

# **COSTS OF ELECTRONIC PLANNING SYSTEMS IN THE UK**

## **1. Planning Portal<sup>1</sup>**

- The Planning Portal is a one-stop-shop for free, online planning information and services and has entirely taken over the service of online applications in the UK since 2006.
- It can be accessed by anyone - local planning authorities, planning agents and the public.
- It can be used to apply for planning permission, find information on local development proposals, appeal against a planning decision and research the latest government policy.
- The Portal team can also advise local authorities on how to achieve efficiency savings by e-enabling their planning services.
- The Portal is financed by Government.

### Likely costs from ePlanning include:

- Contractual Costs payable to the software provider;
- Upgrades to hardware or the authority's IT infrastructure;
- Consultancy costs where expertise or knowledge gaps have been identified;
- Employee costs for members of project team;
- Additional employee costs during implementation;
- Maintenance and upgrade costs not recovered by the original contact.

## **2. ePlanning in England**

### Programme Costs in England<sup>2</sup>

A work programme has been proposed to deliver the transformation of the main planning services. The initial estimate of the costs of the work programme is around £50m over 8 years (to achieve full delivery across both the public and private sectors). The *e-Planning Programme Board* is chaired by *Office of Deputy Prime Minister* (ODPM), with representatives of the key stakeholders in place to govern the programme.

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<sup>1</sup>

<http://www.communities.gov.uk/planningandbuilding/planning/planningpolicyimplementation/eplanning/eplanninganoverview/>

<sup>2</sup> <http://www.planningportal.gov.uk/england/government/en/1090430710185.html>

The Planning Portal – Business Justification and Performance Measurement<sup>3</sup>

- The estimated total cost of the public sector components is almost £1 billion (based on ODPM research into Planning Services – Costs and Fees), of which around £170 million is recovered in planning charges.
- Private sector comparators show that streamlining manually intensive document-based processes can deliver significant savings.
- Initial analyses show that if efficiency gains of between 1% and 5% could be achieved through investment in e-planning, then there is the potential for total savings across the public and private sector of between £33m and £175m by the end of 2010/11.
- Service Improvements: In addition to these quantifiable gains, there will be a number of improvements in planning service delivery e.g. greater transparency; improved responsiveness; improved certainty of outcome for users; and increased levels of engagement with users of planning services and the wider community.

**List of Providers**

There are a number of IT software companies who are capable of meeting the needs for various planning authorities. The main current providers include the following:

- Northgate IS plc                      20-30% of market
- IDOX plc                                      60% of market
- Swift LG Ltd.
- CGI Group.

EU Procurement Legislation

As a public authority when procuring IT solutions, there will be a requirement to comply with the EU Procurement Rules.

**3. ePlanning in Scotland<sup>4</sup>**

Estimated financial projections:	Total	2005/6	2006/7	2007/8	2008/9	2009/10
Overall project cost (in 1,000's)	<b>£5,941</b>	£3,011	£2,930	--	--	
Estimated projected benefits (In 1,000's)	<b>£10,631</b>	£3,713	£3,712	£1,048	£1,068	£1090

<sup>3</sup> <http://www.planningportal.gov.uk/england/government/en/1090430710185.html>

<sup>4</sup> <http://www.scotland.gov.uk/Resource/Doc/55971/0015269.pdf>

- The reasoning for such large capital investment is that fragmented e-planning enhancements result in serious disparities in the effectiveness of service across Scotland.
- According to the Scottish government, unless Scotland's *Efficient Government Funding*<sup>5</sup> is used, it will take many years to achieve the e-planning targets jointly agreed by local authorities and endorsed by Ministers.

#### IDOX in Scotland

On 30<sup>th</sup> April 2009, the IDOX group announced the delivery of the Scottish Government's Online Planning Information System (OPIS).

Following the delivery of the first stream of ePlanning solutions in 2007, IDOX won and successfully delivered the contract in early 2008, bringing the total number of IDOX solutions in Scottish councils up to 28 out of a possible 32.

### **4. ePlanning in Wales**<sup>6</sup>

#### Budget 2007-2008

Running costs	£2,100,000
Operational and Technical Costs	£2,085,000
Depreciation Total	£812,409
Product R&D	£100,000
Gross	(£350,000)
Funding Requirement	£4,747,409

#### Where the money goes:

Hosting and Management	28%
Technical Development	15%
Salaries	23%
LPA Outreach	13%
Marketing	4%
Depreciation	16%
Other	1%

<sup>5</sup> <http://www.scotland.gov.uk/Publications/2004/11/20318/47375>

<sup>6</sup> <http://www.planningportal.gov.uk/wales/genpub/en/1115315134601.html>

## **5. Other Relevant Information**

### Record High Number of Planning Applications Submitted<sup>7</sup>

In *August 2009*, the Portal Director, Chris Kendall, mentioned in his Portal blog about the success of its increased usage.

He mentioned that:

- There were 560,000 visits to the Planning Portal in July – up 2.5% on the previous month, and up 17.8% compared to July 2008.
- At the same time there were 294,404 unique visitors – up 2.2% on the previous month, and up 26.7% compared to July 2008. These visitors accounted for 6,459,624 page views – up 2.7% on the previous month. Of these, 47% came from the General Public, 45% Professional and 8% from Government users.
- There were 96,880 visits to the “My Applications” page on the Portal and a new record high of 15,828 planning applications were submitted online via the site.

## **6. Views of Councils and Authorities in England and Wales**

### Survey<sup>8</sup>

*Peter Pendleton and Associates (PPA)* carried out a ‘Use of Technology’ survey in *December 2006* following “anecdotal evidence that the effective use of new technology to deliver an open efficient service was some way away”.

This survey provides a snapshot of how far local planning authorities in England and Wales have come in terms of maximising the benefits of this investment internally.

### ***Methodology***

PPA consultants prepared a list of 21 questions based on their experience of dealing with local planning authorities using the electronic medium.

### ***Participation of Survey***

All 354 English ‘district’ level authorities (District and Unitary Authorities and the Metropolitan and London Boroughs), 34 English County Councils, Welsh Authorities and 11 English and Welsh National Park Authorities were sent the survey.

Example of questions in paper:

“If you can, please state 3 key barriers that you feel exist that prevent the increased use of electronic planning?”

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<sup>7</sup> <http://portaldirector.wordpress.com/2009/08/04/record-high-number-of-online-planning-applications-submitted/>

<sup>8</sup> [http://www.pendleton-assoc.com/images/Use\\_of\\_Technology\\_Survey.pdf](http://www.pendleton-assoc.com/images/Use_of_Technology_Survey.pdf)

Responses included:

- Planning systems within the local council.
- In house IT not compatible with new software - delaying further development.
- Possible costs.
- Need to rationalise cost of purchasing and maintaining the various systems and connectors.
- Cost of software.
- Cost of CAD drawings.
- Cost of colour printing on-line submissions for internal use and for consultees.
- Over 90% of applicants are still dealt are still paper based.

“What is the one thing you think will increase the use of e-planning systems?”

Responses included:

- Possibly a fee discount to users who use e-planning
- A reduced planning fee for (e)applications although it costs the Local Planning Authority more in time and money to process such applications
- Time and publicity - Agents will realise the cost benefit to them for online submissions
- On line IT enthusiasts are submitting applications. There is no incentive for others to do so.
- The professional architects would do so more, if all of the issues about document size, scaling, printing costs etc were resolved.
- You could consider making it a legal requirement that certain applications be made online, in addition to hard copies, and then in due course the hard copies could be dropped.
- Environmental Impact Assessments can run into many pages and have to be supplied in hard copies; otherwise the cost of printing would be extreme.