



HOUSING AND REGENERATION SCRUTINY COMMITTEE – 23RD JULY 2019

SUBJECT: YEAR END PERFORMANCE 2018/19 REGENERATION AND PLANNING

REPORT BY: INTERIM CORPORATE DIRECTOR OF COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To provide members with a performance update for the Regeneration and Planning Service. This involves taking a look back over the last twelve months of performance highlighting the exceptions and then through looking forward, i.e. future challenges, setting out our key objectives/priorities for the next twelve months, identifying any areas for improvement.

2. SUMMARY

- 2.1 Overall 2018/19 offered a positive year in terms of service performance. However, a number of future challenges have been identified. The biggest challenge across the service area remains, how to balance the demands of increasing legislation and rising public expectations against reducing budgets. Whilst challenging, the service area is well placed to respond to them, but it must be recognised that reductions to some current service delivery standards and changes in how services will be delivered over the next few years, will be inevitable.

3. RECOMMENDATIONS

- 3.1 The Committee is asked to consider the content of the report and where appropriate question and challenge the performance presented.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 Performance Management Scrutiny affords members the opportunity to challenge, inform and shape the future performance of services.

5. THE REPORT

- 5.1 This report provides an overall summary of performance of the Regeneration and Planning Services. The report provides an overview of the year highlighting exceptions of good performance as well as identifying any areas for improvement. The report also details the key objectives for the year ahead.

Overview

5.2 The Following table provides a summary of the key performance measures for Regeneration and Planning:

Performance Indicator	Previous Year 2017/18	2018/19		Comments
	Result	Target	Result	
The percentage of all planning applications determined on time	89% (first three quarters)	80%	86%	
Enforcement - Average time taken to investigate enforcement cases in days	75%	95%	75%	The Enforcement team continues to prioritise reducing the backlog of cases whilst dealing with new ones as promptly as possible
% occupancy of Council owned industrial property	95.6%	98%	*91.7%	The results for 2018/19 represent a lower occupancy rate than 2017/18 due to the reduction in resources early in the year to undertake dilapidation surveys and the temporary delay in filling units due to the introduction of a new lettings system which is now complete.
% increase in numbers visiting the county borough		3%	-6.2%	General trend across Wales of falling day visitors
% increase in visitor spend in the county borough		3%	-3.2%	Associated day visitor spend down
Visitors to Visit Caerphilly Centre	270,949	260,000	242,179	
Visitors to Llancaiach Fawr Manor	63,170	62,500	55,581	Reduced events programme
Visitors to the Winding House Museum	9,041	9,500	7,994	Reduced opening hours
Visitors to Cwmcarn Forest Visitor Centre	225,395	225,000	239,181	More trails open

Establish and deliver CfW+ programme as per agreed targets		Engagements 640 Job Entries 192	Engagements 401 Job Entries 145	Initially engagements and job entries were below target due to the late confirmation of funding. Delivery within Q4 has exceeded targets and the programme is now delivering effectively and at full capacity.
Continue to deliver CfW programme		Engagements Adults – 240 Youth - 96 Job Entries Adults – 24 Youth - 48	Engagements Adults – 104 Youth - 106 Job Entries Adults – 39 Youth - 62	Engagements for Adults are below target as engagement of hard to reach adults is an ongoing challenge. Notably Job Entries for both groups have exceeded targets significantly.

**Note The method of calculation has been changed from the percentage of units vacant to the percentage of floor space vacant.*

The Need for Change in 18/19

- 5.3 The budget pressures on the Regeneration & Planning Service have acted as a catalyst for proposing changes to the structure of the Service in 18/19. However there are also other key drivers that are also driving the need for change, most notably: the need to make the service more modern, efficient and client focussed; more resilient to loss of staff through retirement and appropriate succession planning; and capable of providing a stronger focus on tackling the regeneration challenges facing the county borough. The restructure has provided a stronger focus on an integrated approach to tackling these very real issues.
- 5.4 The former Regeneration and Planning Management Team included 6 managers reporting direct to the Head of Service. In the revised structure this has been rationalised to 3 as follows:
- The Planning Service Manager has responsibility for: Strategic and Development Plans; Development Management; and Building Control;
 - The Regeneration Service Manager has responsibility for: Resilient Communities; Business, Enterprise and Renewal Team; and Visitor Economy;
 - and
 - The Support Service Manager has responsibility for: Central Administration and Reception Services; Technical Support Team incorporating Validation and Monitoring; Land Charges; and Local Land and Property Gazetteer, GIS and Address Management.
- 5.5 The restructure is progressing well and has been completed without any compulsory redundancies. The Planning Service and Support Service restructure has been implemented fully and the Regeneration Service is well advanced. When complete the structure of the Regeneration and Planning Service will be fit for purpose, result in more effective workforce planning and achieve a net saving of circa £252k. The restructure will also result in a number of teams merging and being renamed as indicated in brackets in Paragraph 5.6 to 5.9.

WHAT WENT WELL?

REGENERATION SERVICE

5.6 Business Support & Funding Team (Business Enterprise and Renewal Team)

- a. 32 Business Development Grants awarded, which created 15.5 jobs to date. 13 Business Start-up Grants awarded. 506 businesses provided with advice and guidance. In total, the number of jobs created with support from the Team was 65.3.
- b. The percentage of start-up businesses still trading after one year stands at 92%, compared to 90% in 2017-18 which is the highest level recorded for the second consecutive year.
- c. A total of 13 Community Regeneration Fund projects supported, which have committed £56K (44 underspend) in revenue and £71K in capital (which included an RCCO of just under £12K to increase the capital allocation).
- d. 4 Oakdale Community Benefit Fund projects supported, which has allocated £7.8K of the budget available of just under £10.4K.
- e. Modernisation of the lettings procedure and rent review completed for the industrial and office units in the Council's portfolio. Statutory Maintenance records updated and enhanced.
- f. Increased business participation in both the Caerphilly Business Forum and the wider business community has been achieved in 18/19 through a series of well attended breakfast events at: Oakdale Business Park, Dyffryn Business Park, Idris Davies School, Coleg Y Cymoedd Ystrad Mynach, Bryn Meadows Golf Club and Ysgol Gyfun Rhymini, Caerphilly and Risca Library.

5.7 Urban Renewal (Business Enterprise and Renewal Team)

- g. The team has been successful in securing external funding for employment and tourism projects in 2018/19 for example:
 - An additional £250k ERDF monies from WEFO for Ty Du, Nelson and the Lawns, Rhydney employment build projects.
 - Funding to acquire Specsavers in Caerphilly to add value to a crucial regeneration project at Park Lane, Caerphilly
 - External funding secured to commission a major place-making plan for Caerphilly Town working in collaboration with Welsh Government and Transport for Wales to maximise the opportunities that the Metro Investment can make to the town.
- h. Helped to establish the Caerphilly Council Regeneration Project Board and Assessment Panel – developing the protocols and assessment criteria for major regeneration projects across the whole county borough.
- i. Secured both the DWP and Iceland as new tenants in Plaza Lowry, Bargoed.
- j. Managed the complicated disposal of Oakdale Plateau 1 and land issues surrounding the development of Oakdale Plateau 2.

- k. Town Centre Improvement Group and Town Centre management Groups continue to be the main mechanism for resolving town centre issues across the five managed towns in 2018.
- l. Over the last year officers have developed an excellent working relationship with officials from Transport for Wales, Cadw, Natural Resources Wales and Welsh Government working on regeneration projects across the County Borough. These relationships can be built upon and further developed in the coming years.

5.8 Destination & Events Team (Business Enterprise and Renewal Team)

- m. A number of successful bids for funding have started to come to fruition at Cwmcarn Forest Drive allowing plans to progress to improve and increase on-site accommodation, walking & cycling trail's and family adventure provision. Visitor numbers have edged ahead of the target following a tough period of felling that has affected the opening of a number of trails over the past few years.
- n. A number of community & town councils have responded positively to a request for funding to support the staging of events in some of the principal town centres including: Blackwood Town Council, Caerphilly Town Council and Risca Community Council.
- o. Funding bids have been invited by WG under the Valleys Regional Park initiative for Caerphilly Town & Castle and Cwmcarn Forest. Bids have been prepared and submitted in partnership with Cadw and Natural Resource Wales respectively to enhance the Discovery Gateway status of these two areas.

5.9 Community Regeneration (Resilient Communities)

- p. Legacy – Following on from the closure of the Communities First programme, the Legacy programme was established in 2018/19, as a means of continuing the most vital work that had been undertaken by Communities First within specified Legacy areas. Teams and hubs have been established across Legacy areas and work has begun on engaging communities and identifying needs and gaps in services which may then be fed back to strategic networks as a means of trying to influence the effective use of resources and services. The programme also provides initial engagement and vital wrap around support for the Employment Support programmes.
- q. Communities for Work Plus – New employment programme developed in 2018/19 to provide wraparound support for those not eligible for the Communities for Work programme. Teams have been established and integrated successfully with Communities for Work and Legacy teams. After a slow start to the year whilst teams and systems were being developed, delivery is now progressing successfully and in line with targets.

PLANNING SERVICES

5.10 Development Management

- r. Continued to deliver a high level of performance with 88% of all planning applications determined on time. The Welsh average that year was 88 % and the Welsh Government target was 80%.
- s. The average time to determine planning applications of 63 days was well below the Welsh average of 81 days.
- t. The Annual Performance Report published in October 2018, demonstrated a small improvement in customer satisfaction.

- u. The high fee income which was generated by planning resulted in a budget underspend of £166k.

5.11 The Building Control Service

- v. Vetted 85% of application within 15 days. Whilst this represents a reduction compared to the previous year, a high turnaround was sustained despite the number of full plans applications increasing by 38%.

5.12 Strategic & Development Plans Team.

- w. The Council has a statutory requirement to prepare an Annual Monitoring Report in respect of the implementation of the Adopted Caerphilly County Borough Local Development Plan up to 2021, which has to be submitted to Welsh Government by 31 October each year. Once again the Strategic Planning Team delivered the AMR on time for WG.
- x. The one team approach to the preparation of the Council's new Regeneration Strategy entitled 'A Foundation for Success' and the excellent public engagement that was undertaken in respect of the Ystrad Mynach Masterplan has demonstrated the teams commitment to work closely with stakeholders in strategy and plan preparation, which is fundamental to the guiding principles of the Future Generation and Well Being Act.

SUPPORT SERVICES

5.13 Central Administration and reception services

- y. The one team approach to the provision of administration for the Regeneration and Planning Service under the direction of one Support Manager has enabled the team to provide improved support across the whole service.

5.14 Local Land Charges

- z. Local Land Charges Searches – 1396 searches (over 97%) completed within 3.5 working days.
- aa. There was staff changeover in answering departments due to the Workforce Planning initiative and role changes but due to well-planned staff training and support, there was no impact on performance.

5.15 Address Management

- bb. Address Management maintained the Gold Performance Award for Address Data which recognises that CCBC has achieved the highest standard of address information data management.

FUTURE CHALLENGES / RISKS & AREAS FOR IMPROVEMENT

REGENERATION SERVICES

5.16 Business Support & Funding Team (Business Enterprise and Renewal Team)

- a) The focus on ensuring compliance with the maintenance and repair requirements and a number of reactive repair issues on our estates has led to an increase in spend of the maintenance budget, which was overcommitted by £100K in 2018-19.

- b) A rent review has been undertaken to ensure that income levels are appropriate, but income forecasts indicate that there will be no net increase in income in 2019-20 as two large premises are proving to be difficult to let.
- c) As at the end of March 2019, there were 5 industrial properties vacant and 5 offices plus most of 2 office buildings vacant. The occupancy rate stands at 91.7% which was slightly below target. It should also be noted that the method of calculation has been changed from a simple percentage of units vacant to a percentage of floor space vacant. This has decreased the percentage let, but gives a more accurate explanation of one of the key issues (larger premises are more difficult to let). Smaller industrial units have a consistent ongoing demand and are let as soon as they become available.
- d) The lettings process was transferred to Corporate Property in 2018-19 and this now ensures that Council policies and procedures are met. It also brings the onerous and challenging workload for the Business Support & Funding Team back to manageable levels and enables a quicker turnaround of tenants in the process.
- e) Given the economic impact and income derived from the property portfolio, these assets require ongoing investment to ensure that they remain fit for purpose. A condition survey of the 12 industrial estates was carried out in March 2018 and this identified a total of £1.4m in repairs and improvements required during the next 3-5 years.
- f) As staffing levels are reducing in 2019-20, with one post being deleted and another covering for a reduction in town centre management capacity for a period, maintaining the level of business support service is an issue. Added to this is the reduced budget available for business grants and the combined effect may result in a reduction in the number of businesses supported during the year. However, a sustained focus on business network meetings may mitigate this, by bringing the team into contact with a number of businesses at a time.

5.17 Urban Renewal (Business Enterprise and Renewal Team)

- g) There has been a drastic reduction in human resources in the team but there continues to be a high demand for the team's services. There has been a drastic reduction in resources and there is now a need to invest in this service in order to ensure that the county borough can exploit opportunities being generated through the Cardiff Capital Region City Deal and the Valleys Task Force initiatives.
- h) Implementing the proposals within the area based masterplans will be challenging with the human resources available
- i) The availability of sufficient development funding to prepare robust shovel ready funding bids has improved with the £1.5m identified for use by the Regeneration Board. However there is a need to be better prepared to maximise the opportunities that City Deal funding in particular brings with their three funding strands, Innovation, Infrastructure and Challenge.
- j) Maintaining the upkeep of past schemes and resolving residual issues on more recent projects with reducing maintenance budgets and uncertainty over maintenance responsibility continues to be a challenge.
- k) The retail sector continues to be very challenging and the team needs to help town centres diversify.
- l) Current grants provision is being reviewed with a view to refocusing grant awards towards business support. This will prove very challenging in terms of the expectation of the Voluntary/Third Sector.

- m) Managing the Targeted Regeneration Investment (TRI) thematic and TRI P Programme will be intense and time consuming.
- n) The implementation of the Council's Commercial Improvements Grant Programme has been challenging. Applicants require all permissions in place before grants are awarded. It is difficult to see how the Council can best intervene to help speed up this process.
- o) Improved links both within the Service and between departments should be one of our key priorities e.g. working together to better understand future skills requirements, working towards strengthening the foundational economy.
- p) The delivery and bedding in of the new Regeneration Service Structure will not be without its difficulties. However the new structure will serve to bring additional resources to the Service.

5.18 Destination & Events Team (Business Enterprise and Renewal Team)

- q) The 6 month STEAM report indicates a decline in visitors and visitor spend in the area, which could be reflective of the stagnating number of international visitors arriving in Wales in the early part of the year.
- r) MTFP challenges will impact disproportionately on the visitor attractions as income generation is unlikely to be sufficient to meet the identified targets for the service. The challenge will be to make the venues commercially viable in line with the Council's ethos of service provision i.e. social heart and commercial head.
- s) The visitor attractions will be subject of a full review in 19/20 and difficult decisions will need to be made in order to make the service sustainable moving forward. A reduction in opening hours and service reductions for example: the Winding House closing on Sunday and Monday each week; and the reduction in Box Office opening hours at Blackwood Miners Institute are considered likely.

5.19 Community Regeneration (Resilient Communities)

- t) The continued allocation of annual funding by Welsh Government poses a risk to both the Council's ability to continue community and employment support and the retention of skilled and qualified staff.
- u) Due to the ongoing short term nature of the funding the redundancy process will commence again in 19/20 for both Legacy and Communities for Work Plus. This obviously brings associated challenges linked to difficulties of retention and financial implications.
- v) Ongoing uncertainty around the flexibility of the new Children and Communities Grant and the process for how funding will be allocated contributes to constraints in planning an integrated and seamless delivery across programmes.
- w) There is an ongoing need to improve links with businesses within (and outside of) the County Borough, including gaining an understanding of future skills requirements/labour market demands to ensure employment support provision is aligned with local and regional economic requirements. The addition of the Business Liaison Officer within the team has been a positive step towards this, however wider strategic support relating to business intelligence will be required to maximise the potential of this role.

PLANNING SERVICE

5.20 Development Management

- x) Budget constraints have had a significant impact on Development Management in the past few years, the main response being the reduction in staff numbers with leavers not being replaced, and senior posts being replaced by junior ones on a lower salary. Maintaining performance and elements of the service will be challenging as staff numbers reduce.
- y) The service needs to make better use of mobile/digital application systems to improve efficiencies. Recent decisions by Cabinet in relation to the Authority's digital strategy will assist with this.

5.21 Building Control

- z) Building Control runs a budget deficit due to unrealistic income expectations and there is a need to realign its budgets.
- aa) Use of new technology can contribute to the modernisation of the Building Control Service (Automation of applications, on line payments etc.
- bb) There is a need to ensure that the service remains competitive whilst also maximising the opportunities to increase income.

5.22 Strategic & Development Plans

- cc) Budget constraints have had a significant impact on the Strategic & Development Plans Team in the past few years, the main response being the reduction in staff numbers with leavers not being replaced.
- dd) Regional work in respect of the Strategic Development Plan is progressing well, however this work stream is using existing staff resource, and this is placing additional demands on staff that are under increasing strain. This cannot be sustained moving forward.
- ee) The Annual Joint Housing Land Availability Study published in July 2018 concluded that the land supply was sufficient for 2.3 years. The ongoing lack of a 5 year land supply will continue to place pressure on sites that are contrary to current Council Policy. Until this issue is resolved it is likely that planning applications will be submitted that Members are likely to consider unacceptable and the development management process associated with such applications will need to be managed carefully to ensure that elected members do not lose faith in the planning service.

SUPPORT SERVICES

5.23 Central Administration and reception services

- ff) The support team that provide reception services to the Tredomen Business complex cannot sustain any further reduction without significantly reducing the service that is provided to Tenants.
- gg) Budget constraints have had a significant impact on Support Service, the main response being the reduction in staff numbers.

5.24 Local Land Charges

- hh) LLC1 part of the function is scheduled to transfer to Land Registry (date to be confirmed, currently working with English authorities); this will have a financial impact on the service and there will be resource implications when preparing data for transfer
- ii) Reduced resource and resultant increased workload in service areas that feed into Local Land Charge responses could impact on performance.
- jj) Search fees need to be reviewed and increased as the service runs a budget deficit due to unrealistic income expectations. Any increase needs to be reasonable as there is competition from Personal Search Agents who also provide a CON29 search service.

6. CONCLUSION

- 6.1 Overall 2018/19 offered a positive year in terms of service performance. However, a number of future challenges have been identified. The biggest challenge across the service area remains, how to balance the demands of increasing legislation and rising public expectations against reducing budgets. Whilst challenging, the service area is well placed to respond to them, but it must be recognised that reductions to some current service delivery standards and changes in how services will be delivered over the next few years, will be inevitable.
- 6.2 The Authority is currently developing a new approach to performance monitoring via Directorate Performance Assessments (DPA's). These DPA's will be used in future to report Directorate & Service Performance to the relevant Scrutiny Committees and Cabinet and will therefore replace this report format when the 2019/20 performance is reported to Scrutiny Committee in mid 2020.

7. ASSUMPTIONS

- 7.1 The report assumes that there will be ongoing reductions to the budgets for Regeneration and Planning; and that the service will be in a position to operate on a commercial basis in those areas where it is appropriate to do so.

8. LINKS TO RELEVANT COUNCIL POLICIES

- 8.1 The report links to the Council's Corporate Plan 2018 – 2023, and contributes to the following Well-being Objectives:
 - Objective 2 - Enabling employment
 - Objective 3 - Address the availability, condition and sustainability of homes throughout the county borough and provide advice, assistance or support to help improve people's well-being
 - Objective 4 - Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimises the adverse impacts on the environment
 - Objective 5 - Creating a county borough that supports a healthy lifestyle in accordance with the sustainable Development Principle within the Wellbeing of Future Generations (Wales) Act 2015.
- 8.2 The contents of this report contribute to the delivery of the Council's Regeneration Strategy, entitled A Foundation for Success which was approved by Council in 2018 and also contributes to the delivery of the Council's corporate land use policy through the implementation of the Caerphilly County Borough Local Development Plan up to 2021.

9. WELL-BEING OF FUTURE GENERATIONS

- 9.1 The Service makes a contribution across the 7 Well-being Goals in the Well-Being of Future Generations (Wales) Act 2015. Performance management is one of 7 core activities that are common to the corporate governance of public bodies where it is considered that applying the requirements of the Act is likely to most effectively secure the type of change required. The role of performance measurement is to enable progress to be tracked, analysed, and communicated. Applying the five ways of working (the sustainable development principle) contained within the Act we have begun to take a longer term approach in our business planning. We have moved to a 5 year service planning template recognising the need to balance dealing with short term pressures in the context of our priorities for the long term. In seeking and using service user feedback we aim to involve customers in service delivery.

10. EQUALITIES IMPLICATIONS

- 10.1 An Equalities Impact Assessment is not required as the report is for information and looks at historic performance.

11. FINANCIAL IMPLICATIONS

- 11.1 There are no financial implications associated with this report although there may be some in respect of identified risks as part of performance moving forward.

12. PERSONNEL IMPLICATIONS

- 12.1 There are no personnel implications to this report.

13. CONSULTATIONS

- 13.1 This report has been sent to the consultees listed below and all comments received are reflected in this report.

14. STATUTORY POWER

- 14.1 Various including the Local Government Act 1972 and the Town and Country Planning Act 1990 and subsequent amendments.

15. URGENCY (CABINET ITEMS ONLY)

- 15.1 Not applicable

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Consultees: Mark S Williams, Interim Director, Communities
Cllr E Stenner, Cabinet Member for Environment and Public Protection
Cllr S Morgan, Cabinet Member for Economy, Infrastructure, Sustainability & Wellbeing of Future Generations Champion
Cllr J Ridgewell, Chair of Housing & Regeneration Scrutiny Committee
Cllr C Forehead, Vice Chair of Housing & Regeneration Scrutiny Committee
Stephen Harris, Interim Head of Improvement and S151 Officer
Robert Tranter, Head of Legal Services/Monitoring Officer
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