



<b>Subject:</b>	DFI Performance Management Framework for Planning
<b>Date:</b>	20 <sup>th</sup> June 2017
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<b>Is this report restricted?</b>	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
<b>Is the decision eligible for Call-in?</b>	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

<b>1.0</b>	<b>Purpose of report or summary of main issues</b>
1.1	The Department for Infrastructure (the Department) is consulting the eleven councils on a new Performance Management Framework for Planning in Northern Ireland. This report provides the Committee with an overview of the proposed Framework, identifies key issues, and makes recommendations as to the Council's response to the consultation. A copy of the proposed Framework is provided in full at <b>Appendix 1</b> .
<b>2.0</b>	<b>Recommendations</b>
2.1	That the Committee agrees to respond to the consultation in the form of the draft letter at <b>Appendix 3</b> .
<b>3.0</b>	<b>Main report</b>
3.1	<u>Background</u> The Department measures the performance of council planning services in Northern Ireland according to three key statutory performance indicators. These are:  i) Average processing time for Major applications – target of 30 weeks ii) Average processing time for Local applications – target of 15 weeks iii) Proportion of enforcement complaints concluded within 39 weeks – target of 70%  The Department intends to introduce a new performance management framework for

3.2	<p>planning in Northern Ireland to drive improved performance and improve service delivery. To support this work, the Department has appointed Mark Hand, Director of Planning at Monmouthshire Council, to act as a consultant. Mark Hand has been involved in the development of a performance management framework for local planning authorities in Wales and the aim is to share learning. A copy Mark Hand's consultancy report is provided at <b>Appendix 2</b>. As part of the process, the Department has held workshops with the Heads of Planning for the 11 councils, which has informed development of the framework.</p>
3.3	<p>On 12 May 2017, the Department issued a draft of the Performance Management Framework for consultation with the 11 councils. The Committee is asked to agree Belfast City Council's response to the consultation. The Department intends to commence monitoring of most of the new performance indicators in the Framework from 01 April 2017, with the first quarterly report issued after June.</p>
3.5	<p><u>Key issues</u></p> <p>Members are advised that the three existing statutory performance indicators for planning (set out at par. 3.1 above) have the following limitations:</p> <ul style="list-style-type: none"> <li>• The two categories of planning applications – Local and Major applications – are too broad for the statistics to be particularly useful. For example, the definition of a Local application ranges from a small domestic extension to a new residential estate of 49 houses. By way of comparison, local planning authorities in England and Wales are measured according to their performance on three categories of application: Major, Minor and Other applications. These are then broken down by type of development and scale. The Planning Service intends to implement more detailed Key Performance Indicators (KPIs) but its ability to do so is limited by the existing Planning Portal (the Planning Service's back-office planning software);</li> <li>• The average processing time for applications includes withdrawn applications. Such applications can only be withdrawn by the applicant and are not decisions made by the council. Very often applications are withdrawn because there is a problem with them which cannot be resolved. It is inappropriate to include withdrawn applications in the performance returns because councils have no power to determine whether an application is withdrawn or not. To include withdrawn applications penalises councils for an outcome that is outside of their control;</li> <li>• The average processing time also includes Legacy applications. These are applications that councils inherited on transfer of planning powers from the former Department of Environment in April 2015. By including Legacy applications, the</li> </ul>

<p>3.6</p>	<p>Council is not being measured solely through its own performance, but also by the performance of the former Department which is unreasonable;</p> <ul style="list-style-type: none"> <li>• There is no ability to agree to extend the application determination period with the applicant, unlike in England and Wales. This creates inflexibility in the system. It effectively penalises councils for negotiating with applicants, working proactively with them to try to resolve issues, which often leads to revised information and longer decision times. A narrow focus on speed of decision can drive perverse behaviour through a “pass or fail” approach to decision making, which can compromise the quality of proposals and frustrate customers. The ability to agree an extension of the determination period with the applicant removes this pressure and provides the planning process with more flexibility in working through issues with customers, which is something they generally want;</li> <li>• The current statutory performance indicators make no allowance for planning applications that require a Section 76 Planning Agreement. The Committee will be aware of the Planning Service’s excellent work in securing around £3 million in developer contributions since transfer. Belfast City Council is the only council in Northern Ireland that is collecting developer contributions, which will be used to support new infrastructure in the city. Applications requiring a Planning Agreement cannot be decided until the Planning Agreement has been signed. Sometimes this can take weeks, or even months, after the resolution to grant planning permission has been made. The consequence is that applications requiring a Planning Agreement result in longer determination times. The Council is in effect being penalised for its performance for the very good work it is doing in securing developer contributions for the city.</li> </ul> <p>The Planning Service’s performance returns for 2016/17 were an average processing time of 61 weeks for Major applications; 15.6 weeks for Local applications; and 75% of enforcement cases concluded within 39 weeks. However, as demonstrated above, these performance returns do not represent a fair picture of performance because they include Legacy applications; permissions subject to a Section 76 planning agreement; and do not permit the council to agree an extension of time with the applicant. Members should note that recent performance has been strong. During 2016/17 Q4, the average processing time for Major applications was 29.8 weeks (within target). Excluding those applications that required a Section 76 planning agreement, the average processing time was 22 weeks. The Committee will be aware of the Improvement Plan for Development Management and the ongoing commitment to improving performance within the service, including the recent</p>
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3.7	<p>formalisation of the good practice Operating Principles for Development Management.</p> <p>It is very evident that a more measured approach needs to be taken by the Department to the assessment of planning performance across the 11 councils. The introduction of a new performance management framework for planning in Northern Ireland provides an opportunity to do this and is therefore welcomed in principle. The new performance framework should go in tandem with development of the Council's own detailed performance management strategy for planning applications, including internal Key Performance Indicators.</p>
3.8	<p><u>Performance Management Framework</u></p> <p>The Department's draft Performance Management Framework (the Framework) recommends 20 new performance indicators across the following areas:</p> <ul style="list-style-type: none"> <li>i) Plan making</li> <li>ii) Efficiency</li> <li>iii) Quality</li> <li>iv) Engagement</li> <li>v) Enforcement</li> <li>vi) Strategic Planning Division</li> <li>vii) Outcomes</li> </ul>
3.9	<p>The 20 performance indicators (PIs) are discussed in turn as follows. The outcome is the recommended consultation response at <b>Appendix 3</b>.</p> <p><u>Plan Making</u></p>
3.10	<p><i>Performance Indicator 1a) – Has the Council had its Statement of Community Involvement (SCI) agreed by the Department?</i></p> <p>Commentary: There is a statutory requirement for councils to publish a Statement of Community Involvement, which sets out how they will engage on planning matters. The Council published its SCI in June 2016 and would score “Yes” to this PI. The introduction of this PI raises no issues.</p>
3.11	<p><i>Performance Indicator 1b) – Has the Council published its Preferred Options Paper?</i></p> <p>Commentary: There is a statutory requirement for councils to publish a Preferred Options Paper as part of the Local Development Plan process. The Council published its Preferred Options Paper (POP) in January 2017 and would score “Yes” to this PI. The introduction of</p>

	<p>this PI raises no issues.</p>
3.12	<p><i>Performance Indicator 1c) – Has the Council published its Plan strategy?</i></p> <p>Commentary: There is a statutory requirement for councils to publish a Plan Strategy as part of the Local Development Plan process. The Council has yet to publish a Plan Strategy because it has only recently published its POP and it is too early in the process. The Council would score “No” to this PI. The introduction of this PI raises no issues.</p>
3.13	<p><i>Performance Indicator 1d) – Has the Council published its Local Policies Plan?</i></p> <p>Commentary: There is a statutory requirement for councils to publish a Local Policies Plan as part of the Local Development Plan process. The Council has yet to publish a Local Policies Plan because it is too early in the process. The Council would score “No” to this PI. The introduction of this PI raises no issues.</p>
3.14	<p><i>Performance Indicator 2) – Has the Council submitted its local development plan (LDP) Annual Monitoring Report?</i></p> <p>Commentary: There is a statutory requirement for councils to publish an Annual Monitoring Report as part of the Local Development Plan process. This PI only relates to new Local Development Plans and the Council would therefore score “Not applicable” to this PI. The introduction of this PI raises no issues.</p> <p><u>Efficiency</u></p>
3.15	<p><i>Performance Indicator 3 – Average processing time to determine major applications</i></p> <p>Commentary: Major planning applications processed from date valid to decision or withdrawal within an average of 30 weeks. This indicator is flawed because it includes Legacy applications and excludes withdrawn applications. Performance Indicator 3 is the first of the three pre-existing statutory performance indicators. It is understood that the Department is retaining these statutory performance indicators because they are set out in statute in the Local Government (Performance Indicators and Standards) (Northern Ireland) Order 2015. On this basis, there is no issue with PI3 although it should be phased out when the Order is reviewed. The Council should object to the Department’s bench-marking of each council’s performance for the reasons set out in paragraph 3.16 below. The Department should also explain why 30 weeks has been set as the target.</p>
3.16	<p><i>Performance Indicator 4 – Average processing time to determine major applications</i></p>

*(excluding legacy and withdrawn applications)*

Commentary: This is essentially the same as PI3 above but excludes Legacy and withdrawn applications. This is welcomed. However, the Department should also exclude those applications requiring a Section 76 Planning Agreement. There should also be provision for agreeing an extension to the determination period with an applicant. In addition, the Department should measure the proportion (%) of Major applications determined within 30 weeks. This is the approach taken in England and Wales. Combined with the average processing time, this provides a more rounded overview of performance. In addition, a third category of application is recommended to record the performance of small-scale proposals such as householder, advertisement, Listed Building and Conservation Area Consent applications. This category could be called “Other” and would reflect the approach in England and Wales which have three categories of application. The Department recommends that performance is bench-marked using a red/amber/green traffic light system whereby red identifies that performance has fallen “below acceptable standard”; yellow indicates that the council should consider identifying and replicating examples of good practice from amongst peers; and green indicates good performance that sets an example to others. It is recommended that the Council strongly objects to the Department’s bench-marking of performance in this way. Firstly, no information has been provided as to what these standards would look like. Secondly, and more fundamentally, it should be for councils to decide what the performance standards for its planning service should be. Councils must balance speed of decision-making with the quality of both service to customers and the final decision. A complete focus on speed of decision can drive perverse behaviour as was the experience of many councils in England in the 2000s when councils were awarded Planning Delivery Grant by the Government for meeting speed of decision targets. Thirdly, councils’ performance is significantly constrained by the Planning Portal which does not allow councils to develop detailed Key Performance Indicators which are necessary for effective performance management. Furthermore, the limitations of the existing legislation do not support effective performance. For example, councils are unable to require all the information they need to determine an application at the beginning of the process. In England and Wales, councils have the power to make an application legally invalid if all the information necessary to make an effective decision is not provided – the determination period does not commence until all the necessary information has been submitted. The consequence of not having this power in Northern Ireland is that information is often submitted late and this causes delays in the planning application process.

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*Performance Indicator 5 – Average processing time to determine local applications*

	<p>Commentary: Local planning applications processed from date valid to decision or withdrawal within an average of 15 weeks. This is the second of the three pre-existing statutory performance indicator, which the Department proposes to retain. This indicator is flawed because it includes Legacy applications and excludes withdrawn applications. Like Performance Indicator 3, there is no issue with its retention and it should be phased out when the Order is reviewed. The Council should strongly object to the Department's benchmarking of performance for the reasons set out in paragraph 3.16. The Department should also explain why 15 weeks has been set as the target.</p>
3.18	<p><i>Performance Indicator 6 – Average processing time to determine local applications (excluding legacy and withdrawn applications)</i></p> <p>Commentary: This is essentially the same as PI5 above but excludes Legacy and withdrawn applications. The same comments made in relation to PI4 apply to this indicator.</p>
3.19	<p><i>Performance Indicator 7 – Average time taken to determine major legacy applications</i></p> <p>Commentary: The Department does not recommend a target for this because of the age of Legacy applications. The Council has reduced the number of Major Legacy applications received on transfer from 55 to 7. Given this small number and the age of these applications it is considered unnecessary to measure their average processing time. It would also result in unnecessary administrative burden for the Council. There is no need for PI7.</p>
3.20	<p><i>Performance Indicator 8 – Average times taken to determine local legacy applications</i></p> <p>Commentary: Similar to the response to PI7 above. The Council has reduced the number of Local Legacy applications received on transfer from 414 to 16. Given this small number and the age of these applications it is considered unnecessary to measure their average processing time. It would also result in unnecessary administrative burden for the Council. There is no need for PI8.</p> <p><u>Quality</u></p>
3.21	<p><i>Performance Indicator 9 – % of applications determined under delegated powers</i></p> <p>Commentary: It is useful to know the overall proportion of applications that are determined under delegated powers. A Council's Scheme of Delegation should strike an appropriate balance between ensuring that the Planning Committee has an oversight of the applications that are most appropriate for it to deal with, and sufficient levels of delegation to ensure fast and efficient decision making. However, there can be no target for this because the level of</p>

	<p>delegation at each council will be influenced by a range of factors including the number of applications dealt with by each council, the issues relevant to the administrative area and the requirements of Members. Each council has its own scheme of delegation and therefore this indicator will vary from council to council. On balance, it is considered that PI9 is a useful performance indicator for councils to compare and contrast as they examine options for improving performance. The introduction of this PI raises no concerns.</p>
3.22	<p><i>Performance Indicator 10 – % of applications approved</i></p> <p>Commentary: Combined with PI3-PI6 inclusive, it is possible to observe the balance of speed versus a positive/quality outcome. This PI also provides evidence that the planning system is not blocking development and economic growth. This indicator is collected by the Council already and raises no concerns. Ultimately, it will be very important for the Council to measure the % of applications approved by applicant type to help understand why performance is like it is and drive improvement. This will be introduced as a local KPI.</p>
3.23	<p><i>Performance Indicator 11 – % of committee decisions made against officer recommendation</i></p> <p>Commentary: When read in conjunction with PI12 and PI13, the data provides a rounded picture of the quality of decisions, gives an indication of Member-Officer working relationships and could identify potential training needs. The Department should recognise that this indicator may be distorted if a council determines a relatively low number of applications at committee. The ability for a council to provide a narrative and explanation around all these Performance Indicators set out in the Framework is welcomed. This PI raises no concerns.</p>
3.24	<p><i>Performance Indicator 12 – % of appeals against refusals of planning permission that are dismissed</i></p> <p>Commentary: It is important that the Council knows the proportion of appeals that are dismissed (the Council's decision is upheld), and conversely the proportion of appeals that are allowed (the appellant's case is accepted). This provides opportunity for learning and potentially identifies areas for training. This PI is collected by the Council already and raises no concern.</p>
3.25	<p><i>Performance Indicator 13 – no. of appeal costs won</i></p> <p>Commentary: This measures the number of instances where costs were either awarded fully or partially in the council's favour or wholly or partially against the council. The indicator measures the number of instances, not the amount of money. Appeal costs may be awarded</p>



	<p>against either party for unreasonable behaviour. This indicator provides opportunity for learning and potentially identifies areas for training. This PI raises no concerns.</p>
	<p><u>Engagement</u></p>
3.26	<p><i>Performance Indicator 14 – Does the council allow public speaking at planning committee?</i>  Commentary: It is recognised best practice to allow public speaking at the planning committee. The detail of how this operates should be for each council to decide. The Council would score “Good” for this PI because it permits public speaking. This PI does not raise any concerns.</p>
3.27	<p><i>Performance Indicator 15 – Does the council have a planning officer on duty to provide general planning advice to customers?</i>  Commentary: It is considered best practice to offer a duty planning officer service to provide general planning advice to customers. The possible scores for this indicator are “No”, “Partial” and “Yes”. The Council provides a duty planning officer service during normal workday hours and would score “Yes” for this PI. This PI does not raise any concerns.</p>
	<p><u>Enforcement</u></p>
3.28	<p><i>Performance Indicator 16 – Proportion of enforcement cases progressed to the target conclusion within 39 weeks</i>  Commentary: This is essentially the third pre-existing statutory performance indicator and the Department proposes to keep it. This indicator ensures that the focus is on resolution rather than closure of cases and allows sufficient engagement and monitoring without having undue impact on statistics. Its retention raises no issues. The Planning Service will examine more detailed internal Key Performance Indicators to help manage performance within the enforcement team when the Planning Portal is replaced and it can do so. The Council strongly objects to the bench-marking of performance at this time for the reasons set out in paragraph 3.16. The Department should explain why 39 weeks has been set as the target.</p>
3.29	<p><u>Strategic Planning Division</u>  <i>Performance Indicator 17 – Contribute to sustainable economic growth by progressing all regionally significant applications to a Ministerial recommendation within 30 weeks of receipt of the application (or environmental statement, where applicable).</i>  Commentary: This relates to the performance of the Department in determining regionally</p>

significant planning applications. The processing target of 30 weeks assumes that the application has been subject to pre-application discussion with satisfactory draft information provided and are not subject to a request for further environmental information. Such a request would extend the target by 30 weeks upon receipt of the information. This PI, which will measure the Department's performance, is welcomed in principle. However, it is noted that the 30-week target only applies if the application follows a successful Pre-Application Discussion and no further environmental information is required during the application process. If such information is required, then the 30-week target would be extended. This establishes a different set of rules for the Department when compared to the councils. In meeting the 30 and 15-week targets for Major and Local applications, PI3 to PI6 (which measure council performance on applications) do not require a successful Pre-Application Discussion or sufficient information to be provided with an application as prerequisites to the targets being met. The same rules should apply to both councils and the Department. With this in mind, the ability for both the Department and Council to agree an extension to the determination period with the applicant would provide such parity as well as consistency with English and Welsh planning systems.

Outcomes

3.30 *Performance Indicator 18 – Planning outcomes:*

- i. Number of affordable housing units granted consent;*
- ii. Proportion of affordable housing units granted consent that are located within defined settlement boundaries;*
- iii. Number of market housing granted consent;*
- iv. Proportion of market housing units granted consent that are located within defined settlement boundaries;*
- v. Total number of housing units completed;*
- vi. Housing land availability indicators;*
- vii. Amount of office floor space granted (net increase in sqm.)*
- viii. Amount of retail floor space granted (net increase in sqm.)*
- ix. Amount of industrial floor space granted (net increase in sqm.)*
- x. Number of megawatts of renewable energy approved.*

3.31 Commentary: The purpose of these indicators is for councils to report on actual outcomes to the planning process. It is important for the Council to demonstrate what the Planning Service is delivering for the city and communities and the principle of this PI is welcomed. Much of the information will be required for monitoring the Local Development Plan. The Planning Portal does not routinely collect all the information and systems will need to be

3.32	<p>setup so that the data can be easily collected. In view of this, the Department does not propose councils to report on these indicators until 2018/19. This delay is supported. There are several further points around this PI to consider. The Department should provide clarity as to the definition of “affordable housing”. The Department should note that whilst a council may grant planning permission for development that it purported to be affordable housing, it is not always necessary to restrict the development to being affordable housing (a council can only do this if there is a sound planning reason for doing so and it would otherwise refuse permission without this restriction). The P1 planning application forms may need to be amended so that the necessary information can be identified. The Department should clarify whether floor space is a net or gross figure, and what is meant by “housing land availability indicators”. It would be helpful to have an indicator for the number of hotel bedrooms granted permission. The Department should be mindful of “double-counting” the number of units and floor space because multiple planning permissions can be granted on the same site.</p> <p>The Department proposes to set up a Planning Performance Management Working Group, attended by local and central government, to refine, clarify and evolve the Framework over time. This is the model used in Wales and is welcomed.</p>
3.33	<p><u>Other considerations</u></p> <p>The Department’s new Performance Management Framework will help drive improved performance and service delivery across the 11 councils. However, the PIs set out in the Framework remain relatively high level and it is crucial for the Council to introduce its own detailed KPIs so that performance can be effectively managed. The Council is currently unable to introduce the range of detailed KPIs that it would like because of the significant limitations of the existing Planning Portal (back-office planning software). The Portal is a shared system used by the Department and 11 councils and is under contract until April 2019. There is an on-going joint project by the Department and 11 councils to examine options for replacing the Portal. The Committee is advised that the existing Portal is two generations behind the latest software used elsewhere in the United Kingdom and Republic of Ireland, and is a major impediment to improving planning application performance.</p>
3.34	<p>The Council should also stress the need for the Department to review and amend planning legislation. A huge issue for the Council is the quality of applications when they are submitted. This can be addressed to an extent through a good Pre-Application Discussion service whereby proposals and information requirements can be discussed before the application is made. However, unlike in England and Wales, the Planning Act (Northern</p>

3.36	<p>Ireland) 2011 requires very minimal information to be submitted with an application for it is to be legally valid. In England and Wales, local planning authorities have the power to publish a “Local Validation List”, which clearly sets out to customers what information is required to support a type of application in a given location. For example, it gives local planning authorities the power to request that the following is submitted with an application for it to be valid: Transport Assessment, Contaminated Land Report, 3D visuals and photomontages, archaeological impact assessment, drainage strategy, flood risk assessment and ecological survey etc. Councils in Northern Ireland are not legally empowered to require this information when an application is submitted and it means that many applications do not have the necessary information at the start for a proper decision to be made. The result is that information is often delayed and re-consultation has to take place when the information is eventually submitted. The consequences are additional costs for the Council and far longer determination times, which is detrimental to performance. The legislation must be amended so that councils can publish their own Local Validation List.</p> <p>Finally, the Planning Service must ensure that it has sufficient resource at the right level to support good performance and improved service delivery. This applies to all staff, whether they are professional, technical or business support level. Members will recall the report considered by the Planning Committee at the last meeting concerning 10 Operating Principles for Development Management. These Operating Principles represent good practice in how a Planning Service should operate but they require the right level of resource and structure if there are to be properly implemented. The Planning Service is currently reviewing the resource and structural requirements for the service.</p>
3.37	<p><u>Financial &amp; Resource Implications</u></p> <p>The introduction of a fit for purpose performance management framework for planning in Northern Ireland will help drive performance improvements and lead to better service delivery. This will support an efficient planning service that makes better use of its resources.</p>
3.38	<p><u>Equality or Good Relations Implications</u></p> <p>None identified.</p>
<b>4.0</b>	<b>Appendices – Documents Attached</b>
4.1	<p>Appendix 1 – Performance Management Framework (Departmental consultation)</p> <p>Appendix 2 – Planning Performance Framework for Northern Ireland (consultant’s report)</p> <p>Appendix 3 – recommended consultation response to the Department (draft letter)</p>