for money.

The implementation of this recommendation will have high impact with low costs. This should be implemented by July 2006.

Recommendations

R5 Identify as part of the PPDP process the management development needs of relevant staff, and provide appropriate training and development.

- *Undertake teambuilding activity necessitated by expansion of service and recruitment of new staff.*
- *Ensure that all relevant staff are trained in the management of performance and value for money.*

The expected benefits of this recommendation are:

- a greater focus on performance management and improvement.

The implementation of this recommendation will have high impact with low costs. This should be implemented by October 2006.

Report

Context

The locality

- 12 Kingston upon Hull City Council is a unitary authority in the north of England, and is the twelfth largest conurbation. The port of Hull is part of the Humber ports complex, the largest in the UK and the fourth largest in Europe. Most of the city's more affluent suburbs lie within the boundaries of East Riding of Yorkshire Council (ERYC), which surrounds it on all three landward sides.
- 13 The city's population at the time of the 2001 census was 253,400, a fall of 7 per cent from 1991, although this rate of decline is now slowing. By 2004 the population was 248,500. The percentage of the population aged over 65 is slightly lower at 15 per cent than the national average of 16 per cent. There is low reported black and minority ethnic (BME) population of 3.75 per cent, against a regional figure of 8.33 per cent and 13.0 per cent for England. The BME population has dramatically grown from a much lower base, in recent years, with the arrival of asylum seekers and refugees. There are currently over 40 languages spoken in the city.
- 14 The city has high levels of deprivation, with the Office of National Statistics ranking it ninth most deprived of England's 354 council areas in 2004 (with 1 being the most disadvantaged). There is high unemployment, with an annual claimant count in March 2005 of 5.1 per cent, which is more than double the national figure of 1.93 per cent. The main sources of employment are in manufacturing, food processing, maritime, ICT, public, health and education sector and engineering.
- 15 Much of the city's housing stock is of low value. There is a large but declining council housing stock of 30,633,⁴ which are a mixture of traditional and non-traditionally built properties. This stock represents over 29 per cent of the city's housing, against a regional figure of 7 per cent and 12.5 per cent for England. There is a declining demand for properties in many areas of the city, with the resultant sustainability problems. This has led to its being selected as a housing market renewal (HMR) pathfinder pilot area with neighbouring East Yorkshire.
- 16 Significant efforts are being made to regenerate the city driven by additional funding from a number of sources, including European Objective 2 grant, Single Regeneration Budget, Neighbourhood Renewal and New Deal for Communities funds. There are a number of major physical projects completed or underway and the city has special status within a number of areas that attract additional funding, such as a health action zone, education action zone one, six SureStart and one SureStart plus schemes.

⁴ September 2004

The Council

- 17 At the time of the inspection the Council was run by a minority Labour administration which holds 27 seats, with 22 held by Liberal Democrats, three by Liberals, three by Hull independents, two by Conservative and Unionists and two by the independents. Seven area committees and area teams have been established to discuss issues of local relevance at a more local level. The Council's overall revenue budget for the year 2005/06 was £319 million and the capital budget was £95 million.
- 18 The local strategic partnership (LSP) has been restructured during recent months, and a new community strategy agreed, which is about to be launched. The three core themes of the community strategy are jobs and prosperity, education and skills, and quality of life. The Council has developed a new corporate plan for the period 2006/09 to reflect these changes and was formally approved by the Council on 2 March. This sets out five key priority areas: economy, learning, health, safety and environment.
- 19 The Audit Commission carried out a corporate governance inspection in 2002 which identified a number of significant weaknesses, and in comprehensive performance assessment (CPA) in 2002 the Council was categorised as poor. The Council has made slow progress since that time but in 2005 was re-categorised as weak as a result of improvements in performance in some service areas.

The Council's planning service

- 20 In recent years the planning service in Hull has seen reductions in funding and staffing levels. It lost 32 staff from a compliment of 51 staff in 1997 when a major redundancy programme was agreed by the Council. An early retirement programme was carried out at the end of the financial year 2001/02, in which the compliment in the planning service dropped from 19 to 17 staff, including a number of managers. Following these redundancies there was no reorganisation of the service to formalise management arrangements for some time, and for a period the service was then divided with forward planning in one council directorate and development control in another. In 2005 the planning service was united as part of the development and renewal directorate (D&R) alongside economic development. There is no head of planning - there are separate managers for planning policy and planning development.
- 21 At the request of the Council, the Audit Commission carried out a short review of the planning service during 2004, to inform its arrangements for reorganising the service. Key recommendations arising from the review included the need to ensure effective support for the city's regeneration initiatives and establish a viable establishment level for the service that is appropriate to the needs of the city.
- 22 When fully staffed the service will employ 54 staff; it currently (at February 2006) has 40 staff. It has a gross budget of £2.3 million per annum, and receives planning application fee income of £920,000. It receives approximately 1,600 planning applications per annum.

How good is the service?

What has the service aimed to achieve?

- 23 In 2002 the Council had a Corporate Governance Inspection followed by a CPA Inspection December 2002, Hull was assessed as a 'poor' council and since that time has been subject to government engagement to support its recovery and improvement. In the latest council improvement plan, which is incorporated into the draft corporate and performance plan 2006/09, the planning service is one of three council services highlighted for specific improvement. This results from a recognition by the Council that it is not possible to regenerate a city without support from a 'fit for purpose' planning service, and that in Hull's case the Council realised that this service had become very run down and was under-resourced.
- 24 A new community strategy for Hull is about to be launched, following extensive consultation by the LSP. The strategy sets out 'a framework for transforming Hull and improving the quality of life for everyone who lives, works and visits Hull'. The strategy recognises the challenges facing the city of declining population, low employment rate, poor educational attainment and qualification levels, high levels of deprivation and crime, and poor health. The community strategy is in effect the regeneration strategy for the city, set in a regional context. The three core themes of the community strategy are:
- jobs and prosperity
 - education and skills; and
 - quality of life - creating safer stronger communities.
- 25 Important elements of this regeneration are the revitalisation of the city centre, which is being led by an urban regeneration company, Hull CityBuild, the housing market renewal pathfinder for Hull and East Riding of Yorkshire, 'Gateway', and Building Schools for the Future (BSF). Hull is also a key element of the 'Northern Way' growth strategy, and the programme for the Hull and Humber ports city region will bring important investment to revitalise the local economy. The planning service is involved in, and is supporting, all of these initiatives.
- 26 In addition, a spatial strategy is also being developed led by Gateway. The aim of the planning service is to support the Council's regeneration objectives through the implementation of this spatial strategy. The purpose of the service is set out in the D&R service delivery plan as:
- 'to enable a sustainable future for the city of Hull and the Hull and Humber ports city region, ensuring the objectives of the community strategy and corporate plan are met; address market failure, market weakness or systemic weaknesses which deny the citizens of Hull economic inclusion, progression and choice, and to ensure the highest quality spatial and built environment for our citizens.'*

- 27 The planning service is doing this with the partnership and support of Gateway, CityBuild, BSF, the Humber Forum, and neighbouring councils, particularly ERYC.

Is the service meeting the needs of the local community and users?

Access, customer care and user/community focus

- 28 The Council now has a good, and improving, relationship with developers, having responded to feedback and made a number of changes to its approach in recent years. The Council now has a developer 'reflector group' which is used for canvassing the views of developers working within the city. The Council has recently started to hold pre-application meetings with developers at their request, and now keeps a record of those discussions. There is an arrangement which allows developers to give pre-application presentations to the planning committee. However, developers still see room for improvement in the Council's approach, in particular that the Council does not yet offer a co-ordinated council-wide response at the pre-application stage - so developers still have to negotiate with all council services separately. The Council intends to address this through a better client liaison approach and increased resources in development control.
- 29 There is no clear, up-to-date guidance available to show developers the level of contribution required for specific types of development. This means that contribution may not be maximised and developers are unaware of the commitment that may be required of them.
- 30 The Council has recently introduced a formal development team approach to key sites, which has been welcomed by developers. Under this arrangement all relevant council services are represented on the development team to ensure that council objectives from the development are met. This will include representatives from Citybuild and Gateway for developments within their area. The development team approach has, however, highlighted a further resourcing issue within the Council; the highways planning section has limited resources, with just one member of staff available to deal with all planning issues and sit on all development teams.
- 31 The Council's planning committee is well run, and there is a high level of delegated decisions (90 per cent of decisions are delegated). Members of the public are encouraged to attend and speak at planning committee. The business is well managed, the chair is inclusive, and members of the public are clear about what decision has been reached and why. The display of plans at the meeting could be improved - this is an action within the service's improvement plan. Members of the Council cannot sit as members of the planning committee unless they have been trained to do so. The training is good and comprehensive, and specific planning coaching has brought benefits in terms of the quality of member decision-making.
- 32 Access to the planning service has been recently enhanced through the introduction of a fully interactive website, which allows online viewing of planning

applications by anyone with internet access. The Council now meets the government standard for electronic delivery of the planning service. There are still some teething problems with the website, and the service is not yet consistently available. The website does give the name and telephone number of the case officer dealing with each application in the weekly list. For personal callers, the planning office is only open from 8.30am to 5.00pm Monday to Thursday and 8.30am to 4.30pm on a Friday, limiting access for those who are at work during the day.

- 33 The planning service now has a very clear customer charter which sets out levels of service which customers can expect. Performance against the charter will be measured and monitored. The Council now operates a call centre, and is opening a number of customer service centres across the city, which will deal with first-line planning enquiries. Whilst this will improve customer service it is not yet clear how the necessary back up, training and support are to be delivered, as this is still in development, or what impact this will have on the planning service.

Diversity

- 34 Hull has not historically had a diverse community although numbers of minority groups are now growing - the BME community grew from 1.3 per cent of the population in 1991 to 2.3 per cent in 2001, and is currently estimated to be 2.6 per cent. However, the BME communities are themselves diverse with over 40 languages being spoken.
- 35 The Council's corporate approach to diversity has improved within the last year, with enhanced capacity and leadership, but overall is still inconsistent. The Council has recently agreed a community cohesion strategy, has a corporate equalities plan and a corporate officer team of 15 dedicated to equalities issues. Documents can be provided in various languages, and there is a comprehensive service for translation and interpretation. There is detailed and ambitious programme of impact assessments in hand.
- 36 The Council cannot be sure that all its communities have fair and equitable access to the service. Whilst there are examples of good practice, this is not translated into a consistent approach to service delivery. The D&R directorate, of which the planning service is a part, has an equalities plan, though there is not sufficient focus on the planning service. An equalities impact assessment of the development control service has recently been carried out and this identified the need for development of customer facing staff. The planning service has carried out a customer survey including ethnicity monitoring of its service users. It is not clear what the conclusions are from this exercise and what is going to change as a result.

- 37 Disability and access issues are taken seriously. The Council's access officer is based within the planning service, and advises on planning applications. Access to the building in which the service is located - Kingston House - is scheduled for review during 2006/07; good improvements have already been made to the planning service reception area with the introduction of adapted desks for wheelchair users and keyboards which allow people who are partially sighted to access PCs. The service can demonstrate an impact on development within the city. For example the St Stephen's development, which is a very large retail, office, and residential development in the city centre, has been improved following an intervention by the access officer to re-instate and improve the location of the mobility shop within the shopping centre.
- 38 At the time of the inspection the Council's draft SCI was not sufficiently advanced to be assessed as fit for purpose. The SCI, part of the local development scheme (LDS), is a tool for the engagement of the local community in the planning process. It is an opportunity for the Council to engage with diverse groups, including those who do not normally take part in the planning process. It is a requirement under the new planning legislation that the SCI includes 'a discussion of the relevant communities and stakeholder groups, their skills and interests, and how the authority will identify them'. As the SCI is presently drafted it does not fulfil this remit and does not address equality and diversity issues. It is understood that the Council and LSP intend to draw up a consultation toolkit in the near future, but the SCI is not referred to in the D&R equalities plan under the commitment to consult and involve.
- 39 The recent approach to recruitment within the planning service does not meet the Council's need to increase the BME proportion of its workforce. Currently, BME employees make up only 1.2 per cent of the Council's workforce and the corporate equalities plan includes a priority to increase this proportion. The Council has a policy of all posts being advertised externally, and improvement targets have been set, reflected in the D&R service equalities plan. However, in the recent round of recruitment following the reorganisation and expansion of the planning policy section, posts were only advertised externally when they could not be filled by internal candidates. Whilst this may have assisted with the retention of existing staff it will not contribute to making the Council's workforce more representative of its communities.

Service outcomes for users and the community

- 40 The service can show examples of promoting development that are sustainable in terms of their design, location, biodiversity and land use. The Council has set itself a target of 70 per cent of new housing to be built on brownfield land, in line with the draft regional spatial strategy, and has achieved its target for the last 2 years. The Council has adopted supplementary planning guidance on design, is currently updating this for the new city centre area action plan with draft supplementary planning documents (SPDs) on public realm and design, and is working with a local organisation (arc - the Humber Centre for Excellence in the Built Environment) to set up a design panel. Feedback from developers and CityBuild is that the Council's new approach to design is welcomed. The service seeks to minimise crime through design, and works regularly with the Humberside Police architectural liaison officer.
- 41 The Council encourages mixed use sustainable developments, and has achieved some success. The largest development in Hull in recent years is the major urban extension at Kingswood, which will provide 5,000 houses over a 25-year period. This was first allocated in the local plan, and provides attractive, modern housing for owner-occupation that is not available elsewhere in the city. Allied to it is a major employment site, and out-of-town shopping and entertainment. The development will shortly be supported by a park-and-ride facility.
- 42 Another example is Victoria Dock, a successful residential development on the edge of the city centre adjacent to the Deep⁵ which was developed through a joint venture with a house builder and has provided 1,446 dwellings of different types and tenures together with shops, a pub, a doctors and a dentists, a community hall, and the first PFI-funded primary school in the country. The developer has also provided a park and bowling green, a church, a sports field and children's play area, a mile of river defences and a refurbished dock basin. A further example, currently under construction, is the St Stephens development in the city centre. This development is adjacent to the station and will include a new bus station and transport interchange as well as major shopping, a hotel, arts centre providing purpose-built facilities for the renowned Hull Truck theatre company, and residential development. The St Stephens developer was chosen through a competition, and the land was acquired by the city council through a compulsory purchase order; this is a good example of the Council using its land to support its priorities.
- 43 The Council has adopted planning policies to further biodiversity objectives, and has published its bio-diversity action plan. The planning service employs both an ecologist and bio-diversity co-ordinator, and there are a range of projects under way including nature reserves, eco-ponds and parks, and community education initiatives.

⁵ The Deep is the deepest aquarium in Europe.

- 44 Planning for housing in Hull is complex. The collapse of the housing market in parts of the city led to the designation of a housing market renewal pathfinder, Gateway, jointly with ERYC. The outflow of population from Hull, spurred by the desire to live in the better quality housing and environment to be found in the East Riding, is addressed both through the joint structure plan (JSP), and by Gateway. The planning service has been instrumental in both. The JSP policies support the refusal of new housing development in the East Riding as long as new housing is provided in adequate numbers in Hull. These have been successfully implemented by both authorities to date. As Hull currently has an oversupply of affordable housing this has not been a requirement of new housing development, but in recognition of the changing market position the Council plans to produce an affordable housing SPD as part of the LDF. The planning service has worked closely with Gateway supporting the development of their overall scheme and area action plans, through secondments and jointly funded planning posts. Both local authorities and Gateway have put a joint position forward on housing allocations in the regional spatial strategy (RSS), which has been accepted by the regional assembly. This will allow for a planned continuation of housing development in Hull, in support of market renewal, made possible by a continuing restriction on development in the East Riding.
- 45 The planning service demonstrates a strong ability to work with its neighbouring council and outside bodies in support of the Council's regeneration objectives. As well as supporting Gateway (see above), the service has a long established relationship with ERYC and the JSP is being successfully implemented. Planning also works closely with CityBuild, the urban regeneration company responsible for the city centre redevelopment. Several staff are involved in working with CityBuild to develop the city centre masterplan and turn it into a statutory planning document. Consultants have been jointly commissioned, and the city centre area action plan and supporting SPDs were prioritised within the LDS and are already well advanced. Planning also works closely in support of the Humber Forum economic development agency and with colleagues in D&R on the Hull and Humber ports city region programme. Internally, planning is represented on the sustainable communities implementation group (SCIG), which is a multi-service group of officers who come together to co-ordinate the Council's regeneration efforts.
- 46 Hull has been declared a planning standards authority for 2006 as a result of poor performance on timeliness indicators (BV109a, b and c). Whilst there has been some improvement during 2005/06, performance remains poor and in the lowest quartile compared to other councils. The Council has a high delegation rate of 90 per cent, a very high success rate on appeals, over 95 per cent compared to a national figure of 66 per cent, which the Council attributes to effective decision-making, and no findings of maladministration. Enforcement action has been slow; over 50 per cent of cases are over six months old, with an increasing backlog of over 200 cases.

- 47 The service requires developers to contribute through section 106 agreements. Its approach is currently being reviewed as it has not been effective in the past and will be a critical indication of the service's effectiveness in the future. Historically, the Council has not used section 106 agreements well but this has improved In 2004/05. They are mainly used for environmental improvements although a significant example is the new £3.5 million primary school at Kingswood, which was a consequence of granting permission for major commercial and residential development. The Council does not have any mechanisms for monitoring and reporting back to committee the impact of any planning obligations imposed on developers.

Is the service delivering value for money?

- 48 In making a judgement on value for money we look at costs and service performance including quality of service and customer satisfaction. Service performance, as reflected in BV109, is poor and satisfaction levels are average. Although the service is low cost this cannot compensate for a service that is failing to meet standards. During 2005/06 the cost of the service has increased as additional resources have been allocated. Overall, therefore, value for money is low, and will continue to reduce as costs rise unless there are commensurate increases in service performance and quality.
- 49 The service does not routinely collect and analyse cost information, and did not have any information on value for money, other than that case loads are above average in development control. There are some external factors affecting costs; for example the national shortage of planners is exacerbated in Hull due to geographical isolation. Salaries have therefore been increased in order to attract staff, and to retain those already in post, in competition with surrounding authorities.
- 50 The service uses effective procurement methods, including joint procurement, which are promoting value for money and delivering outcomes that meets the needs of users and the community. The Council has recognised that the need for planning input to the high level of regeneration activity going on in the city can sometimes best be met by the use of consultants. The service makes extensive use of consultants in its forward planning work. In some cases this has been funded by partners and external agencies, or joint appointments of consultants have been made, and costs shared for example, the appointment of consultants to draw up the city centre masterplan, and the statutory action plans to underpin it, has been partly funded by CityBuild. The development of area action plans for the housing market renewal priority areas will also be carried out by consultants appointed by the developers responsible for each area.
- 51 The procurement of planning consultants is also effective; it follows the Council's procurement policy, and meets European requirements. Decisions are not made on the basis of price alone, but also consider quality and outcomes. Effective use is made of a range of contracts, including those where consultants can be called upon to give advice as and when needed on particular types of issue or development.

- 52 There are examples of good partnership working which add value for money. For example the production of local waste and minerals plans under the LDF is being done jointly with ERYC as it was for the previous waste and minerals plans and the JSP, with Hull leading on waste and ERYC leading on minerals. This is an effective use of resources.
- 53 Management arrangements within the service do not currently focus on improving value for money. Whilst a best value review of the planning service was carried out in 2003 it did not include recommendations on value for money and the Council did not progress its implementation until planning became part of D&R in 2005. Since then, progress has been good. Despite this, the Council has not been able to maximise its planning delivery grant and is to receive just £234,000 in 2006/07 compared to £580,000 in neighbouring East Riding of Yorkshire. The Council has also been slow to follow up section 106 income, and has received monies which it has not then spent. It is now reviewing its procedures for doing this. The planning service is required to deliver its share of D&R's Gershon savings and is on track to do so.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 54 National performance indicators show a slowly improving service but performance in processing planning applications is poor. However, the service has used its PDG to invest well in software and hardware and this has led to some good improvements to customer service. Relationships with key partners are good but value for money is not a key focus for the service.
- 55 Budget cuts and redundancies over the last ten years have resulted in poor performance in terms of speed of processing planning applications, and the service did not have the capacity it needed to contribute to regeneration initiatives. This problem was recognised during 2005, following the strategic review by Professor Ted Kitchen,⁶ and an Audit Commission report on the planning service, both of which highlighted a lack of capacity in planning to support corporate objectives.
- 56 Subsequently, the Council has allocated additional resources for the planning service, which has restructured to meet current demands and is in the process of filling all vacant posts.
- 57 The service is funded through its main budget which is used for day-to-day running of the service and it also receives a PDG from government. The PDG is passported directly through to the planning service by the Council. The PDG has not been used to support the general revenue budget in the planning service but has instead been used wisely to invest in improvement to computer hardware and software. This is a good use of the PDG. It has allowed the Council to improve the infrastructure in the planning service and to build a strong foundation for future service developments and improved value for money. It also means that the department is not reliant on PDG for its normal day-to-day expenditure; the reduction in grant because of poor performance will not lead to a shortfall in the revenue budget.
- 58 The planning department is improving its service to the public through service planning and has also recently started to use the results of its best value review to do this. The service has implemented changes, for example, it has recently introduced new software that allows the public to view plans and applications on line - an example of good practice.
- 59 The service has recently carried out a customer questionnaire. Although the exercise was originally intended to measure customer satisfaction with the service the process was not robust enough to provide this data. However, the findings are reflected in the service plan as actions to further improve performance.
- 60 The planning service has developed good working relationships with its key partners. This has led to more collaborative working - for instance planning staff have been seconded to Gateway. This change in approach has been

⁶ 'Strategic Review of Regeneration Activities' by Ted Kitchen, Professor of Planning and Urban Regeneration, Sheffield Hallam University

acknowledged and welcomed by the service's key partners. Good relationships have also been developed with neighbouring councils and in particular East Riding of Yorkshire. This has helped to build capacity and was used effectively to develop the JSP.

- 61 Feedback from developers through the reflector group set up for this purpose, and from CityBuild which works closely with the business community in the city, is that the planning service has improved in recent years, is more responsive to the needs of developers and business, with better decision-making at planning committee.
- 62 Overall performance in implementing the recommendations from two recent external reviews has been good although there are a few recommendations that are still outstanding. These are reflected in the department's service plan for action.
- 63 In addition, the service recently had the opportunity of assistance from the Planning Advisory Service (PAS).⁷ The service sensibly deferred this opportunity because staff shortages would have made it difficult to implement any changes. Instead the PAS is due to provide assistance to the planning department in the near future, once the service is fully staffed.
- 64 The speed at which the department performs as measured by the key national indicators, BV109a, b, c - the speed of determination of planning applications - has generally improved over the last three years but performance is still relatively poor and has improved on average at a slower pace than other councils. This slow response rate led to the Council being declared a planning standards authority. The service has improved its service to the public through the use of additional hardware and software as described above.

⁷ An organisation established by the ODPM to advise poor performing councils on how they can provide service improvements to help them speed up determination of planning applications.

Figure 2 Percentage of major planning application completed in 13 weeks (BVPI 109a)

Performance remains stable but is falling behind others

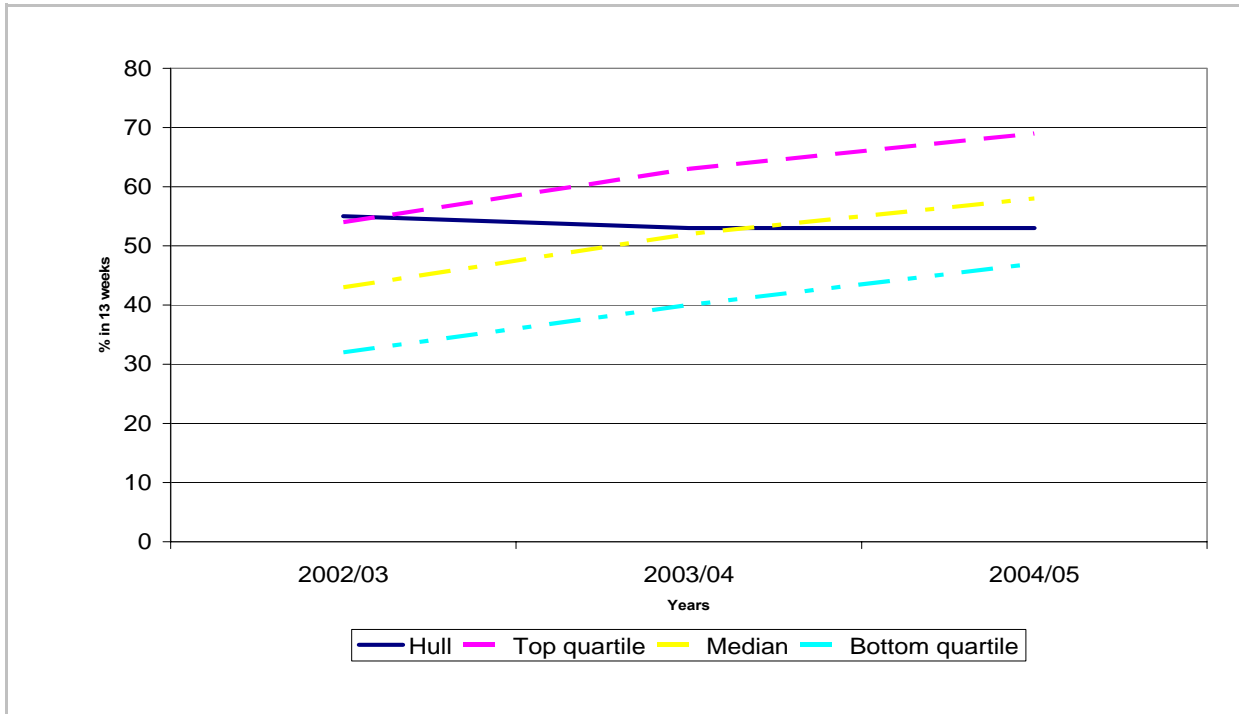


Figure 3 Percentage of minor planning applications completed in 8 weeks (BVPI 109b)

Performance is improving but is improving slower than others

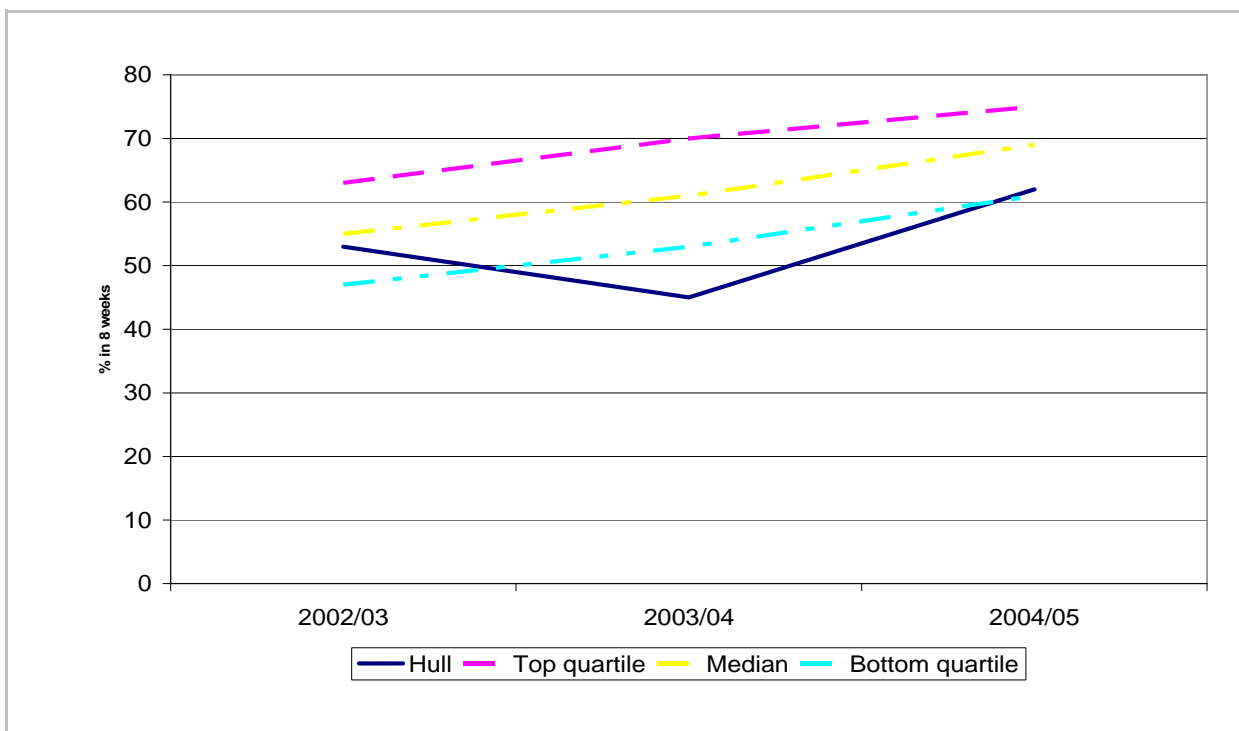
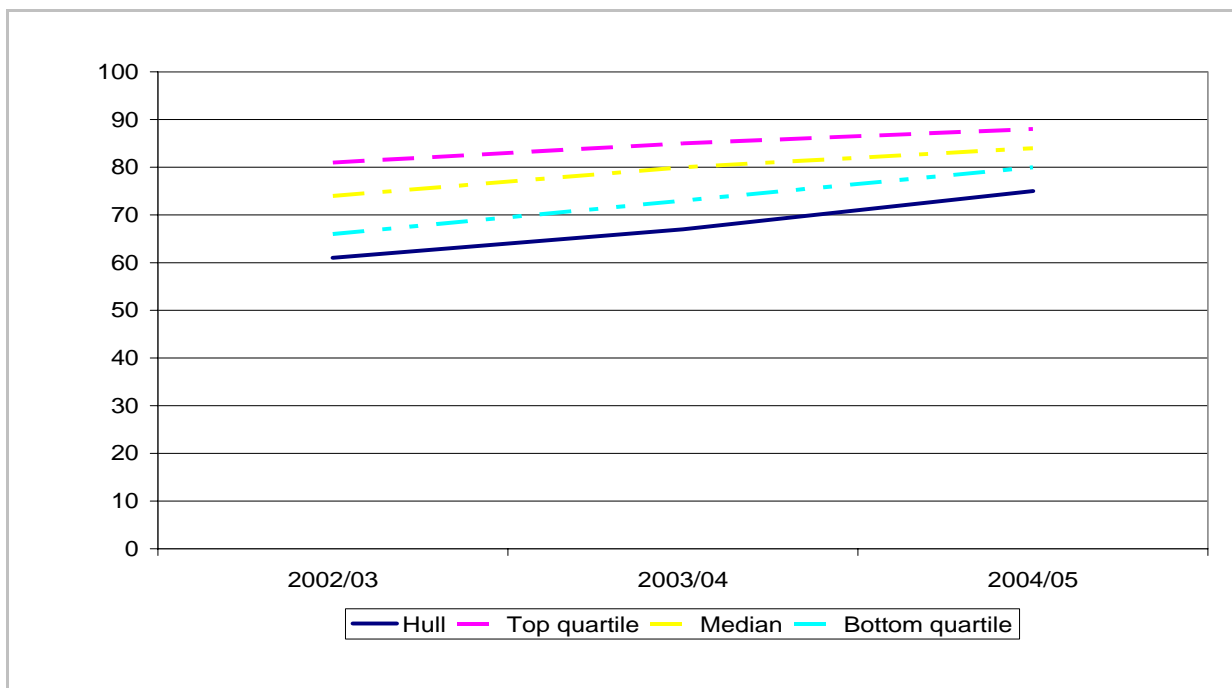


Figure 4 Percentage of other planning applications completed in 8 weeks (BVPI 109c)

Performance improving but at a similar rate to others



- 65 In general, the department does not have a clear focus on value for money. Historically, value for money has been poor with poor performance (measured by best value indicators) on processing times, low cost and average customer satisfaction. However, in the building control section the service is in direct competition with the private sector and consequently value for money and cost of the service are a key part of the service focus. The learning from this section has not been spread to other sections.
- 66 Recent changes to the service - in particular increased funding and improved staffing levels - have the potential to positively influence this performance. However, the service has not yet tried to evaluate the impact of these changes on value for money.

How well does the service manage performance?

- 67 Performance management is improving, helped in part when the planning service became part of D&R. Good performance management information is available through the new systems although this is not well used at the moment. The service uses project management techniques and is now on track to deliver the LDF.

- 68 The planning service engages effectively in debate and negotiation at regional level on behalf of the city, for example around the RSS. The house building allocations have been a critical issue for Hull and East Riding because of the failure of the housing market in Hull combined with pressure for new houses in East Riding. The Council is also effectively engaged in the 'Northern Way' initiative, and the planning service supports the plans for the growth of the Hull and Humber ports. The planning service has also seconded a senior member of staff to work with the housing market renewal pathfinder which is a major issue for the affected communities in Hull.
- 69 The Council has a clear planning framework in place to support decision-making. This comprises the JSP with East Riding of Yorkshire, which was adopted in 2005, joint plans with East Riding for both waste and minerals, adopted in 2004, and a local plan adopted in 2000, which is supported by comprehensive supplementary planning guidance. All of these plans have been 'saved' until they are replaced by new documents under the new planning framework. There is also non-statutory city centre masterplan to guide development in the city centre area covered by the urban regeneration company. It is one of the priorities within the local development scheme to produce city centre action plans to give this masterplan statutory force. The JSP is an important document for both councils because large parts of the built-up areas within Hull fall within the administrative boundaries of East Riding, and development within both councils boundaries is inevitably linked. An example is housing development, where priority is given to the renewal of the housing market in Hull through a limitation on new housing development within East Riding
- 70 The Council has made a patchy start with its LDF. The latest iteration of the LDS, dated May 2005, was already out-of-date by the time of the first annual monitoring report in December 2005. In addition, some key milestone dates have been postponed, for example, for the SCI and housing local development document. Some documents are well advanced, particularly those based on the city centre masterplan, where consultants have been employed to produce an area action plans and seven SPDs. The recently adopted JSP acts as the core strategy for the LDF although work is now under way to revise the core strategy to reflect the new Community Strategy and Corporate Plan. However, the research upon which the JSP is based is now out-of-date, particularly in the area of housing,. The collapse of the housing market in parts of Hull was recognised at the JSP's Examination in Public and is reflected in the JSP's policy approach. However, Gateway has developed a more detailed and sophisticated research base since then which will need to be reflected in the LDF. .The SCI is only at the first draft stage, and still subject to internal consultations, but as currently drafted it needs significant change before it can be considered to be fit for purpose.

- 71 The service is clear about the overall aims of the Council and its role in the delivery of those aims. A spatial strategy for the city - developed by all the public sector partners in the city, led by Gateway - provides a spatial expression of the community strategy, links the structure plan to the local plan and provides context to the planning process. The spatial strategy sets out the primacy of Hull city centre as a driver for regeneration, as the city region hub for business, shopping and leisure activities. It also stresses the economic need for the Humber ports, and the development of employment land along the north bank of the Humber from Saltend to Melton. It includes the housing renewal priorities of Gateway, and the concept of district centres within Hull as the location for new schools, shops and local facilities. This spatial strategy will provide the context for the core strategy under the LDF.
- 72 However, despite recommendations in earlier Audit Commission reports the service has still to identify local performance indicators that provide an indication of its contribution to the corporate aims. This is a key omission.
- 73 Service planning has improved since the planning service became part of D&R directorate and is now more focused. A major improvement is the improvement planning process which includes national and corporate priorities as well as weaknesses identified as part of the self-assessment for this inspection. The plan is resourced and is focused on outcomes intended to help the service improve. An Audit Commission review of performance management arrangements in 2004/05 identified examples of good practice within D&R. This expertise is now being adopted by the planning section to promote the development of a continuous improvement culture.
- 74 This culture is also being supported by involving staff from the service in corporate continuous improvement exercises, which has prompted changes to the departmental structure. A new departmental performance management system offers better performance management information but this isn't being used as a management tool. The planning service's action plan is monitored monthly to ensure progress. This information is submitted to the departmental management team and corporate improvement group (CIG), which has been tasked with improving the Council's national planning performance indicators
- 75 The Corporate Strategy Team identified the key barrier to improved performance as insufficient capacity caused by under-funding. After a prolonged delay - particularly in reviewing salary grades - the additional budget is now in place.
- 76 One of the major obligations facing planning departments is the production of a LDF. This lengthy and complicated process is being well managed at Hull and is now on schedule to meet the revised deadlines developed because of the patchy start.
- 77 The service produces an annual monitoring report that is clear, well written and an accurate representation of the progress made by the Council.

- 78 The service also uses personal performance development plans (PPDP) to make the link between corporate plans and individuals contribution to them. Although these links do exist, the main focus of the PPDP is on staff training rather than on improving performance. Managers are aware of this lost opportunity and are planning to improve the process during the next cycle of personal planning. Training needs assessment will be particularly important given the influx of new staff to the service.
- 79 The service uses a range of tools to promote performance improvement , such as the Hull Driver - a localised model of the European Foundation quality model, learning lunches and customer surveys. In general, these are used effectively and inform the service improvement plan.
- 80 Overall there is a limited focus on value for money. For example, the impact of the current changes to the budget and staffing levels have not been analysed to assess their impact on value for money.
- 81 The planning service has benefited from joining the D&R directorate through improved management regimes, greater capacity to support improvement, more focused improvement planning and a more hands-on management style. Leadership within D&R is effective and has helped to promote a sense of urgency to improve amongst staff of the planning service.
- 82 The service learns from others; fact finding missions involving staff and members of the planning committee have prompted changes to the way that the service is delivered. An example is the adoption of a customer charter developed from another council.

Does the service have the capacity to improve?

- 83 The Council identified that the service was under funded and under-staffed and has now addressed the shortfalls. It has increased service capacity to a level it now regards as appropriate to promote performance improvement and deliver the Councils corporate objectives.
- 84 The planning service has been adversely affected by the impact of job evaluation, uncompetitive salaries, slow restructures and unfilled posts. The recent restructure has addressed these issues and the service is now completing the recruitment process to bring it up to full capacity. Existing staff are enthusiastic, keen to see the departments performance improve and motivated by the service being a corporate priority.
- 85 The Council has recently spent a lot of time agreeing revised structures within the planning department. Staffing levels and structures have been robustly established using a combination of benchmarking and experience - a process which was key to establishing a planning service able to effectively support the city's ambitious regeneration and development initiatives.
- 86 Following this exercise the Council has invested significantly in funding those new structures. Jobs have been re-evaluated and grades have been enhanced to provide greater incentives to support the recruitment process. A new establishment has been agreed and funding provided to support additional posts.

- 87 The problem of staff retention is being tackled through a number of measures:
- the re-evaluation of the grades for the jobs in the planning service so that appropriate market rates are now being paid;
 - staff are encouraged to stay at the Council through the use of career development and succession planning; and
 - consideration is being given to joint working with neighbouring East Riding of Yorkshire Council to try and provide a more stable base for the future of the planning service in the area.
- 88 Relationships between councillors and service staff are good and there is good understanding of their respective roles. A high proportion of decisions are delegated to officers which provides an effective and efficient way of dealing with applications.
- 89 The planning committee operates effectively. Its decision-making is robust; when planning officers' recommendations are over-turned members have to justify their decision. In addition, they have to represent the Council at any appeal hearings - all of which helps to promote robust decision-making. In addition, the Council wins a significant number of appeals - currently 95 per cent - which also reflects sound decision-making. The service is currently investigating ways to reduce the level of appeals by improving the pre-application process. The protocols adopted by the planning committee are regularly reviewed to ensure their relevance.
- 90 The chair of the planning committee is active in developing the role of the committee and has recently introduced a number of changes to improve the quality of the planning process:
- pre-application discussions are held for major applications to ensure that applications are appropriate; and
 - site visits are held outside of 'normal' office hours for committee members to experience the full effect of planning applications.
- 91 The committee is inclusive; it encourages members of the public, applicants and objectors to speak to the committee. This process is well-managed by the chair and decisions are explained effectively to those attending the committee.
- 92 The service makes effective use of ICT. The PDG awarded to the Council has been invested wisely in improved equipment and software, which has prompted significant improvements in service delivery to the public. For example, it is now possible to view applications and plans online; members of the public who do not have access to a computer can access this facility within the planning reception area. New equipment has been purchased to allow online access with rise and fall desks suitable for wheel chair user and keyboards suitable for people with visual disabilities. Further training for staff is planned on the new equipment to further improve efficiency and effectiveness of the service.
- 93 Sickness levels are high in the department when compared to the rest of the Council. Unless the sickness absence levels improve significantly, it will have an adverse impact on capacity and value for money.

30 Planning Inspection | What are the prospects for improvement to the service?

- 94 The service does not maximise external funding. For example the amount of PDG awarded could be substantially increased by shortening the time taken to determine planning applications. Although there are some significant examples of planning gain such as the building of a new school, the Council has not maximised its income from section 106 agreements both through its failure to spend the agreed sums, and through its failure to update the sum payable. These arrangements are now being reviewed.