

Report to the Cabinet

Meeting to be held on Thursday, 8 September 2022

Report of the Director of Highways and Transport

Part I

Electoral Division affected:
(All Divisions);

Corporate Priorities:
Protecting our environment;

Lead Local Flood Authority Planning Advice Service

(Appendices 'A' – 'C' refer)

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Brief Summary

The Lead Local Flood Authority has a 'pre-application advice service for surface water and sustainable drainage systems' for developers, which was launched in 2017. It has remained unchanged taking a 'one size fits all' approach to service delivery and charging structure regardless of development complexity. Charges have not been updated since the service's launch.

The service has been reviewed and renamed as 'Lead Local Flood Authority Planning Advice Service' to reflect the proposed broader range of paid-in services and revised charging structure. The proposals aim to better meet the needs of the county council's customers at more stages of the planning process whilst making more efficient use of resources.

This review delivers the recommendation (M2) made by the county council's former External Scrutiny Committee to promote the pre-application service. It will facilitate the design of high-quality surface water sustainable drainage design on major development and aid the Lead Local Flood Authority in responding to Local Planning Authorities to continue to deliver the county council's statutory duty under the Town and County Planning (Development Management Procedure) (England) Order 2015.



Recommendation

Cabinet is asked to approve the proposed Lead Local Flood Authority Planning Advice Service, including associated fees and charges, to fulfil the recommendation (M2) of the county council's former External Scrutiny Committee and to support the statutory duty under the Town and County Planning (Development Management Procedure) (England) Order 2015.

Detail

On 6 April 2015 the county council, as Lead Local Flood Authority, became a statutory consultee for major development with surface water drainage under the Town and County Planning (Development Management Procedure) (England) Order 2015. The Lead Local Flood Authority is required to respond to major planning applications they are consulted on by the thirteen Local Planning Authorities in Lancashire within 21 calendar days, and report performance to the Secretary of State by 1 July each year.

The Lead Local Flood Authority currently has a 'pre-application advice for surface water and sustainable drainage systems' for developers, which was launched in April 2017. Apart from a light procedural refresh in 2021, the pre-application service has remained largely unchanged taking a 'one size fits all' approach to service delivery and charging structure regardless of development complexity. Charges have not been updated since the service launched.

In 2020/21 the Lead Local Flood Authority processed almost 1,000 planning application consultations, of which 13 were 'pre-applications'. Uptake of the existing service is low and the county council is not maximising opportunities to work with developers and consultants to influence the design of high-quality sustainable drainage systems, which deliver on the four pillars of sustainable drainage systems; water quantity, water quality, amenity and biodiversity. This is especially significant given the planning system requires developers to demonstrate that only surface water quantity (i.e. surface water flood risk) is being managed effectively through sustainable drainage systems.

This means opportunities are missed to deliver water quality improvements, biodiversity benefits, which are set to become increasingly important with biodiversity net gain soon becoming mandatory through the Environment Act 2021, as well as amenity opportunities through the design of high quality blue-green spaces and places, integrated within Lancashire's landscape and communities.

Proposed approach

'Front loading' the planning process by engaging with developers and consultants at the earliest opportunity has many benefits as set out in Table 1, which make sense to unlock. The service has therefore been refreshed and renamed to 'Lead Local Flood Authority Planning Advice Service' to reflect the proposed broader range of paid-in services and revised charging structure.



These new commercial options for developers include, accessing in-depth advice from the Lead Local Flood Authority, at more stages of the planning process and the ability to select the 'package' they require. These changes aim to better meet the needs of our customers at more stages of the planning process whilst making more efficient and targeted use of resources.

Table 1: Benefits of Planning Advice Service

Benefits to Developers	Benefits to County Council
<p>Clarity on expectations of the Lead Local Flood Authority for surface water sustainable drainage design in Lancashire.</p> <p>Taking account of the advice given, viable sustainable drainage systems will be designed first time.</p> <p>Greater possibility of securing planning permission for surface water sustainable drainage systems first time.</p> <p>Reduced delays will mean reduced costs by getting designs and assessments correct first time.</p> <p>More service level options to choose from, and the potential to create a bespoke package via optional extras at additional cost.</p>	<p>Continue to improve the quality of surface water sustainable drainage design on major planning applications.</p> <p>'Front loading' the planning service will enable faster consultation responses from the Lead Local Flood Authority to the Local Planning Authorities to ensure we continue to deliver our statutory duty within statutory timescales.</p> <p>Delivers on the recommendation (M2) made by the county council's former External Scrutiny Committee to promote the pre-application service.</p> <p>Improved customer service and opportunity to build commercial relationships with developers in Lancashire in relation to surface water management.</p>

Proposed Fees and Charges

The new charging model for the service has been built to provide two options to customers. Option 1 is the 'essentials' package and option 2 is the 'premium' package. What is included in these packages and how much they cost is set out in Appendix 'A'. Both packages can add 'optional extras' to these base packages to create a bespoke package that meets their individual and/or site-specific needs.

The proposed fees and charges have been costed and details of how this has been calculated can be found in Appendix 'B'. Charges are proposed to increase annually in line with inflation and/or in line with changes in staff cost (hourly rate, inclusive of oncosts). It is also proposed that any previously agreed discount for developers for accessing both the current Highway Authority pre-application service and the Lead Local Flood Authority pre-application service is removed. This is to ensure the service delivered by the Lead Local Flood Authority is cost neutral.

Opportunities to reward customer loyalty can be explored to ensure repeat users of the county council's services for developers feel valued and to build customer



relationships. If this is agreed in principle by Cabinet, further work on this can be undertaken to scope potential options.

Impact of Proposed Fees and Charges

It is anticipated the number of applications for this service will grow because of an increased awareness and signposting to the service, and as a result of 'word of mouth' recommendations amongst the development industry.

If the service were to bring in the same number of requests that have been received between 2017 and 2022, the proposed fees would generate more income overall but would cover the actual cost of service delivery which was not met under the previous fees and charges for the 'pre-application' service. How income is generated will be determined by the package selected (essentials or premium) and any optional extras. Therefore, this number is difficult to forecast accurately but we are confident, based on the data collected and our data analysis, that there will be no decrease in revenue income compared to current income as a result of moving towards a cost neutral service.

Communicating and launching our Service

The county council's [webpage](#) for this service will be updated to include:

- updated website text, explaining our service
- new application form and checklist
- new guidance for how to complete the application form, which includes our fees and charges and terms of service.

We will encourage and raise awareness amongst developers of the Lead Local Flood Authority's Planning Advice Service and its benefits to improve service take up, leading to more successful sustainable drainage systems first time. This will be achieved by raising awareness of the service through the county council's updated website and social media, as well as websites/advice of other risk management authorities (The Flood Hub, Environment Agency, United Utilities, Highway Authority, District Councils) and particularly through the thirteen Local Planning Authority's webpages, plans and guidance. Other options could include publishing a video about our service and a developer drop in event to build customer relations including in relation to our service.

If approved, a communication launch plan will be drawn up to support the roll out of this service.

Monitoring our service

The Planning Advice Service will be performance managed via the log and by established management procedures which are working effectively.

Customer satisfaction is a key focus of the refreshed service, with feedback forms being provided to every customer. This, and embedded reflective practice within the Flood Risk Management Team, will ensure we are able to respond effectively to



feedback to adapt our service for the benefit of both our customers and the county council.

Conclusion

As a result, an increase in use of this service is anticipated leading to an expected year-on-year increase in external revenue as a result of successful service delivery and positive reputation amongst our customers.

Overall, the new fees and charges proposed pose a cost-neutral charging structure to ensure resources to sustain this service are in place and maintained. Growing this service to influence developers at the earliest opportunity will deliver more and higher quality sustainable drainage systems in Lancashire whilst front loading the processing of statutory planning consultations.

The proposals would support the delivery of the county council's corporate priorities to protect the environment and increase the resilience of our communities to climate change, whilst also delivering better services which, in turn, will support sustainable economic growth which is more flood resilient.

Consultations

Whilst there has been no direct consultation, this service review has been informed by feedback that has been gathered from pre-applications which have been processed in 2021 and 2022.

Implications:

This item has the following implications, as indicated:

- **Financial implications and resources:**

These are set out under 'risk management'

- **Delivery of statutory duty and External Scrutiny recommendation:**

Approving the proposed refreshed service will further improve the delivery of the Lead Local Flood Authority's statutory duty to respond to consultations by the thirteen local planning authorities on major development with surface water drainage for reasons outlined earlier in this report.

It also delivers the recommendation (M2) made by the county council's former External Scrutiny Committee to promote the pre-application service.

Risk management

Financial

The proposed service will generate sufficient income to cover the cost of the service and it is hoped and anticipated that the service will grow, and the income will cover staff costs to maintain the service. It is expected it will take time (1-3 years) for the



service to become known and well used and this will be accounted for during the transition from the current service to the proposed service, if approved.

There is a risk that service uptake does not improve significantly or only improves marginally. Under this scenario, the proposed fees and charges for the Lead Local Flood Authority Planning Advice Service would cover the staff time spent on delivering this service ensuring it is cost neutral. Appendix 'C' demonstrates that the revenue income would be no worse than retaining the current fees.

The Local Government Act 2003 introduced a wide-ranging power for 'best value' authorities to charge for any discretionary service – i.e. a service it has a power but not a duty to provide. The county council is a 'best value' authority as defined in the Local Government Act 1999.

Similarly, Section 4 of the Localism Act 2011 enables the county council to do, for a commercial purpose, anything that it is empowered to do under section 1 (the general power of competence or "GPOC").

Since the proposal is to charge, on a cost recovery basis only, for the services which are the subject of this report, the county council is permitted to do so by virtue of the 2003 and 2011 Acts.

Resources

The capacity of existing staff resources has the potential to be impacted. 'Front-loading' the planning process should have a small impact on overall staff resource. Once formal planning applications are received which have been through the Planning Advice Service, officers will be familiar with the development proposal and therefore will be able to process such applications more quickly overall.

There remains a risk that staff could be overburdened if there is a significant increase in applications for the Planning Advice Service or if the 'fast track' optional extra (the application would be processed in 14 calendar days) became very desirable. To manage these risks, workloads and performance will continue to be monitored through existing established management procedures and through the log. To manage the 'fast track' option, slots will be allocated up to a maximum capacity the team can sustain, like how delivery slots are allocated. If performance management evidences the need for additional staff resource and this can be paid for via the revenue generated, this option will be considered.



List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

