

REPORT TO: Planning Committee

DATE: 18 August 2010

SUBJECT: **Revenue Expenditure and Performance – 2009/10 Portfolio Final Accounts**

WARDS AFFECTED: None directly

REPORT OF: Planning and Economic Development Director – Andy Wallis
Interim Head of Corporate Finance & ICT Strategy – John Farrell

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EXEMPT/CONFIDENTIAL: No

PURPOSE/SUMMARY:

To notify the Committee of the final 2009/10 outturn position for the Planning Portfolio.

REASON WHY DECISION REQUIRED:

To allow the Committee to consider whether there are any issues arising from the 2009/10 accounts for the portfolio which should be referred to the Overview and Scrutiny Committee (Regeneration and Environmental Services).

RECOMMENDATIONS:

The Committee is asked to:

- a) Note the Portfolio's revenue expenditure outturn for 2009/10;
- b) Note the Portfolio's actual performance indicators and data for 2009/10; and
- c) Consider whether any issues should be referred to the Overview and Scrutiny Committee (Regeneration and Environmental Services) for consideration.

KEY DECISION: No

FORWARD PLAN: Not appropriate

IMPLEMENTATION DATE:

ALTERNATIVE OPTIONS:

None

IMPLICATIONS:**Budget/Policy Framework:****Financial:**

This report identifies a revenue budget over spend of £0.092m for 2009/10 for this Portfolio which has been met from the general balances of the Council.

	2010/11 £	2011/12 £	2012/13 £	2013/14 £
CAPITAL EXPENDITURE				
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
REVENUE IMPLICATIONS				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal: Not appropriate

Risk Assessment: Not appropriate

Asset Management: Not appropriate

CONSULTATION UNDERTAKEN/VIEWS

FD 479 – The Interim Head of Corporate Finance and ICT Strategy has been consulted and his comments have been included in this report
The Planning and Regeneration Department was involved with the Finance Department in the closure of the 2009/10 accounts.

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Creating Safe Communities		√	
3	Jobs and Prosperity		√	
4	Improving Health and Well-Being		√	
5	Environmental Sustainability		√	
6	Creating Inclusive Communities		√	
7	Improving the Quality of Council Services and Strengthening local Democracy	√		
8	Children and Young People		√	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

None

Revenue Expenditure and Performance – 2009/10 Portfolio Final Accounts

1 Introduction

- 1.1 The Audit and Governance Committee considered the Council's full Statement of Accounts on 30 June 2010. This report outlines the 2009/10 revenue and capital outturn for the Planning Portfolio and identifies the major variations. The report also contains details of the Portfolio's operational performance in 2009/10 against its relevant indicators, together with comments by the Service Director who is responsible to this Portfolio for their revenue, capital and performance issues, highlighting any that have ongoing implications for later years.
- 1.2 A separate report will be presented to the Overview and Scrutiny Committee to allow an independent review of all Portfolios' outturn positions.

2 Revenue Expenditure 2009/10

- 2.1 The closure of the 2009/10 Revenue Accounts has now been completed, however the detail is still subject to examination by Price Waterhouse Coopers, the Council's auditors. The provisional outturn for the Council indicates that General Fund Balances will increase to £3.661m owing to an overall net under spending of £0.021m. The final outturn position for this portfolio, when compared to the 2009/10 Revenue Budget plus any additional resources approved by Cabinet during the year, indicates a net over spend of £0.092m.
- 2.2 Annex A summarises the divisions of service provided by this Portfolio and compares the original estimates with provisional outturn figures. The main variations within the net over spend are analysed below:

	£m	£m
Main variations on the Revised Budget:		
a) Direct Pay costs	- 0.324	
b) Planning Application Fees	0.180	
c) Building Control Fees	0.203	
d) Planning Delivery Grant shortfall against budget	0.145	
e) Local Plans	- 0.021	
f) Consultancy costs	- 0.077	
g) Other minor variations	- 0.014	
		0.092
Net Portfolio Overspend		0.092

This overspend of £0.092m represents 3.48% of the Portfolio's 2009/10 Revenue Budget.

- 2.3 The Planning and Economic Regeneration Director comments:-

Given a very difficult year, with reducing activity in both Planning and Building Control applications as a result of the economic downturn, and a reduced level of Housing and Planning Delivery Grant support from the Government, the Department has done exceptionally well to contain overspending to the level recorded at the financial year end (£0.092m). This represents a very significant reduction in the overspend forecast at the start of the financial year and has been achieved through a reduction in staff resources and tight control of all other controllable expenditure.

Members may recall some early actions taken from April 2009, when a report was brought to Cabinet, seeking to reduce the workforce as a result of the downturn in the economy. This action together with some targeted budget savings helped to significantly reduce the early forecast level of overspend which was in excess of £200k.

3 Performance in 2008/9

- 3.1 Planning performance is shown at Annex B. This consists of the new National Performance Indicators relating to this Department for 2009/10 compared with a regional and nation performance average where available.
- 3.2 These figures maintain the excellent performance achieved by the Department in recent years and in part reflect the value of the investments made in staff and other resources from Planning Delivery Grant.

4 On-going issues for later financial years

- 4.1 The Planning and Economic Regeneration Director has identified the following ongoing issues as a result of this Portfolio's outturn position for 2009/10
 - 1. The worsening national (and international) economic situation has seen development activity reduce at an alarming rate and this trend is expected to continue for some time.
 - 2. Whilst the rate of change so far has not been as pronounced there is nevertheless a similar trend in the numbers of applications for Building Regulation approval. Given economic forecasts it must be assumed that volumes will continue to decrease. At the same time, it is expected that pressure on fee bids for work open to the private sector will become increasingly competitive.
 - 3. As part of Public Sector cuts to budgets, the Department has been informed that the Government has stopped its support to Local Authorities in respect of the Housing and Planning Delivery Grant for 2010/11. The Department therefore now has an unfunded grant income budget in the year of £253k.

5 Recommendations

5.1 The Committee is asked to:

- a) Note the Portfolio's revenue expenditure outturn for 2009/10;
- b) Note the Portfolio's performance indicators and data for 2009/10; and
- c) Consider whether, in the light of the comments made by the Planning and Economic Regeneration Director, any issues should be referred to the Overview and Scrutiny Committee (Regeneration and Environmental Services) for consideration.

Planning PortfolioFinal Accounts 2009/10 – Revenue Expenditure Summary

Details	Actual 2008/9	Revised Estimate 2009/10	Actual 2009/10
<u>PLANNING DEPARTMENT</u>			
<u>SUMMARY</u>			
<u>PLANNING AND DEVELOPMENT</u>			
Development Control	1,002,757	798,200	705,828
Service Delivery Grant	-54,477	-14,250	-110,701
Planning Policy	919,002	983,750	808,732
Environmental Initiatives			
- Environmental/Conservation Grants	689,998	521,250	705,869
- Other Environmental Improvement and Conservation	22,446	18,750	4,734
- Sefton Coast Management Scheme	19,505	84,500	25,770
- Environmental Advisory Service	134,430	135,150	152,118
- Contaminated Land	27,543	25,000	3,487
- Waste Development Plan	0	0	0
Service Management And Support Services	0	0	40
Building Control	250,039	302,950	434,488
Destination Kirkby Public Enquiry	103,471	0	0
Vacancy Management Savings	0	-195,800	0
Provision for Price Inflation 2007/8	0	5,600	0
Provision for Price Inflation 2008/9	0	7,000	0
Corporate Savings	0	-34,150	0
Application of LABGI	-91,714	0	0
Total Net Expenditure	3,023,000	2,637,950	2,730,365

ANNEX B

FINAL ACCOUNTS 2009/10 - PLANNING PORTFOLIO

Data taken from the Places Analysis Tool (PAT)

<u>Code Name</u>	<u>Polarity</u>	<u>2009/10 Actual values</u>	<u>PAT Regional Average</u>	<u>10% Variance</u>	<u>PAT National Average</u>	<u>10% Variance</u>
NI 157a Processing of planning applications as measured against targets for 'major' 'minor' and 'other' application types - Major Applications	Higher %	83.33	76.09 😊	9.52%	70.75 😊	17.78%
NI 157b Processing of planning applications as measured against targets for 'major' 'minor' and 'other' application types - Minor Applications	Higher %	85.71	80.15 😊	6.94%	79.16 😊	8.27%
NI 157c Processing of planning applications as measured against targets for 'major' 'minor' and 'other' application types - Other Applications	Higher %	92.47	88.8 😊	4.13%	88.25 😊	4.78%
NI 158 % non-decent council homes	Lower %	32.40	32.5 😞	-0.31%	35.8 😊	-9.50%
NI 197 Improved local biodiversity – active management of local sites PSA 28	Higher %	28.10	25 😊	12.40%	35 😞	-19.71%

Note : The above list of National Indicators may not include all Indicators relevant to this Department, as items with 'Nil' actual values for 2009/10 have been excluded.