

FINANCE ADVISORY GROUP – 15 JUNE 2011

DEVELOPMENT SERVICES FINANCE – CURRENT POSITION AND TRENDS IN FINANCIAL AND RELATED PERFORMANCE

Report of the: Community and Planning Services Director

Status: For Consideration

Key Decision: No

Executive Summary: This report provides the Group with trends in finance and performance in Development Services, focusing on Development Control and Appeals. It shows that net expenditure has been reduced, whilst planning application performance (indicator NI 157) is consistently around Top Quartile level. The future prospects are also commented on briefly.

This report supports the Key Aim of effective management of Council Resources.

Portfolio Holder Cllr. J. Davison

Head of Service Head of Development Services – Jim Kehoe

Recommendation: That the Group consider the progress being made in Development Services, with particular reference to financial and related performance.

Background

- 1 This report provides the Group with trends in finance and related performance in Development Services. The focus of the report is on Development Control and Planning Appeals as these were areas for improvement.
- 2 A Cabinet led Development Services Review (DSR) was completed and approved by Full Council in July 2009 and progress was reviewed by Full Council in 2010. The DSR identified actions intended to improve customer service, in particular the speed of processing planning applications NI 157, and action to improve Value for Money.
- 3 In parallel, the Council agreed a Planning Partnership arrangement with Tunbridge Wells Borough Council with similar objectives.
- 4 In analysing progress, we will refer below to:-
 - Customer Service – Performance Indicator NI 157.
 - Value for Money.
 - Comparison with other Councils.

Performance Indicator – NI 157

- 5 The National Indicator (NI) 157 measures the speed of processing planning applications. This is important to customers of the services. It is also a good indicator of the benefit to customers from the investment made in Development Services. The pattern of performance is set out below. The relevant national quartile information is also shown as this enables clear comparisons to be made with other Councils. (Table number 1).

Table 1

Percentage of applications determined within 8/13 weeks.						
	Type of Application	08/09	09/10	10/11	Top Quartile (2009)	Bottom Quartile (2009)
NI 157A	Major %	60	86	92	81	63
NI 157B	Minor %	70	82	86	83	71
NI 157C	Other %	82	91	93	92	84

- 6 This shows that in 2009/2010 and 2010/2011, performance on NI 157 has exceeded Top Quartile levels. This is a marked improvement from previous years where it was operating at or close to Bottom Quartile level when compared with national performance.

Value for Money and Future Prospects*Table 2*

Total Number of Planning Applications Determined			
Type of Application	2008/2009	2009/2010	2010/2011
Major (Number)	33	28	50
Minor (Number)	448	394	399
Other (Number)	1379	1202	1368
Number Total	1860	1624	1817

- 7 Table (2) shows the number of applications that we determined in recent years and it makes a useful context for Table (1). If we compare 2010/2011 with previous years, it is clear that the NI 157 performance was achieved even though there were more decisions than in 2009/2010 and about the same number of decisions as in 2008/2009.

- 8 We can also see from Appendix A that the Council's actual net spending on Development Services in the same time period has reduced from £2,023,122 in 2008/2009, and £1,816,036 in 2009/2010, to a provisional outturn of £1,675,093 in 2010/2011.
- 9 When we extract the elements for Development Control and Appeals from the Service as a whole, we see an even more pronounced reduction in net expenditure by the Council (Appendix A, lowest box).
- 10 It is planned to reduce this further in future years as is shown in Appendix B.
- 11 It is relevant to consider the likely effects of expected National changes to the Planning system.
- 12 A change to enable Councils to set Planning Application Fees locally is proposed. This would offer the potential for a higher local fee subject to a suitable justification being made. We await further announcements from Central Government at present and expect to hear further before the end of this financial year.
- 13 The Localism Bill includes proposals for Neighbourhood Plans that could require District Council resources. We will need to analyse the implications further when we have more details of the Act and Regulations.

Steps Undertaken To Achieve Improvements

- 14 The following steps have been completed and it is planned to continue with them as well as seeking further improvements:-
- Expanded the Planning Applications information on the website, to improve accessibility and reduce cost of transactions.
 - Simplified 'call-in' procedures to reduce staff time spent on this whilst giving Councillors a longer set time period to reply.
 - Reduced the use of outside Consultants e.g. on planning appeals.
 - Increased training and skills of internal staff to do tasks previously done by Consultants.
 - Simplified site inspections.
 - Performance overall in Validation has achieved rising targets.
 - Formal Officer procedures are improved and streamlined.

The outcome is reflected in improved NI 157 and financial performance.

Comparison with Other Councils

- 15 In large part, this is shown by the Top Quartile performance in NI 157, as this is a national indicator.

- 16 In addition, we do monitor our staffing levels relative to workload. National research by the Government indicates that 150 cases per Officer is an appropriate level, and the future use of the indicator is part of the DSR. The current level of cases per Officer is in line with this national indicator, which is a challenging indicator that many Councils do not achieve. The pattern over recent time at Sevenoaks District Council has been to vary the number of Officers with the volume of applications. By continuing with this approach, we will continue to match the number of Officers to the number of applications, taking the opportunity of normal staff turnover and Partnership arrangements to review staffing levels. In addition, a pilot CIPFA benchmarking scheme has been undertaken with twelve Councils nationally on Unit Costs per application. The Council is within the best 25% of Councils in our benchmarking group, (Table 3). We expect that as it becomes more established, we will place increased weight on the benchmarking information.

Table 3

Average Cost of Processing Each Application (Source – CIPFA Benchmarking)	
Sevenoaks District Council	£170
National Sample Average	£302
Highest/Lowest	£390/£170

Key Implications

Financial

- 17 These are as set out at Appendices A and B.

Conclusions

- 18 There is a welcome improvement of NI 157 performance to Top Quartile level whilst net expenditure has reduced and is planned to reduce further.

Risk Assessment Statement

- 19 Income from fees are at present volatile due to general economic circumstances. There is a National review of Planning Fees underway at present which may alter future income.

Sources of Information: DSR Report to Full Council, 21st July 2009.

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