Report for:	**Strategic Planning and Environment Overview and Scrutiny Committee**
Date of meeting:	**16 June 2020**
Part:	**1**
If Part II, reason:	

Title of report:	**Planning, Development and Regeneration Quarter 4 Performance Report 2019-20**
Contact:	Cllr Graham Sutton, Portfolio Holder for Planning and Infrastructure Author/Responsible Officer: James Doe, Assistant Director – Planning, Development and Regeneration Sara Whelan, Group Manager – Development Management and Planning
Purpose of report:	To set out the performance outturn for the service for Quarter 4 of 2019-20
Recommendations	That the report is noted.
Corporate objectives:	All Corporate Objectives are relevant with this annual review of service performance.
Implications:	<u>Financial</u> None arising from decisions on this report though the financial indicators for Planning fees and Local Land Charges report an under recovery of income against target levels. <u>Value for money</u> None arising from this report.
'Value for money' implications	
Risk implications	None arising from this report. Risks addressed through service level risk register.
Community Impact Assessment	Not applicable for this report.

Health and safety Implications	Not applicable for this report.
Consultees:	Mark Gaynor, Corporate Director Housing and Regeneration Chris Taylor, Group Manager Strategic Planning and Regeneration Sara Whelan, Group Manager Development Management and Planning
Background papers:	Performance report (appendix 1)
Glossary of acronyms and any other abbreviations used in this report:	None.

Executive Summary

1. This report presents the performance outturn for the Planning, Development and Regeneration service for the fourth quarter of the business year 2019-20. The full performance report is at Appendix 1.

2. Of 18 indicators, five are running at green; nine at red, four at amber and three are for information only.

3. The main exceptions relate to income shortfalls and speed of processing the caseload of planning and related applications. Whereas trends were rising generally by the end of the year, rising caseload, staff turnover and the cross-over from the old to new IT systems have impacted on performance by the end of the business year.
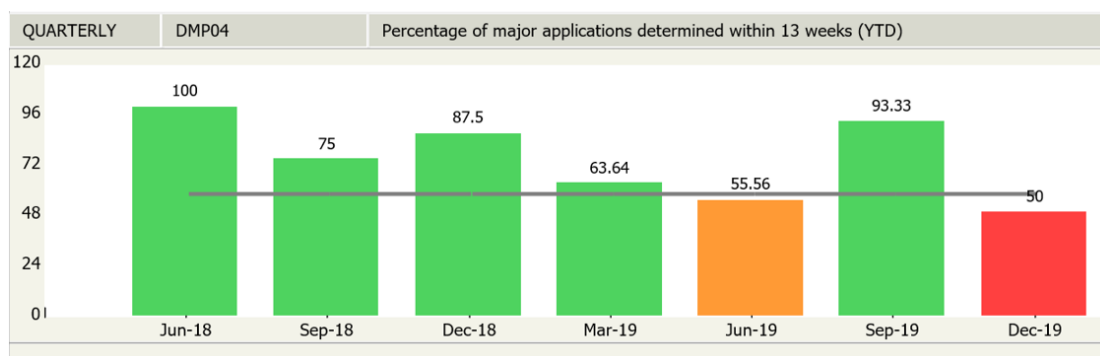
Key Issues

Income

4. <u>Planning fees income (FIN 16).</u> Fees received at the end of the year amounted to £1.056m, a little under £100k short of the target of £1.154m. this equates to just over 91% of budgeted income being received. This shortfall is due to certain major applications, which were anticipated to be submitted during the 2019/20 financial year not being submitted.

5. The Covid-19 crisis, and lockdown occurred just at the end of the last financial year. For 2020/21 there is a forecast drop in planning fee income, as there is for other Council income streams. Service management is keeping the situation under monthly review with accountancy and the Committee will be kept informed through the quarterly performance reports.

6. Discussions continue with major investors on key sites which is an encouraging sign.

7. Land Charges Income (FIN17). Income ended the year on just under £193k against the target of £231,600, amounting to 83% of budgeted income. Since Covid-19 lockdown, house sales transactions have declined rapidly and significant shortfalls against budgeted income are expected for 2020/21. As with planning fee income, these levels are being monitored closely.

8. The other financial indicator showing as red relates to Building Control income (FIN15). As Members will be aware, the in-house service provided by the Borough Council transferred to Hertfordshire Building Control Ltd on 16 December 2019 with financial terms agreed to that point. This indicator will now not be reported on for 2020/21 but an update report on the Council's membership of HBC will be provided.
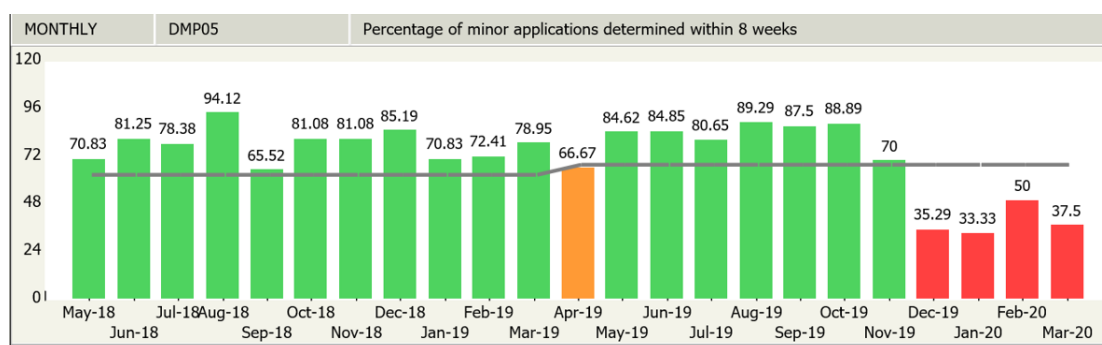
Development Management Performance

9. Planning applications. Three indicators cover speed of determination of planning applications. Major proposals, which are typically for 10 new dwellings or above, or other proposals of 1,000 sq m floorspace and above (DMP04); Minor proposals, for developments below these levels (DMP05) and Other proposals, which include applications for individual householders such as extensions and domestic buildings within residential curtilages, and for lawful development certificates (DMP06). Performance on all three categories has shown as red for Q4.

10. Just over 45% of major applications were determined within the statutory timescale of 13 weeks (or 16 weeks where an environmental impact assessment is necessary) against the target of 60%. This is a slight decline on Q3's performance of 50%. Major applications are the most demanding on officer and member time and given their complex nature, can be the most prone to running over timescale. Throughput of decisions and caseload was up, however, in Q4 with five decisions issued out of eleven, compared with four out of eight in Q3.

11. Fewer extensions of time are being agreed by applicants and this has contributed to this quarter's under-performance.

12. Shown below is performance in the major category since Q1 (June) 2018 through to Q3 (December) in 2019/20. Major developments amount to the smallest proportion and actual numbers of applications received by the Council and this makes the indicator vulnerable to fluctuations, as the graph indicates. Performance is usually strong, and a key aim of the current service efficiency programme, as referred to below, is to make this as consistent as possible.

QUARTERLY	DMP04	Percentage of major applications determined within 13 weeks (YTD)

Values: Jun-18: 100, Sep-18: 75, Dec-18: 87.5, Mar-19: 63.64, Jun-19: 55.56, Sep-19: 93.33, Dec-19: 50
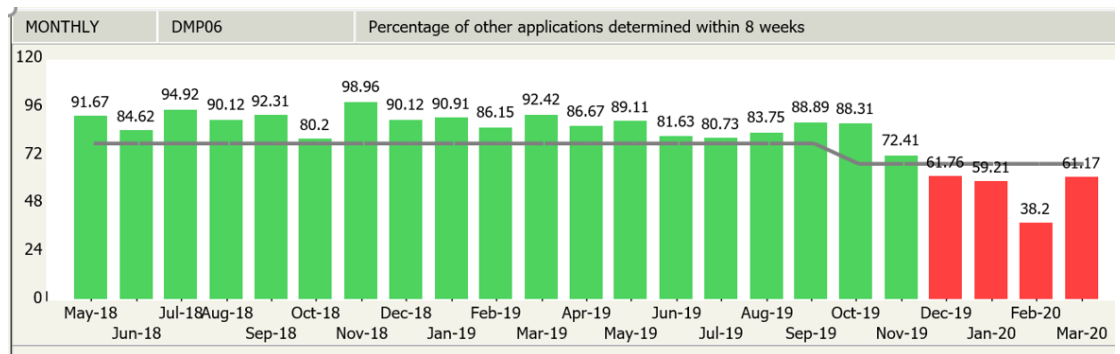
13. Planning decisions in the minor category (DMP05) was 42% of cases determined within the statutory timescale of eight weeks, down from just under 69% in Q3. As referred to in last quarter's report to the Committee, the switchover to the new back office system, Uniform, has been particularly demanding on staff time and this has impacted on performance. Also, changes in staffing has had its effect.

14. The graph below shows longer-term performance for applications in the minor category since May 2018. This shows consistently good performance above the 70% target for the most part, but a significant fall towards the end of 2019 which can be attributed to the IT project and staff turnover reasons referred to above.

MONTHLY	DMP05	Percentage of minor applications determined within 8 weeks

Values: May-18: 70.83, Jun-18: 81.25, Jul-18: 78.38, Aug-18: 94.12, Sep-18: 65.52, Oct-18: 81.08, Nov-18: 81.08, Dec-18: 85.19, Jan-19: 70.83, Feb-19: 72.41, Mar-19: 78.95, Apr-19: 66.67, May-19: 84.62, Jun-19: 84.85, Jul-19: 80.65, Aug-19: 89.29, Sep-19: 87.5, Oct-19: 88.89, Nov-19: 70, Dec-19: 35.29, Jan-20: 33.33, Feb-20: 50, Mar-20: 37.5

15. In the Other category (DMP06), just under 53% of applications were determined within the statutory eight week period, down from just under 75% in Q3. There was however a large rise in the number of planning applications under consideration in Q4. At 268 applications, this was up by some 32% over Q3's total of 203 applications. This spike in caseload received, coupled with the IT project and staffing issues referred to above, has pushed this indicator to show as red. However, a similar level of caseload was processed during Q4 of 142 decisions compared to 152 in Q3.
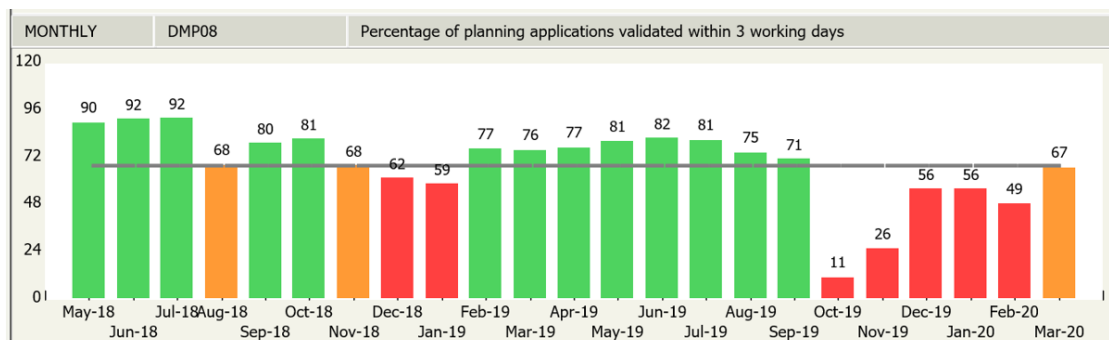
16. As with the minor category, the longer term chart below shows consistent performance from May 2018, but with performance dropping towards the end of 2019. Performance on a monthly basis was rising by the end of the business year, and this has continued into 2020/21, with the outcome for May 2020 being 70% of applications decided.

MONTHLY | DMP06 | Percentage of other applications determined within 8 weeks

Bar chart values (May-18 to Mar-20): 91.67, 84.62, 94.92, 90.12, 92.31, 80.2, 98.96, 90.12, 90.91, 86.15, 92.42, 86.67, 89.11, 81.63, 80.73, 83.75, 88.89, 88.31, 72.41, 61.76, 59.21, 38.2, 61.17

17. The other key indicator around speed of planning application performance relates to the target for validation of planning applications within three working days (DMP08).

18. The Q4 outturn for validation was 58% of application within three working days, but an improvement on the poor outcome at the end of Q3 which was only 31%. This can be attributed to the reasons given for under-performance on all three categories of applications as set out above.
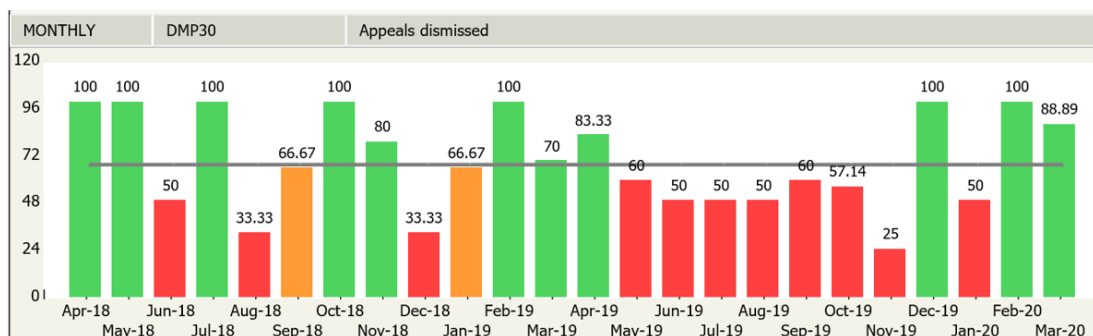
19. Looking at longer term performance, the chart from May 2018 tells a similar story with validation rates falling rapidly in autumn 2019 from what is overall consistently good outcomes. The very low performance in October 2019, at the time of IT system switchover, has consequently fed through into the decline in the speed of planning application decisions, which show a fall in December, as shown in the other charts.

MONTHLY | DMP08 | Percentage of planning applications validated within 3 working days

Bar chart values (May-18 to Mar-20): 90, 92, 92, 68, 80, 81, 68, 62, 59, 77, 76, 77, 81, 82, 81, 75, 71, 11, 26, 56, 56, 49, 67

20. By the end of Q4, speed of validation was increasing again and just under-shooting the target of 70% within three working days. Performance recorded in 2020/21 so far has been strong, with 95% of applications received in May 2020.

21. To address these performance issues and improve the service's efficiency in managing, in the long term, a rising and more complex caseload, an internal programme of service improvements is currently underway. This includes improved reporting arrangements using the new back office system now in place and enhanced case management regimes. At the heart of the programme is the objective to bring down the average time that cases are being held in the system as work in progress, and reductions in the use of extensions of time agreements.

22. <u>Planning appeals dismissed (DMP30).</u> Very good performance was achieved in Q4 with 86% of appeals going in the Council's favour. This is a big improvement on Q3 where only 54% of appeals were dismissed, and again from Q2 where performance was at 52%.

23. The longer term context is shown in the chart below. As reported numerous times before, the indicator is subject to fluctuation given the low number of cases that comprise both monthly and quarterly statistics. A small number of allowed appeals can turn the indicator red quite easily. As the chart shows, performance has improved quite significantly since the middle part of 2019 and the business year ended strongly.

24. Again, there are encouraging signs for 2020/21: in May, a 100% success rate was recorded with four out of four appeals dismissed. The Covid-19 situation has led to planning hearings and inquiries being suspended, so some decisions by the Planning Inspectorate will be delayed. It is however, resuming hearings on a virtual basis from the end of June 2020.

25. There are three performance indicators relating to targets for carrying out inspections under the three priority levels for planning enforcement cases, as set out in the Council's Local Enforcement Plan (PE01, 02 and 03 respectively).

26. Importantly, all priority 1 cases were visited within the target time of one working day. For priority 2 and 3 cases, the target is to have achieved 100% of visits to such sites within 10 and 15 working days respectively. Neither of the priority 2 or 3 cases hit these targets during Q4, though workload across all three categories was up by 39% compared to Q3.

Working arrangements since Covid-19 lockdown

27. As Members will be aware, the Council has invested heavily in its ICT systems over the years to enable digital, and therefore remote, working. Since lockdown at the end of March 2020, all planning staff have been working remotely, with only a skeleton staff in the Forum for essential printing and dealing with mail, largely in relation to consultation letters on planning and related applications.

28. Currently, the number of applications received is down by about one-third on typical levels. Management is monitoring workloads on a weekly basis. Since lockdown, the service is issuing decisions on applications equal to or higher than new caseload arriving.

29. To date, work arrangements have been very productive. As referred to above, early performance reports show high levels of performance. The full picture for Q1 of 2020/21 will be reported in the next report from the service to the Committee.

30. Some adjustments have had to be made. To address issues of self-isolation for some staff, and to generally avoid the need to leave home, site visits for applications are not being undertaken. Instead, applicants are being asked to provide images of the site to assist Officers to assess cases. Officers will ask for views from different angles or viewpoints where these are necessary.

31. Members will be aware that arrangements have now been put in place for the Development Management Committee to meet virtually and to date, two meetings have been held, including maintaining public participation.

32. Meetings between staff, and with developers and external organisations have been taking place successfully using the Council's video conferencing and calling platform, Microsoft Teams.

33. Measures to re-enable enforcement site visits are being put together by management through a thorough risk assessment.