Building in Quality, published in 1992 recommended improvements in the processing of planning applications...

- faster processing of applications, particularly at the key stages of registering the application and issuing the decision notice
- delegating more decisions to officers
- more effective negotiation between planners and applicants to produce more widely acceptable outcomes
- more attention to customer care issues

The Audit Commission has recently reviewed the extent to which these changes have been implemented. There have been important improvements...

- the proportion of applications decided in eight weeks has increased
- the proportion of applications registered in three days, and of decision notices issued in two days, have increased

...but there is still a wide variation in performance, and scope for many authorities to improve before they match the standards of the best.

- the government target is to process 80 per cent of applications within eight weeks
- while there has been significant progress, most authorities still fall short of this target

Local authorities must now take action...

- review progress and performance with their auditors, who will be able to provide comparative data for each authority
- identify any areas where action needs to be taken
- agree an action plan

...to improve their performance to acceptable levels.

Value-for-money indicators
This update is part of a series that tracks progress on a number of selected national value-for-money studies, using indicators based on the original study recommendations.
The changing context of development control

1. Development control is the process by which communities, working within a national framework, regulate changes to their environment. It therefore carries great responsibilities. Authorities have to balance the potentially conflicting pressures of the applicant, residents - including future generations - and the local and national economy. It is therefore important that the process is well managed, and delivers swift and consistent decisions.

2. The national report on development control, *Building in Quality*, was published in 1992. It acknowledged that the surge of planning applications in the late eighties had not been matched by a proportionate increase in the number of staff. This pressure had led to a decline in both staff morale and discretionary areas of work. By 1992/93, however, the number of applications had declined, enabling a timely review of development control procedures. The report recommended that 'local authorities should use the [then] lull in application pressure to establish mechanisms and systems to assure quality, both in process and outcomes'.

3. Since then, the number of applications decided each year has fluctuated [EXHIBIT 1], with a drop of 7 per cent between 1991/92 and 1996/97. This update examines the progress that local authorities have made in implementing the report’s recommendations over the intervening five years. A description of the follow up process is given on page 6.

EXHIBIT 1
The number of planning applications
The number of applications has fluctuated since 1991/92.

<table>
<thead>
<tr>
<th>Year</th>
<th>Planning applications (000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991/92</td>
<td>560</td>
</tr>
<tr>
<td>1992/93</td>
<td>480</td>
</tr>
<tr>
<td>1993/94</td>
<td>530</td>
</tr>
<tr>
<td>1994/95</td>
<td>520</td>
</tr>
<tr>
<td>1995/96</td>
<td>510</td>
</tr>
<tr>
<td>1996/97</td>
<td>490</td>
</tr>
</tbody>
</table>

Source: CIPFA/DoE

EXHIBIT 2
Processing a planning application
Simple administrative tasks are combined with complex political and technical judgements.

Source: Audit Commission

4. The planning process is made up of a number of administrative tasks which are combined with complex political and technical judgements [EXHIBIT 2]. The recommendations of both the report and audit address three main themes that affect all parts of the process:

- faster processing of applications;
- better processes and customer care; and
- better outcomes.
Faster processing of planning applications

5. The speed of processing applications is measured by looking at the percentage of applications decided in eight weeks. The government target is to process 80 per cent of applications in this time. There has been a significant improvement in performance since the study. The improvement is most marked in London (up by 20 per cent) and in the metropolitan districts (up by 10 per cent). District councils have improved the least (2 per cent improvement), but these authorities already had the best baseline performance. However, most authorities still fall short of the national target [EXHIBIT 3].

6. In general, those authorities that were poor performers in 1991/92 have made the most improvement [EXHIBIT 4], while the speed of processing in the fastest 50 per cent of shire districts in 1991/92 has, in fact, slightly declined.

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EXHIBIT 3
Speed of processing applications
The speed of processing applications has improved since the study.

<table>
<thead>
<tr>
<th>Percentage of decisions made in eight weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>70%</td>
</tr>
<tr>
<td>60%</td>
</tr>
<tr>
<td>50%</td>
</tr>
<tr>
<td>40%</td>
</tr>
<tr>
<td>30%</td>
</tr>
<tr>
<td>London boroughs</td>
</tr>
<tr>
<td>1991/92</td>
</tr>
<tr>
<td>Metropolitan districts</td>
</tr>
<tr>
<td>1996/97</td>
</tr>
<tr>
<td>English districts</td>
</tr>
</tbody>
</table>

Source: Audit Commission value-for-money (VFM) indicators

EXHIBIT 4
Change in speed of processing applications in fast and slow authorities
The improvement is greatest in those authorities that performed poorly in 1991/92.

<table>
<thead>
<tr>
<th>Percentage improvement in the percentage of decisions made in eight weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
</tr>
<tr>
<td>50%</td>
</tr>
<tr>
<td>40%</td>
</tr>
<tr>
<td>30%</td>
</tr>
<tr>
<td>20%</td>
</tr>
<tr>
<td>10%</td>
</tr>
<tr>
<td>London boroughs</td>
</tr>
<tr>
<td>Fastest 50% in 1991/92</td>
</tr>
<tr>
<td>Metropolitan districts</td>
</tr>
<tr>
<td>Slowest 50% in 1991/92</td>
</tr>
<tr>
<td>Shire districts</td>
</tr>
</tbody>
</table>

Source: Audit Commission VFM indicators
Better processes

7. There are three key stages in processing applications that can have a big influence on the overall speed of the process:
   • registering an application;
   • making the decision; and
   • issuing the decision notice.

8. The audit recommended that authorities should register applications in three days or less, and issue decision notices in no more than two days. Members play a key part in the decision-making process, arbitrating between competing arguments, but the report recommended that they should focus their time on the more controversial matters and delegate the simpler decisions to officers. The recommendation was that at least 70 per cent of decisions should be delegated.

9. Since 1991/92, authorities have made small but significant improvements in the speed of registering applications and issuing decision notices. Nearly 90 per cent of applications are registered in three days, and two-thirds of decision notices are sent out in two days. Delegation levels have risen from 50 per cent to 66 per cent overall, with nearly half of all district councils exceeding the Audit Commission guideline figure of 70 per cent [EXHIBIT 5].

10. The way in which an authority deals with the public and with applicants is an important aspect of quality, and the report suggested a number of ways in which authorities could improve customer care:
   • have clear objectives for service delivery, and communicate these to users of the service in a customer charter, or service plan;
   • encourage pre-application discussions;
   • have a planning officer always available to deal with enquiries;
   • give the applicants the name of the officer dealing with their application;
   • have internal targets for dealing with aspects of the service, such as answering letters;
   • keep applicants informed of progress;
   • allow applicants to speak at the planning committee or subcommittee; and
   • carry out user and public surveys.

11. Authorities have improved their customer care processes, particularly by introducing customer charters or service plans that detail service commitments for development control (produced by only 10 per cent of authorities in 1991/92, compared with over 70 per cent of authorities in 1996/97), and by setting local targets (where the percentage with targets has risen from 37 per cent to over 90 per cent). However, the number of authorities that keep applicants informed of progress still appears to be low, at around 20 per cent. [EXHIBIT 6].

EXHIBIT 5
Delegation to officers 1996/97
Nearly 50 per cent of all district councils are at or above the guideline.

Source: Audit Commission VFM indicators
EXHIBIT 6

Percentage of authorities adopting each initiative

More authorities have adopted customer care processes.

Note: The data used for 1992/93 in this exhibit was not collected at the time of the audit, but was collected retrospectively at the same time as the follow-up data. Auditors have checked documentation requested from authorities to verify the data included for both years.

Source: Audit Commission VFM indicators

Better outcomes

12. The quality of the outcomes of development control is hard to assess, but Building in Quality suggested some ways of addressing this issue. It recommended that authorities should review a selection of the decisions that they have made once the development is complete, in order to assess the quality of the decision and its impact on the environment. At the time of the audit, only 7 per cent of authorities carried out a post-implementation review. Now over one-third of authorities report that such a process is in place.

13. The level of appeals also provides an indication of the outcome of the decision-making process. A very high level of appeals, particularly if they are upheld, might suggest that the authority is not balancing the priorities of the applicant, the objectors, and the local community.

14. In 1991/92, appeals as a percentage of all decisions was low, but it has fallen slightly since then from 4.25 per cent of all decisions made to 3.75 per cent in 1996/97. At the same time, the number of appeals granted has fallen from 29 per cent to 26 per cent, suggesting that applicants are better satisfied with the decision-making process, and that local authorities’ decisions are less often overturned by the Secretary of State. This improvement is apparent in all except those authorities that were in the top performing 25 per cent in 1991/92.
The next steps

15. Most local authorities have made considerable improvements in all aspects of their planning processes since 1991/92, but there is still a considerable variation in performance and scope for further improvements. It is important that all authorities strive to deliver better value services, and this follow-up will help them to identify areas where there is scope to do better. The Commission’s auditors will assist each authority to do this, using specially developed software to provide a more detailed local analysis of performance. Chief executives should discuss their results with their auditors if they have not already done so.

Following up value-for-money studies and audits

Each year the Audit Commission follows up selected national studies and associated local audits that it has carried out to see what changes have taken place. It does this by identifying key indicators - value-for-money indicators (VFMIs). These are based on the recommendations made by the study and compare new data for these indicators against the data collected at the time of the original audit. The choice of studies depends on the continued relevance of the topic and recommendations, and the scope for change. The results provide not only a valuable national picture of change, but they also allow individual authorities to gauge their own progress against that of other, similar authorities. Separate results are produced by auditors for each individual authority using computer software that allows them to select indicators and tailor comparative groups to particular local needs. The information for development control has recently been given to auditors, and chief executives should discuss the mechanisms for local feedback with their auditor if they have not already done so.

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Further copies and copies of the national report on which this update is based, Building in Quality: A Study of Development Control (ISBN 011860836, 1992, £8.50) are available from:

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