

5. BUDGET MANAGEMENT 2008/09 – PROGRESS REPORT APRIL TO JULY 2008

REPORT OF: Head of Finance
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Wards Affected: All
Key Decision No

EXECUTIVE SUMMARY AND RECOMMENDATIONS

1. Purpose Of Report

The purpose of this report is to review the progress on the revenue budget, capital budget and treasury management for 2008/09.

2. Summary

The forecast revenue outturn position for the year 2008/09 as at the end of July is showing a projected overspend of £32,000 against the original estimate. The financial position of the Council remains steady but it is expected that the overall slowdown in the economy will necessitate local remedial action if this is to be maintained.

3. Recommendations

To recommend to Council for approval:

- a) the variations to the Council's expenditure and income budgets as set out in Part 2 of this agenda, in accordance with the Council's constitution part 3 section 4;**
- b) the variations to the Capital Programme contained in paragraphs 2.3 in accordance with the Council's Financial Procedure rule B4.**
- c) That £106,000 windfall income to be transferred to General Reserve**

To note:

- d) the remainder of the report.**
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1. REVENUE SPENDING

1.1 Position to the end of July 2008

- 1.1.1 This is the second budget management report for this financial year. This is intended to inform members how key income and expenditure targets are performing after the first four months of the year.
- 1.1.2 The current forecast position shows that we will overspend by £32,000 at year-end if no corrective action is taken. Further detail is set out in appendix A of this report.
- 1.1.3 In addition to the above changes there are three pressures for which the final effects are not yet known. These relate to the outstanding pay award and the staff turnover target included in this year's budget, and to the rapidly changing economy.
- 1.1.4 In respect of the pay award, we have budgeted for a 2% increase in line with the Governments guidelines last year. However, it now seems likely that the settlement will be in excess of this, and a 3% deal would add in the region of an extra £150,000 to the overall pay bill. Negotiations are still taking place between the Employers and the unions to agree a settlement, so it is hoped to have a better understanding of the implications for the next Budget Management report.
- 1.1.5 When calculating the salary budget for the year, the current practice is to reduce the total gross cost of salaries. This is to allow for the fact that some posts will be vacant during the year as a result of the staff leaving the organisation. We refer to this vacancy provision as turnover. This turnover effectively means we budget for approximately 99% of the gross salary cost in any one year. For 2008/09, this resulted in a provision of £215,000 to be achieved.
- 1.1.6 However, due to the current economic climate and the slow down of the economy as a whole, it now seems likely the turnover target for 2008/09 will not be wholly achievable due to the lower than expected turnover of staff. Being fully staffed for longer has a positive effect on performance, but will lead to an overspend by year-end if not managed and mitigated.
- 1.1.7 Management Team are currently monitoring these issues, and ways to overcome their effects are being investigated and will be included in the next Budget Management report to Cabinet in November.

1.2 Expenditure and Income to date

- 1.2.1 The following table shows the main income and expenditure categories, with actuals to date, compared to the profiled budget. Overall, income is down, although Development Control, Building Control and Civic Halls are up against target contrary to the economic impact of other businesses. Industrial Estates & Town Centre rents are down against target, mainly due to profiling, i.e. timing, differences. Parking fees, land charges and leisure centre income are also down at this time, directly as a result of economic conditions. This is being monitored closely to establish a trend; however, in the meantime the current downturn is not reflected in the table in appendix A of this report.
- 1.2.2 Salaries expenditure is down against target due to the delay in the national pay award being agreed and paid.

Table 1: Key income/expenditure to end of July 2008

INCOME	<i>2008/09 Original Budget £'000</i>	<i>2008/09 Actual to July £'000</i>	<i>Profiled 2008/09 Budget £'000</i>	<i>Pressure/ (Saving) To end July £'000</i>
Car Park Charges	(1,440)	(451)	(480)	29
Development Control Fees	(714)	(311)	(238)	(73)
Building Control Fees	(617)	(229)	(206)	(23)
Land Charges	(346)	(88)	(115)	27
Licensing Act Fees	(106)	(11)	(9)	(2)
Hackney Carriage Fees	(96)	(37)	(32)	(5)
Leisure Centres	(7,229)	(2,284)	(2,421)	137
Civic Halls	(629)	(200)	(182)	(18)
Outdoor Facilities Income	(237)	(90)	(79)	(11)
Industrial Estates Rents	(528)	(250)	(262)	12
Town Centre Rents	(693)	(243)	(323)	80
Depots Rents	(60)	(35)	(30)	(5)
General Miscellaneous Property	(44)	(24)	(18)	(6)
Total Income	(12,739)	(4,253)	(4,395)	142
EXPENDITURE				
Salaries	15,407	5,035	5,107	(72)
Total Expenditure	15,407	5,035	5,107	(72)

1.3 Miscellaneous

- 1.3.1 To date the total remaining in Balance Unallocated at the end of July is £14,000, as £4,000 has been utilised for mailing costs in relation to providing information to Haywards Heath residents as part of the Station Quarter redevelopment.
- 1.3.2 We have received windfall income of £106,000 for Recycling Credits in respect of 2005/06. As is usual practice, this is to be transferred to General Reserve.

- 1.3.3 Members should note that since the last Budget Management report, the Environmental Health Section have successfully bid for funding of £49,980 from the Food Standards Agency. This is for a project to provide training to 240 food businesses on Safer Food Better Businesses programme, which will improve food safety. The businesses will be offered the opportunity to participate in an introductory seminar with a follow up 1:1 coaching. Part of the programme will be delivered to our ethnic food businesses by Sompriti, a local Black and Minority Ethnic (BME) organisation, who will help with language and cultural matters to ensure BME businesses in the District can benefit fully from the training on offer. The project will be evaluated, and it is expected that we will see a significant improvement in levels of food hygiene and assist in introducing "Scores on the Doors" in April 2009. The project will also deliver a more customer focussed approach to businesses through the introduction of network groups using a special interactive section of our web site. All expenditure incurred will be met from this award, as detailed above.

1.4 Changes to the Council's Establishment

- 1.4.1 Since the budget was set for 2008/09, there have been a number of changes to the establishment that need to be reported. As the largest cost for the Council, tracking changes to the establishment is a key component of controlling costs.
- 1.4.2 Steps continue to be taken to manage effectively the staff of the organisation so that organisational performance improves. Staffing arrangements are frequently reviewed – the latest structural changes are outlined below.
- 1.4.3 The most recent changes include a review following the latest round of senior management changes. There are now 4 fewer Management Team posts with an overall significant reduction in cost compared to 2006/07.
- 1.4.4 The restructure of the Corporate Improvement and Communication Teams have been successfully completed. This will deliver the improved service demanded of the Council and has secured the £50,000 efficiency savings required of it in the budget.
- 1.4.5 It has also been necessary to formalise the creation of the customer contact centre and fund its staffing. This cost is, in effect, being met from savings generated from the refuse and recycling contract (reflecting the use of the centre by this service) and is making temporary posts permanent. Further, a minor formalisation of a post relating to an earlier restructure of the Environmental Health Business Unit is accompanied also by the completion of the Leisure Indoor Business restructure begun in 2007/08. The effect of these changes is neutral – that is, any additional posts or increase in hours are balanced by deletions of posts or reduced hours.
- 1.4.6 Finally, there has been an increase in the number of CENSUS posts for which Mid Sussex is required to contribute a third of the cost. The new management team is able to fund these within the service and this is therefore revenue neutral. The new Management Team is on target to achieve these savings in services where the budget outturn in the last 2 years has been significantly above the original provision.
- 1.4.7 All of these changes can be found in part 2 of this agenda; in summary form, where the overall effect is insignificant.

2. CAPITAL SPENDING

2.1 Position to the end of July 2008

2.1.1 The latest Capital Programme for 2008/09 including slippages from 2007/08 and following the variations included in the last Budget Management Report totals £5,077,000. The actual and committed spend to the end of July 2008 totals £902,510.

2.2 Variances to the 2008/09 Capital Programme

2.2.1. At this stage, the major variances are set out in table 2 below, the remainder being a number of smaller variations of less than £100,000:

	<i>Variances</i> £'000 (overspends)	<i>Variances</i> £'000 (underspends)	<i>Notes</i>
Oaklands Office Accommodation		(215)	1
Town Centre Revitalisation		(1,213)	2
CENSUS ICT Strategy		(150)	3
Corporate Grants/RCP Capital Grants		(201)	4
Housing Renewal Assistance		(381)	5
Affordable Housing		(730)	6
Total		(2,890)	

Notes:

Head of Organisational Development

- (1) Works are still being completed towards the preferred option of this project . However, it is anticipated that works on drawing up outline proposals will commence in 2008/09, therefore this project is broadly on target.

Head of Finance

- (2) A delay in the repayment of the license fee for Cyprus Road Car Park. In addition, part of this variance relates to staff time allocated to the Town Centre projects, of which £105,000 of the £306,000 target for 2008/09 has been identified to date.
- (3) Delays caused by the uncertainty around the Adur / Worthing amalgamation.

Head of Leisure & Sustainability

- (4) Variation is due to timing between grants that have been allocated but not yet spent due to actual payments being due on completion of projects.

Head of Housing, Environmental Health & Building Control

- (5) Demand led Housing adaptations service; however, scheme on target to be spent by end of financial year.
- (6) Schemes identified to spend £497,000 of total variation by year-end. At this stage this leaves an anticipate variation of £233,000.

2.3 Proposed Variations to the Capital Programme

2.3.1 Proposed capital variations are summarised in table 3 below:

	<i>Apr to July</i> £'000	<i>Ref</i>
Oaklands Office Accommodation Project	32	<i>Note 1</i>
Lindfield Common Playground	5	<i>Note 2</i>
Major Capital Renewals - Olympos Haywards Heath	38	<i>Note 3</i>
Major Capital Renewals - Streams & Watercourses	(35)	<i>Note 4</i>
Major Capital Renewals – Oaklands Roof & Boilers	8	<i>Note 5</i>
Major Capital Renewals – Clair Hall	(18)	<i>Note 6</i>
Major Capital Renewals – London Road Pavilion	(11)	<i>Note 7</i>
Major Capital Renewals – Balance unallocated as yet	18	<i>Note 8</i>
Total	37	

Notes:

Head of Organisational Development

- (1) As part of the 2007/08 capital outturn report, the feasibility work for Oaklands Office Accommodation was categorised as being underspent by £32,000. This is not the case as works are still being undertaken in order to conclude the current phase of the project. Therefore, this amount needs to be reinstated.

Head of Leisure & Sustainability

- (2) The current programme includes £2,000 for the final works to Lindfield Common Playground. This scheme now needs to be increased by £5,000 to cover the costs of works to address the severe surface water problems. This additional cost can be met from S106 funding.
- (3) During current works, additional necessary works for pool pipe relining, concrete repairs & additional tiling have been identified totalling £38,000.
- (4) Scheduled works to Hurstpierpoint culvert has now had to be deferred due to legal issues.
- (5) Additional works to mechanical plant are now required totalling £8,000.
- (6) Savings of £18,000 due to minor works being undertaken instead.
- (7) This scheme is now complete due to an adjustment to the final account settled with the contractor.
- (8) This is the balance of savings/overspends are identified on the above schemes and will be added to and utilised as further savings/overspends are identified on individual schemes within the overall Major Capital Renewals budget. These variations will be reported in future Budget Management reports.

2.3.2 In total, it is proposed that projects totalling £5,000 are financed from S106 grant monies received, and £32,000 is met from General Reserve. Including the items detailed above, the revised total for the 2008/09 capital budget now stands at £5,114,000.

2.4 Capital receipts and contributions received to the end of July 2008

2.4.1 The Council has been very successful in securing funding from developers through S106s and other grant contributions of £1,073,000 in the period April to July 2008. This includes £348,000 for Housing Renewal Assistance grant subsidy for adaptations to homes, £39,000 from the Big Lottery fund for the playground strategy with the remaining balance being various S106 developer contributions.

3. TREASURY MANAGEMENT INTEREST

- 3.1 Treasury Management interest for the financial year 2008/09 was projected in the Budget Report to be £892,000 at an average rate of 5.25%. The Budget Report is prepared well before many of the cash flow items are known.
- 3.2 Actual Treasury Management interest earnings for the first four months of 2008/09 were £326,730 at an average rate of 5.62%.
- 3.3 The revised projection for Treasury Management interest to be earned in the year is now £910,000 at an average rate of 5.60%.
- 3.4 Money market conditions remain uncertain, and rates in the range 5.50% to 5.85% are still available, despite Base Rate holding steady at 5.00%. It is still far from clear how long this state of affairs will continue, so projections are made on the basis, that Base Rate will remain at this level, with the authorities torn between raising rates to bring inflation back towards the target range, and lowering them to stimulate demand.

4. POLICY CONTEXT

- 4.1 This report shows actual financial performance against the original budget, which was approved within the context of the Financial Strategy. As always, financial monitoring reports should be read in conjunction with the quarterly performance reports considered by Performance & Scrutiny Committee to achieve a full understanding of the Council's overall performance.

5. FINANCIAL IMPLICATIONS

- 5.1. The financial implications are detailed within the body of this report.

6. OTHER MATERIAL IMPLICATIONS

- 6.1. There are no legal implications as a direct consequence of this report.

Background Papers

Revenue Budget 2008/09

Forecast Budget Variations for 2008/09 @ End of July 2008

	<i>Costs/ (savings) in 2008/09</i>	<i>Notes</i>
	<i>£'000</i>	
Leisure Centres Utility savings	(80)	1
Leisure Centres Income	80	2
Concessionary Fares	(6)	3
Professional Subscriptions – Org Dev	5	4
Land Charges Income	130	5
Recycling Credit Income	(51)	6
Refuse Collection Staffing	31	7
Development Control – Fee Income	(91)	8
Development Control – Awarded Costs	(13)	9
Housing, Env. Health and Building Control Salaries	10	10
Corporate Improvement Salaries	8	10
Finance Salaries	9	10
Strategic Core Salaries	12	10
Legal Salaries	8	10
Organisational Development Salaries	8	10
Census Managers – Revenues and Benefits	96	11
Magistrates Court Income	(79)	12
Housing, Env Health & BC Staffing - Upgrade	4	13
Car Cleaning Franchise	8	14
Payroll non achievement of income	5	15
Redemption Premium	(14)	16
Property Additional Income	(65)	17
Property Consultants Fees	(5)	18
Corporate Communications – loss of advertising income	3	19
Corporate Communications – a to z council services	3	20
Housing, Environmental Health Staffing	(11)	21
Garden Waste income	(24)	22
Refuse Collection – Glass collection	(107)	23
Refuse Collection – Contract Cost	48	24
Corporate Contact Centre – Help point officers	94	25
Corporate Telephones	16	26
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	32	
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- (1) Anticipated saving for 2008/09, based on the utility under spend achieved in 07/08.
- (2) Yearly memberships paid in advance will now be accounted for in the financial year to which they relate, rather than in the year they are actually paid. This will cause a one off phasing pressure.
- (3) This relates to an end of year adjustment where the estimate of the Q4 bus operators payment was £6k higher than the actual invoice received.
- (4) 50% of professional subscriptions for staff had previously been met from specific reserve. This reserve has now been utilised resulting in a budget pressure for 2008/09.

- (5) Predicted downturn in land charge fees for the year based on actuals to date due to the downturn in the property market, that in turn is largely due to increased interest rates and lack of confidence in the financial markets at present.
- (6) Anticipated additional Recycling credit income in line with actual performance in 2007/08.
- (7) Staffing pressures relating to the extension of the temporary contract of the Waste Awareness officer for another year.
- (8) The development control fee increased from 1st April 2008. The fee is set by Central Government.
- (9) Costs awarded to the council in respect of the Bolnore enquiry.
- (10) Refer paragraph 1.4 of this report.
- (11) Cost of one-third contribution towards the new Census Managers.
- (12) Anticipated additional Magistrates court income based on collection activity in 2007/2008.
- (13) Additional cost of upgrade to post EENH021 following a restructure of Environmental Health.
- (14) Delays in starting car cleaning franchise in town centre car parks. Activity is not forecast to commence until September at the earliest.
- (15) Payroll business provision to other Local Authority did not proceed as planned.
- (16) Redemption fee payable from loan to The Association of District Councils.
- (17) Increases in income due to improved performance from the Central Development Areas (CDAs) and additional non- budgeted lettings of a short-term nature.
- (18) Projected annual saving based on planned property activity.
- (19) The reduction in Mid Sussex Matters editions has resulted in less advertising space to sell.
- (20) The non-budgeted A-Z Council booklet has a balance that is unable to be absorbed by the Corporate Communications Service alone.
- (21) Deletion of post EENH029 from Environmental Health to help fund Corporate Contact centre.
- (22) Additional Garden Waste income forecast due to an increase in the customer base.
- (23) Additional savings due to a change in the refuse contract, in respect of glass co-mingling.
- (24) Additional costs in respect of approved Change Control Note from Serco: an increase of £5000 to the £40,000 per annum cost for clinical waste for increases in collections; £32,967 for an increase in the number of properties and £10,000 due to collection from flats and properties with multiple bins.
- (25) Formalisation of the Corporate Contact Centre.
- (26) Increased maintenance contract costs.

6. COUNCIL PERFORMANCE QUARTER 1 2008/09

REPORT OF: HEAD OF CORPORATE IMPROVEMENT
Contact Officer: Paul Anderson, Corporate Improvement Officer
Email: paula@midsussex.gov.uk Tel: 01444 477514
Wards Affected: All
Key Decision No

Purpose of Report

1. To brief the Cabinet on the Council's performance against the basket of indicators identified for quarterly monitoring throughout 2008/9 and on achieving the actions set out in the Council's Success Criteria.
2. This report will be considered by Performance and Scrutiny Committee at its meeting on 2 September, and any recommendations from that meeting will be reported to Cabinet.

Recommendation

3. **That Cabinet notes the Council's performance in the first Quarter of 2008/09, and identifies any areas where it requires further reporting or information.**
 4. **That Cabinet considers any recommendations from Performance and Scrutiny Committee.**
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Introduction

5. Performance in the first quarter of 2008/09 has been strong, with 18 of 29 performance indicators for which traffic light indicators are available, being on target (62%). 6 indicators (21%) are slightly off target (Amber) and 5 indicators (17%) are significantly off target.
6. The overall picture of improvement in the Council is also encouraging. Of the 24 Indicators for which long term trends are available (24), 19 of these are showing a long term improvement, one is unchanged (replying to land change searches within 5 days remains at 100%) and only four are classified as significantly off target.

Performance Indicators

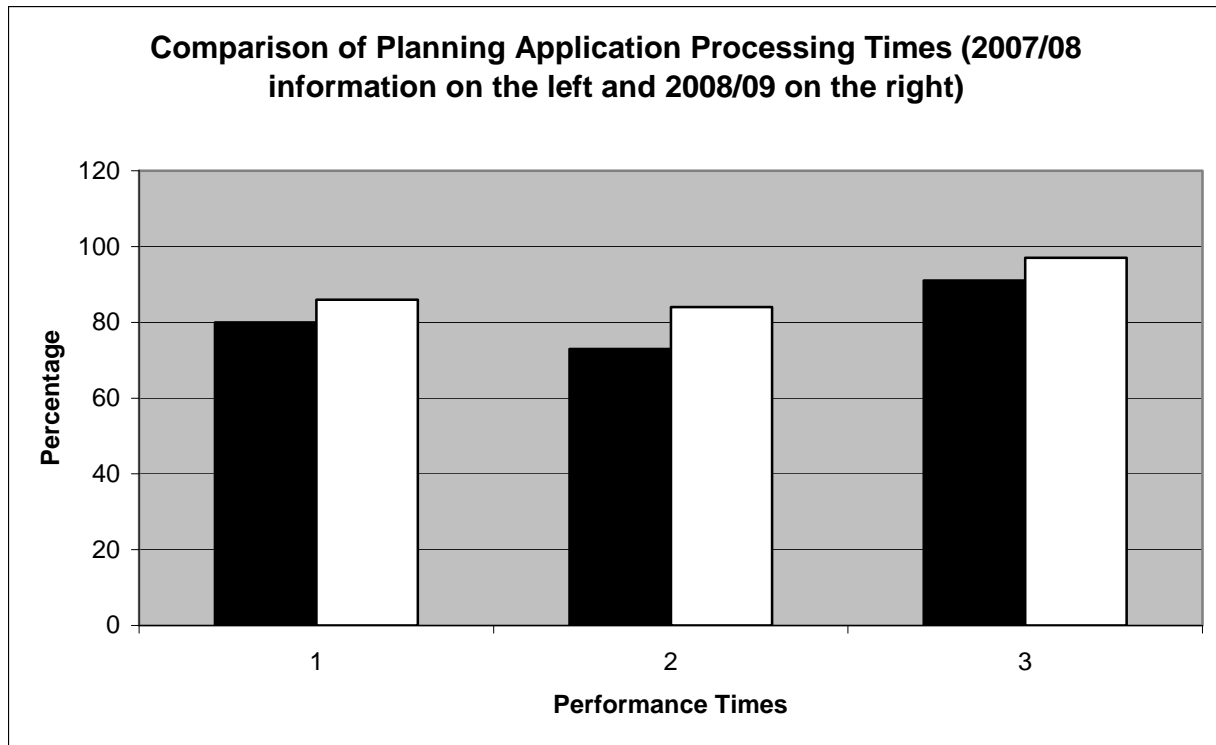
7. A detailed analysis of all of the Performance Indicators is set out at appendix one, and appendix two provides more detail for those indicators which are significantly underperforming. There have been some significant achievements in some key service areas over the first quarter of the year which are summarised below.

PIs On Target (Green)

8. As set out above, 18 of the Committee's PIs are on Green. Four indicators in key Council services have continued to improve in the first quarter of the year and these are summarised below, together with all of those indicators which are on Amber and Red,

NI 157 a, b and c – Determination of Planning Applications (Majors, Minors and Others)

9. Performance in processing major, minor and other applications continues to improve, ahead of the 2007/08 performance, with the quarter one performance at 86% for major planning applications, 84% for minor planning applications and 97% for other applications. This is compared with 80%, 73% and 91% at the end of the first quarter in 2007/08.
10. This is illustrated in the chart below, which sets out performance in determining major planning applications (in bar 1), Minor Planning Applications (in bar 2) and Other Planning Applications (in bar 3).



NI192 – Percentage of Household Waste Recycled

11. Performance against this indicator has increased on a month by month basis, with the figure in June being at 48.8%. This is a significant improvement compared to the performance in the previous year. In June 2007 the level was 25%.

PIs Slightly Off Target (Amber)

12. Six indicators are on Amber at the end of the first quarter, which are summarised below.

MSPI 33 Car Park Income

13. Income in the first quarter of the year was £332,972 against a target of £360,512. There have been two reasons for this shortfall, the first was as a result of technical problems with the new car parking machines, which resulted in lost income of £14,000, which has since been recovered. The second was that a car washing franchise was due to be introduced,

which was delayed and will now commence by November 2008.

14. The Parking Services Manager has identified this as a budget pressure, which is being addressed through the Budget Management Process. She also advised that car parking income was seasonal, with monthly variations and that it is not uncommon for income to be increased later in the year and offset shortfalls from the initial part of the year. Performance against this PI will continue to be monitored and the Committee will be updated on progress in the Quarter 2 performance monitoring report.

MSPI 140 Invoices Paid on Time

15. Performance against this indicator continues to improve, although performance is still off target. Monthly information is provided to Management Team which sets out performance at a Business Unit level. A study of the monthly performance information throughout the past 12 months shows a steady monthly improvement in performance, with the June 2008 performance of 94.18% against the June 2007 performance of 89.17% demonstrating this.
16. This indicator continues to be a matter of significant importance to the Management Team, and the improvement in performance is evidence that this focus is having a positive effect. A focus will be maintained on this area with over the coming quarter with the aim of bringing about further improvement.

MSPI 136 – Accuracy of Claims

17. This is an indicator where performance fell off slightly in 2007/08 as a consequence of the improved speed of processing applications. However, in the first quarter of 2008/09 performance has improved from 98% to 98.4%, and further improvements are predicted for the rest of the year.

MSPI 67 – Agendas on the web 5 days before a meeting

18. The Council achieved 85% in the first quarter of the year, compared to a target of 95%. In reality this meant that 4 agendas were not on the web within this timescale, although these were all on the web 4 days before. The reason for the shortfall is typically as a result of occasional production difficulties, although a new Member of staff has been appointed to the section and further improvements to agenda management introduced, which should enable improved performance.

MSPI 68 – Percentage of Members who attend training sessions

19. Performance in the first quarter was 37% against a target of 40%.

MSPI 79 – Staff Turnover

20. Staff turnover in the first quarter of the year was 4.89% against a target of 4.75%. There were 25 voluntary leavers in the first quarter of the year, 12 of whom left in April. However, seven of these were people who planned retirement and left on 31 March (which is recorded in April's figures) and led to the figure being slightly above the target. The number of departures in May and June was much lower.

PIs Off Target (Red)

21. Five of the Performance Indicators are over 10% off target, and these are summarised below:

MSPI 130 – Building Control Applications Vetted Within 21 Days of Deposit

22. 26% of applications were vetted within 21 days, against a target of 70%. The reason for the shortfall in performance was that there was a vacant Building Control Officer position, combined with a 9% increase in applications and a 33% increase in commencements.
23. It appears that the increase in business is one of the results of the 'credit crunch' with fewer people moving house and instead deciding to renovate their current homes. The vacant post has been filled, with the new Officer due to start in October. However, the vacancy has occurred during the busiest period for the service and it is expected that the service will be able to improve its performance throughout the quieter winter months.

MSPI 30 – Number of Housing Commencements

24. There were 145 housing commencements in the first quarter of the year against the annual target which would equate to 181 being delivered per quarter. This is a slight improvement on the number delivered in the first quarter of 2007/08, although is in line with the typically expected figure. The long standing challenge with this PI is the dependency on developers providing the housing once permission has been granted.

MSPI123a – Time Taken to Process new housing benefit/council tax claims

MSPI123b – Time Taken to Process changes in circumstances for housing benefit/council tax claims

25. Despite being classified as 'Red', performance against both of these indicators has continued to improve on a month by month basis. The average time taken to process new claims was 25 days and the time for processing changes in circumstances was 12 days. The figures at the end of the first quarter of 2007/08 were 30 days and 20 days respectively.
26. The reason for the indicators being marked as 'Red' is that tougher new targets have been set for the current year of 20 days and nine days. Improvements continue to be made on a month by month basis, and the Council is expected to meet the targets by the end of the year

MSPI 36 – Percentage of Letters Replied to in target time (10 days)

27. Performance in quarter one was 91.59% against a target of 100%. Comparative performance is lower than it was for the equivalent period in the previous year. The reason for the lower performance is due to staff annual leave, which resulted in some letters not being responded to in time. The Customer Services and Communications Business Unit is working with Business Units to ensure that staff leave or sickness, does not, as far as is possible, impact on the level of customer service.

Other PIs

28. There are three PIs which cannot be summarised as Red, Amber or Green, which are summarised below:

NI 191 – Residual Household Waste per household – this is a new indicator and in the current year the Government have asked that local authorities provide information to develop a baseline figure, and so although performance is set out in the appendix, we do not know at this stage how we are performing compared to other authorities. However, performance in the first quarter has shown a continued improvement, with the June figure being 32 kilograms, compared to 37 kilograms in April.

MSPI 133 – Number of Leisure Operations Complaints Successfully Resolved – as this is a new PI, the mechanisms to monitor performance are yet to take effect. It will be possible to retrospectively analyse this information and a six month update will be provided at the end of quarter 2.

Overall Crime Rate – The crime rate in Mid Sussex is 11.82 per thousand people, which places Mid Sussex amongst the top quartile nationally and is the third best performer in the Crime and Disorder Reduction Partnership's family group.

Achieving the Council's Success Criteria

29. The Corporate Plan sets out the Organisation's Success Criteria, and each Business Unit Success Criteria sets out how they will contribute towards achieving the Council's Success Criteria of:

- Best in class services
- Excellent customer services and satisfaction
- Sustainable finances
- Excellent reputation

30. In total there are 332 individual actions and at the end of Quarter one 229 of these were on target towards being achieved in the year, with only three which were classified as slightly off target (Amber). None were classified as Red (significantly off target).

31. All Business Units are on track to achieve their Success Criteria and detailed plans are in place in all areas, which are monitored through Covalent.

Ongoing Performance Management and Improvement

32. The monthly meetings of the Business Unit Leaders, which are chaired by the Deputy Chief Executive are a key focus for improving the Council's performance, and the Member Support and Partnerships Business Unit is working across the Council to establish improved monthly performance reports that can be better used to monitor and improve performance.

33. The outcomes of this meeting will be considered at the Cabinet meeting on 3 September.

Conclusions

34. The performance information shows a positive start to the year, and that Business Unit Leaders are managing performance well. If the current direction of travel is maintained the Council will be able to demonstrate its continued improvement.

Background Papers:



Performance Information held on the Covalent Performance Management System

Q1 08/09 Performance Report



Traffic Light Icon	PI Code	Short Name	Gauge Format Type	Monthly collected PIs						Quarterly collected PIs		Long Term Trend Arrow
				April 2008		May 2008		June 2008		Q1 2008/09		
				Value	Target	Value	Target	Value	Target	Value	Target	
	MSPI 21	Number of households accepted as homeless	Aim To Minimise	Not Collected						7	60	
	MSPI 30	Number of housing commencements	Aim To Maximise	Not Collected						145	181.25	
	MSPI 33	Car Park Income	Aim To Maximise	£121,066.11	£120,553.00	£224,733.59	£240,533.00	£332,972.04	£360,512.00	Not Collected		
	MSPI 36	Percentage of letters replied to in the target time.	Aim To Maximise	97.06%	100%	89.58%	100%	88%	100%	73%	100%	
	MSPI 67	% of agendas on website 5 days before a meeting	Aim To Maximise	86%	95%	75%	95%	91%	95%	85%	95%	
	MSPI 68	% of members who attend training sessions	Aim To Maximise	Not Collected						37%	40%	
	MSPI 72	Help desk calls closed within targets	Aim To Maximise	92.02%	75%	96.88%	75%	95.92%	75%	Not Collected		
	MSPI 111	Number of Website page views per month	Aim To Maximise	547,386		530,738		550,102		Not Collected		
	MSPI 117	Leisure Operations Admissions	Aim To Maximise	148,783	120,629	137,850	136,156	137,825	128,840		2	
	MSPI 120	Leisure Net Performance Against Budget	Aim To Minimise	1.64%	5%	1.64%	5%	0.87%	5%	Not Collected		
	MSPI 122 (BV12)	Working Days Lost Due to Sickness Absence	Aim To Minimise	.64	.67	1.14	.67	.60	2.01	1.79	2.01	
	MSPI 123a(BV78a)	Speed of processing - new HB/CTB claims	Aim To Minimise	26.0	20.0	27.0	20.0	23.0	20.0	Not Collected		
	MSPI 123b(BV78b)	Speed of processing - changes of circumstances for HB/CTB claims	Aim To Minimise	13.0	9.0	12.0	9.0	10.0	9.0	Not Collected		

Traffic Light Icon	PI Code	Short Name	Gauge Format Type	Monthly collected PIs						Quarterly collected PIs		Long Term Trend Arrow
				April 2008		May 2008		June 2008		Q1 2008/09		
				Value	Target	Value	Target	Value	Target	Value	Target	
	MSPI 125	Percentage of Non-domestic Rates Collected	Aim To Maximise	14.33%	13.00%	23.25%	22.40%	32.75%	32.00%	Not Collected		
	MSPI 129	Building control decisions issued within within prescribed time limits.	Aim To Maximise	Not Collected						95%	95%	
	MSPI 130	Plan vet building control applications within 21 days of deposit.	Aim To Maximise	Not Collected						26%	70%	
	MSPI 131	Site inspections carried out within 24 hours of date requested.	Aim To Maximise	Not Collected						99%	90%	
	MSPI 132	Reply to all postal and NLIS searches within 5 working days	Aim To Maximise	100%	90%	100%	90%	100%	90%	Not Collected		
	MSPI 133	% of all customer complaints successfully resolved	Aim To Maximise	Not Collected							81.25%	
	MSPI 136 (BV79a)	Accuracy of processing - HB/CTB claims	Aim To Maximise	Not Collected						98.40%	98.50%	
	MSPI 138a BV218a	Abandoned vehicles - % investigated within 24 hrs	Aim To Maximise	100.00%	97.00%	91.00%	97.00%	100.00%	97.00%	Not Collected		
	MSPI 139 (BV213)	No of homeless households who contact LA for advice and situation resolved	Aim To Maximise	Not Collected						22	123	
	MSPI 140 (BV8)	% of invoices paid on time	Aim To Maximise	91.72%	97.30%	93.61%	97.30%	94.81%	97.30%	Not Collected		
	MSPI 141 (BV9)	% of Council Tax collected	Aim To Maximise	11.19%	11.20%	21.10%	21.40%	30.38%	30.00%	Not Collected		
	MSPI 144	Overall Crime Rate per 1000	Aim To Minimise	Not Collected						11.82		
	NI 157a (BV109a)	Processing of planning applications: Major applications	Aim To Maximise	100.00%	81.00%	100.00%	81.00%	86.00%	81.00%	Not Collected		
	NI 157b (BV109b)	Processing of planning applications: Minor applications	Aim To Maximise	81.00%	83.50%	85.00%	83.50%	84.00%	83.50%	Not Collected		
	NI 157c (BV109c)	Processing of planning applications: Other applications	Aim To Maximise	99.00%	92.50%	98.00%	92.50%	97.00%	92.50%	Not Collected		
	NI 156	Number of households living in temporary accommodation	Aim To Minimise	23	28	23	28	21	28	Not Collected		
	NI 191	Residual household waste per household	Aim To Minimise	37		36		32		Not Collected		

Traffic Light Icon	PI Code	Short Name	Gauge Format Type	Monthly collected PIs						Quarterly collected PIs		Long Term
				April 2008		May 2008		June 2008		Q1 2008/09		
				Value	Target	Value	Target	Value	Target	Value	Target	
	NI 192	Percentage of household waste sent for reuse, recycling and composting	Aim To Maximise	43.80%	40.00%	47.60%	40.00%	48.80%	40.00%	Not Collected		

Q1 08/09 Performance Exception Report



MSPI 123a(BV78a) Speed of processing - new HB/CTB claims	Current Value	23.0	Current Target	20.0
Latest Notes	Performance has continued to improve on a month by month basis through the CenSus Partnership. This PI has appeared as red due to tougher targets. The service is confident of achieving the target for the year however.			

MSPI 123b(BV78b) Speed of processing - changes of circumstances for HB/CTB claims	Current Value	10.0	Current Target	9.0
Latest Notes	Performance has continued to improve on a month by month basis through the CenSus Partnership. This PI has appeared as red due to tougher targets. The service is confident of achieving the target for the year however.			

MSPI 30 Number of housing commencements	Current Value	145	Current Target	181.25
Latest Notes	Although performance is below target to date in the year, it is an improvement on performance in the previous year. However, this is an indicator which the Council has a history of not being achieved, primarily because of developers bringing forward schemes (or not). A variety of actions have been taken to encourage appropriate development and 'bring forward' housing sites to maintain an adequate supply. In the longer term, the Council is progressing site specific housing allocations document to ensure that housing requirements placed on the District can be delivered.			

MSPI 36 Percentage of letters replied to in the target time.	Current Value	88%	Current Target	100%
Latest Notes	Performance was broadly satisfactory in April, but was lower in May and June due to staff leave/sickness affecting the time to respond to some letters. The Customer Services & Communications Business Unit is working with other BULs to ensure that they have systems in place to as far as possible ensure that staff absence does not impact on customer service			

MSPI 130 Plan vet building control applications within 21 days of deposit.	Current Value	26%	Current Target	70%
Latest Notes	Building Regualtions applications have increased by 9% and commencements have also increased 33% over the same period last year. This coupled with a vacancy of a BCO has affected the plan vetting performance of the Section. In addition, the service has confirmed that it would expect performance to improve during the rest of the year, particularly in quarters 3 and 4 when demand is lower and overall performance figures improve			

7. REVISED LOCAL DEVELOPMENT SCHEME

REPORT OF: Claire Tester, District Planner
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Wards Affected: All
Key Decision: Yes/No

Purpose Of Report

1. To gain Cabinet approval for the revised Local Development Scheme (LDS) prior to the submission of the LDS to the Government Office.

Summary

2. The Local Development Scheme (LDS) is a three year project plan setting out the planning policy documents we intend to produce and their timetable. The current Local Development Scheme (LDS) was adopted in October 2006.
3. The revised LDS seeks to amalgamate the East Grinstead Area Action Plan into the Core Strategy. The programme for the preparation of the Core Strategy has caught up with that of the Area Action Plan. Therefore, it is considered that there are a number of advantages to merging the two documents.
4. The other major change in this draft LDS is a reduction in the number of development plan documents that will be prepared. It is proposed that one allocations document is produced, which would allocate land for a variety of uses, such as small scale housing sites, gypsy and traveller sites, employment, leisure etc (rather than the several documents previously proposed). It is also proposed to produce the three Townwide Plans as supplementary planning documents (SPDs), and to amalgamate the Town Centre Masterplan reviews within them to allow a more holistic approach to be taken.

Recommendations

5. **Cabinet is asked to:**
 - a) agree the Local Development Scheme timetable for submission to GOSE
 - b) delegate responsibility to the Cabinet Member for Planning and Environment and the District Planner for any amendments to the Local Development Scheme required by GOSE
 - c) delegate responsibility to the Cabinet Member for Planning and Environment for the adoption of the Local Development Scheme following approval by GOSE.
-

Background

6. The Local Development Scheme (LDS) is a three year project plan setting out the planning policy documents we intend to produce and their timetable.
7. The current LDS was adopted in October 2006, and included the following commitments:

- East Grinstead Area Action Plan (submission August 2007, adoption November 2008);
- Core Strategy (submission January 2008, adoption May 2009);
- Burgess Hill Area Action Plan (submission June 2009, adoption October 2010);
- Gypsy and Traveller Sites Allocation Document (submission July 2009, adoption November 2010).

These dates are still on our website as the official timetable we are working to, although events have clearly moved on. They are also the targets we are assessed against for performance purposes and Planning and Housing Delivery Grant.

8. There have been ongoing discussions with GOSE over the last 18 months concerning the delays in the preparation of East Grinstead Area Action Plan and the Core Strategy, and the reasons for them (i.e. the difficulties of achieving political and community consensus, and the cross-boundary issues exacerbated by the delay in publishing the South East Plan Modifications).
9. This revised LDS has been prepared in accordance with the revised PPS12 and amended regulations, which came into force in June 2008.
10. It is considered important to submit a revised LDS for approval by GOSE so that the timetable for preparing documents can be published for greater transparency. Compliance with the approved LDS is also a 'test of soundness' for planning documents when they are examined.

Discussions with GOSE

11. The initial draft revised LDS discussed with GOSE (in July 2008) proposed the following:
 - East Grinstead Area Action Plan (proposed submission September 2008, adoption July 2010)
 - Core Strategy (proposed submission May 2009, adoption February 2011)
 - Burgess Hill Townwide Plan (adoption 2012)
 - Gypsy and Traveller Sites Allocations Document (adoption 2012)
 - Rural Area Allocations Document (adoption 2013)
 - A number of Supplementary Planning Documents, including the Town Centre Masterplan reviews.
12. The informal view from GOSE was that the proposed LDS was unrealistic in terms of the number of planning documents proposed, and that we should look to amalgamating documents where possible to reduce time spent on process, and enable more time to be spent on actually resolving planning issues.
13. In addition to this general comment, GOSE considered that there were advantages to combining the Core Strategy and the East Grinstead AAP, especially in terms of demonstrating the soundness of the strategy for housing distribution at examination.
14. Finally, GOSE's view was that the broad locations identified in the Core Strategy could be sufficiently detailed to enable the subsequent townwide plans to be carried out as supplementary planning documents, rather than development plan documents. This would save considerable time and resources as they would not be subject to examination.

Combining the Core Strategy and East Grinstead Area Action Plan (AAP)

15. The delay in the publication of the South East Plan Modifications resulted in uncertainties regarding the deliverability of the strategic location and associated infrastructure, thereby delaying progress with the AAP. During this time the Core Strategy timetable has 'caught up' with that of the AAP. Given the South East Plan Modification's support for the 2,500 home allocation, it would seem feasible to now progress the AAP to the same timetable as the Core Strategy.
16. One option considered was to 'twin-track' the two documents so they were approved by Council and went out to consultation simultaneously. The examination could then be programmed to consider the Core Strategy first and then the AAP. There are several problems with this approach:
 - Members and officers would find the workload involved in progressing two such contentious documents at the same time very challenging;
 - The public and stakeholders are likely to be very confused about which documents they need to be reading and commenting on, both at the drafting stage and at the consultation stage;
 - There would be a lot of duplication as there would need to be cross-referencing between the documents and two sets of processes to go through in terms of notifications, advertisements etc;
 - On past experience, it is quite possible that the consultation could generate approximately 5,000 letters on the Core Strategy and 7,000 on the AAP, as the pressure groups will seek to ensure that standard forms are submitted for both documents. Processing such a high volume of responses would delay the timetable further;
 - If, despite all efforts, the AAP is found unsound at the examination stage because of doubts over delivery, this could effect the soundness of the Core Strategy, which in part relies on the 2,500 home allocation.
17. It is considered that the better solution would be to combine the two documents so that the East Grinstead allocation is progressed through the Core Strategy, and delivered by a subsequent townwide plan as in the other two towns. As explained in paragraph 14, such a townwide plan could be a supplementary planning document, and therefore faster and simpler to prepare and adopt than an AAP. The advantages of this approach are as follows:
 - The strategic issue of how the District's housing allocation will be distributed around the area can be considered holistically in the Core Strategy ahead of detailed master planning in the townwide plans. This is the 'logical' approach, and will satisfy a lot of the concerns raised previously about the AAP being progressed ahead of the Core Strategy;
 - Whilst the Core Strategy will need to comply with the requirements of the South East Plan (which is likely to include the 2,500 home allocation for East Grinstead) it can and should include contingency proposals in the event that there are delivery problems with any of the major allocations. This will strengthen the Council's case at examination if the delivery problems with the East Grinstead relief road remain unresolved;
 - Progressing one major planning document rather than two will reduce time spent on processes, remove duplication and be less confusing for the public.

Implications of the South East Plan Proposed Modifications on the LDS

18. It is proposed that Members consider the Council's response to the Proposed Modifications at the meeting of the Better Environment Advisory Group on the 30th September and Cabinet on the 8th October.
19. The report to Better Environment Advisory Group on 1st July 'Core Strategy – Update' indicated that Members would approve the Proposed Submission version of the Core Strategy at the Council meeting in March 2009. However, the implications of the South East Plan Proposed Modifications for the Core Strategy will need to be absorbed, and time allowed for Members to discuss the various options for the location of development to meet the revised requirements. It is therefore suggested that the report to the March Council be for noting only, and a decision on the Proposed Submission Document be delayed until the April Council meeting.

Other Development Plan Documents

20. Combining the Site Allocation Documents
The Core Strategy sets the overall pattern of development and, in the case of the broad allocations around the towns, will be sufficiently detailed to be able to progress these through supplementary planning documents. However, while it will indicate the numbers of new homes capable of being accommodated by the villages, it won't allocate individual housing sites. Similarly, in the case of gypsies and travellers, it will identify the numbers of new pitches to be provided, but won't allocate sites. Once the Core Strategy is adopted it will be necessary to progress a site allocations development plan document (or documents) to get down to this level of detail.
21. Previous versions of the LDS have assumed that several detailed documents would be produced, each focussing on a particular type of development. With the benefit of experience of how complex and time consuming it is to progress development plan documents through the new planning system, it is considered more efficient to look at combining these to produce one allocations document to cover all relevant sites in the District. This could also be used to pick up other outstanding issues, such as amendments to built-up area boundaries.
22. Town Centre Masterplan Reviews
The current LDS assumes that the three Town Centre Masterplans would be reviewed three years after their adoption. In practice, progress on developing the first phase partnership schemes has been slower than anticipated. In addition, the emerging concept of three Townwide Plans means that it makes sense to include the review of the Town Centre Masterplans within these documents, so that they can be considered in the context of wider development proposals. It is considered that this will be more efficient and less confusing to the public, as well as allowing a more holistic approach to development within each town.
23. Development Control Policies
Members may recall that some of the previous draft versions of the LDS considered over the last 18 months have included a Development Control Policies document, intended to replace the detailed policies in the Local Plan. Current Government advice is that such a document is inappropriate because the direction of travel in planning policy is away from detailed, prescriptive policies towards applicants demonstrating how their proposals will contribute to achieving the Council's overall vision for its area. The advice from GOSE is to include strategic level policies in the Core Strategy, and to ensure that these provide enough 'hooks' on which to hang

supplementary planning documents in the future if more detailed advice is considered necessary.

24. In the interim it is intended to produce a Development Control Handbook, which will signpost the policies that are currently in force. Planning policy is currently set out in a large number of policy documents, which are produced by a number of organisations (i.e Planning Policy Statements, Structure Plan, Local Plan, Small Scale Housing Allocations Document etc). The Development Control Handbook will be a useful reference guide, for use by officers, Members and the public, which will bring together or reference all the policies that apply to current planning applications for development.

Revisions to the LDS

25. The draft revisions to the timetable for the preparation of the Local Development Documents are appended to this report. In summary, it is proposed to focus on two development plan documents – the Core Strategy and the Site Allocations Document – and to deal with all other issues through supplementary planning documents. The revised programme also includes a timetable for the revision of the Statement of Community Involvement.
26. Once the LDS timetable is approved by Cabinet, officers will amend the supporting text of the LDS to reflect the new timetable.

Next Steps

27. Cabinet last considered the LDS in February 2007, when it approved the draft April 2007 LDS for submission to GOSE. This scheme was submitted to GOSE but has never been adopted. Board considered a revised LDS on 21 January 2008, when it resolved to delegate subsequent changes to the Cabinet Member for Planning. In view of the very radical nature of the changes now proposed, this report has been brought back for consideration by Cabinet.
28. Once approved by Cabinet, the revised LDS will be submitted to GOSE for its approval. Once approved by GOSE, the Cabinet Member can adopt the revised LDS. The Scheme will then be published on the Council's website.

Policy Context

29. Achieving milestones set out in the Local Development Scheme is a success criteria for the Planning Policy Division. Therefore it is important that the LDS is updated to reflect the current situation regarding the preparation of Local Development Documents.

Other Options Considered

30. The reasoning for the recommendations of the report are set out within the body of the report.

Financial Implications

31. There are no financial implications from this report.

Other Material Implications

31. There are no other material considerations.

Background Papers

None.

