

Planning, Economic Development & Housing Strategy Portfolio – Scrutiny Budget Briefing

Portfolio Holder: Councillor Tony Greenwood

Senior Officers: Planning Group Manager, Director of Place

Development Strategy	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£243,963	£243,963	£292,308	£48,345 19.82%	£48,345 19.82%
Other Gross Direct Expenditure	£204,980	£102,182	£158,360	-£46,620 -22.74%	£56,178 54.98%
Direct Income	-£55,100	-£12,000	-£25,000	£30,100 -54.63%	-£13,000 108.33%
Net Direct Expenditure	£393,843	£334,145	£425,668	£31,825 8.08%	£91,523 27.39%
Overall No. of Posts (FTE)	6.42	6.42	7.42	1.00 15.58%	1.00 15.58%

Planning Delivery	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£568,833	£709,316	£551,374	-£17,459 -3.07%	-£157,942 -22.27%
Other Gross Direct Expenditure	£156,723	£225,922	£150,947	-£5,776 -3.69%	-£74,975 -33.19%
Direct Income	-£385,500	-£566,150	-£430,000	-£44,500 11.54%	£136,150 -24.05%
Net Direct Expenditure	£340,056	£369,088	£272,321	-£67,735 -19.92%	-£96,767 -26.22%
Overall No. of Posts (FTE)	16.00	18.32	15.00	-1.00 -6.25%	-3.32 -18.12%

Management & Admin	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£125,232	£125,232	£132,888	£7,656 6.11%	£7,656 6.11%
Other Gross Direct Expenditure	£10,735	£19,441	£11,770	£1,035 9.64%	-£7,671 -39.46%
Direct Income	£0	-£7,131	£0	£0 0.00%	£7,131 -100.00%
Net Direct Expenditure	£135,967	£137,542	£144,658	£8,691 6.39%	£7,116 5.17%
Overall No. of Posts (FTE)	3.00	3.00	3.00	0.00 0.00%	0.00 0.00%

Planning, Economic Development & Housing Strategy - Total	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£938,028	£1,078,511	£976,570	£38,542 4.11%	-£101,941 -9.45%
Other Gross Direct Expenditure	£372,438	£347,545	£321,077	-£51,361 -13.79%	-£26,468 -7.62%
Direct Income	-£440,600	-£585,281	-£455,000	-£14,400 3.27%	£130,281 -22.26%
Net Direct Expenditure	£869,866	£840,775	£842,647	-£27,219 -3.13%	£1,872 0.22%
Overall No. of Posts (FTE)	25.42	27.74	25.42	0.00 0.00%	-2.32 -8.36%

Movement in budget and staff from last year

Establishment Costs and Posts

The overall number of posts and the associated establishment budget for this portfolio has fluctuated significantly in the last two years. In February 2013 Council agreed the restructure of the Planning and Economic Development Group which was then implemented on 1st April 2013 and has now been fully recruited to.

The 2014/15 approved establishment budget was revised to create additional resource to support the systems thinking intervention; which took a number of officers away from the 'day job'. The forecast for 2015/16 however projects a return closer to the original 2014/15 budget as the intervention draws to a close. In addition a temporary additional post was created in Development Strategy, in recognition that there were insufficient resources to progress the Delivery Development Plan Document (DPD). Overall the proposed 2015/16 budget is 4.1% higher than the approved 2014/15 budget, but 9.45% less than the revised 2014/15 budget. The 4.1% increase is predominantly due to the pay award, contractual increments and increased pension contributions.

Other Gross Direct Expenditure and Income

Proposed expenditure across the whole portfolio has decreased and this is projected to continue into 2015/16. Although there was a significant decrease during 2014/15, this is largely due to slippage against the budget for the Delivery DPD which is progressing more slowly than originally anticipated. The direct expenditure for Planning Delivery and Management & Admin has increased during the year; however this was largely a result of unexpected costs in relation to the Lubbesthorpe Judicial Review, which were subsequently recovered. The budget for 2015/16 has been set close to the original position for 2014/15 in recognition of the fact that there will be expenditure against the Delivery DPD as it is progressed.

Fee income for 2014/15 has been exceptional, driven primarily by an ongoing increase in the number of major applications received. The in-year forecast currently stands at £585,281 which is significantly higher than the start of year estimate. This level of income is also significantly higher than the five year outturn trend for the district which ranges from £260,000 to £465,000. Projecting application income is not a scientific process and actual income is dependent on a range of issues but primarily the wider economy; whilst there is a reasonable argument for a further budget increase for next year it is important not to create a false budget

position based on a relatively short term trend. Therefore a modest increase has been applied for 2015/16 from the original 2014/15 budget.

The total income forecast for 2015/16 for Development Strategy relates to specific Neighbourhood Planning grants that the Council will receive as the Fosse Villages and Blaby Neighbourhood Plans progress. These grants are set by Government and triggered by completion of stages in the planning process. These grants are either held on behalf of the neighbourhood forum or are for the Council to undertake specific regulatory processes.

Priorities

- 1. Move into the next phase of the Development Management Systems Thinking Intervention.** The systems thinking intervention has already been extremely successful in removing failure demand and waste within the system; and has undoubtedly contributed towards our de-designation and removal from 'special measures'. The next phase of the work will see the entire team 'rolled-in' to the new way of working; a system for collecting customer feedback developed; and effective performance measures developed. We will also be supporting external organisations, such as Parish Councils, to work with us in the new system.
- 2. Continue to implement "Opportunity Blaby" – the Council's Economic Development Strategy.** The Economic Development Strategy was adopted in January 2014 and considerable progress has been made against the action plan. The Strategy sets out the key economic priorities of the Council and our approach to implementation and delivery of its objectives. In addition to continued delivery of the strategy, focus will also turn to developing the council's overall culture in relation to economic development.
- 3. Further improvements to DC Committee.** Improvements have already been made to Committee; following a review of the structure and format, and a comprehensive programme of Member Training. Further improvements will be considered during the forthcoming year and as the new Development Management system will require. The elections in May will also enable another timely training programme.
- 4. Prepare the Delivery DPD;** Work has commenced on the next stage of the Local Plan; the Delivery DPD. This will identify and allocate new sites for housing, employment, 'Gypsy and Travellers' accommodation and other land uses in the District in accordance with the Core Strategy. It will also include further Development Management policies required to supplement the Core Strategy. The need to include policies of the Blaby District Local Plan (1999) will also be reviewed which, although not allocations, are the subject of specific designations e.g. Green Wedges.
- 5. Review and revise the Planning Obligations SPD (Supplementary Planning Document) and associated processes.** Council have agreed not to implement Community Infrastructure Levy in the district at the current time but instead to review the 2010 Planning Obligations Supplementary Planning Document and associated processes in order to ensure effective management of applications and infrastructure planning.
- 6. Implement the Delivery and Governance Arrangements for the Lubbesthorpe SUE.** The S106 agreement related to Lubbesthorpe has now been completed and the outline planning permission has been issued. The Council's focus must now turn to delivery of this development and the effective engagement of local stakeholders on the creation of a successful and sustainable community.

Services

The Vision for the Planning and Economic Development Group is:

To have a pro-active, customer centred and comprehensive planning service that delivers the Council's aspirations and ambitions for the District, and enhances the Council's reputation.

This is delivered through the following core functions:

Development Management

The purpose of the Development Management Service is to ensure that development is acceptable whilst determining planning applications and resolving enforcement complaints as fast as possible.

This budget includes the costs of Planning Officers, Enforcement Officers and Technical staff involved in providing advice to potential applicants, determining applications and enforcing planning controls.

Development Strategy

The purpose of the Development Strategy Service is to ensure that the district has a robust and up-to-date strategic framework for Planning, Economic Development and Housing and to enable the delivery of these strategies.

This budget includes the costs of Planning Officers, Housing Strategy Officers and Economic Development Officers involved in developing robust policies and guidance, gathering and interpreting the data necessary to do this, advising on the interpretation of policies and designing and implementing initiatives to deliver strategic objectives.

Management and Administration

This budget includes the costs of the Group Manager and the support staff who manage the departmental budgets and systems.

Key points

Doing things differently - plans for the coming year	<ul style="list-style-type: none">• The systems thinking intervention has resulted in improved processes and a vibrant and highly motivated department; and we will continue to build on this.• The council's Economic Development function has grown significantly in the last 12 months; and during the forthcoming year in addition to continued delivery of the 'Opportunity Blaby' action plan, the focus will move to enabling a corporate wide focus.• A renewed focus on the approach to developer contributions and s106 functions has already resulted in considerable service improvements, and this will continue to be a priority going forward.
Income generation	<ul style="list-style-type: none">• The fees and charges for all aspects of the service will be kept under review to ensure that these maximise income without impacting on the quality of communications and applications submitted and increasing costs elsewhere in the delivery of the services. It is worthy of note that the

	<p>fees for planning applications are set nationally by Government.</p> <ul style="list-style-type: none"> • One of the focuses of the Economic Development function for 2015/16 will continue to be working with partners across the LLEP area to enable grant income investments in the district.
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Capital plans for the portfolio	<ul style="list-style-type: none"> • None
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Key performance indicators

	2010/11	2011/12	2012/13	2013/14	2014/15*
Number of planning applications received	932	959	922	1080	1073
Planning application fee income	£279,117	£387,519	£396,596	£711,229	£460,370
Number of planning applications determined	652	673	651	962	866
% of applications delegated	94.62	95.65	93.88	90.28	89.91
% of major applications determined in 13 weeks	70.58	11.11	21.43	75.67	86.2
E2E (householders)	47.7	41.65	47.21	50.28	39.70
E2E (minors)	73.7	66.56	108.6	89.14	81.50
E2E (others)	75.4	44.89	91.38	49.07	49.02
Housing land supply	Currently at 6.2 years				

* All performance figures for 2014/15 are cumulative to the end of December 2013.

Customers

The Group will be developing a system of customer service data collection as part of the next phase of the systems thinking work. Whilst the collection of customer service data for a primarily regulatory service is always challenging it is considered essential that this feedback should be sought.

The Development Strategy service has a responsibility to all residents and visitors to the district as customers however the Development Management service has a more narrowly defined customer. It is important to ensure that all interactions with customers and stakeholders to these services are conducted appropriately and professionally.

The Group will be looking to develop better relationships with Parish Councils on planning issues during 2015/16.

Risks

- **The increased level of major applications will continue to place significant demands on the service.**
- **An inadequate response to resource requirements for major applications could result in performance slipping back to pre-designation levels.**
- **Inability to progress with the delivery of a clear and robust policy framework would put delivery of sustainable development at risk.**

- **Delivery of Lubbesthorpe against the current proposed timetable could affect the 5 year housing land supply, and in turn the council's ability to defend against undesirable development.**
- **Significant reliance on partners and the wider economy to effectively implement Opportunity Blaby.**