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## Report of the Head of Policy, Performance and Improvement

**Meeting: City Development Scrutiny Board**

**Date: 1<sup>st</sup> September 2009**

**Subject: Quarter 1 Performance Report 2009-10**

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### Electoral Wards Affected:

Ward Members consulted  
(referred to in report)

### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

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## Executive Summary

1. This report discusses the key performance issues considered to be of corporate significance identified for specific services related to City Development as at 30<sup>th</sup> June 2009. The issues discussed in this report have been identified because performance in these areas impacts upon one of the following, the delivery of our corporate priorities, performance against the National Indicator set which will be reflected in our CAA judgement or the lack of assurance relating to data quality.

The current economic climate is having a significant impact across a number of areas within City Development particularly in relation to unemployment and its associated problems; it is expected that this will continue to rise even after the economy returns to growth.

'NI 157 Majors' is showing the effects of the recession. This Indicator measures the percentage of the largest, often complex, Planning Applications processed within the Government set time limit of 13 weeks. A target of 70% was set in the Local Area Agreement, for NI 157 Majors, 10% higher than the Government's published target of 60%. This reflected our desire to promote investment in the city, the increasing use of PPAs for the most complex applications and the move towards a national aspiration of 80% of 'Majors' determined within 13 weeks, by 2012. However, the number of new 'Major' applications received has reduced significantly as a result of the recession, with only 36 new 'Major' applications being received during Q1 2009/10.

## **1.0 Purpose Of This Report**

- 1.1 The purpose of this report is to present the key areas of under performance at the end of Quarter 1 (1<sup>st</sup> April – 30<sup>th</sup> June 2009).

## **2.0 Background Information**

- 2.1 This 'highlight report' has been prepared in readiness for the Accountability process, which included the CLT meeting on 18<sup>th</sup> August, Leader Management Team on 20<sup>th</sup> August 2009 and the Scrutiny Boards in the September cycle.
- 2.2 The issues discussed in this report have been identified because performance in these areas impacts upon one of the following, the delivery of our corporate priorities, performance against the National Indicator set which will be reflected in our CAA judgement or the lack of assurance relating to data quality.

## **3.0 Main Issues**

### **3.1 City Development Performance Issues**

The impact of the recession is now becoming clearer and the economy is beginning to settle down following a period of extreme flux. Economists are now starting to predict that the worst could be over, however this doesn't mean that recovery will come quickly. The biggest impact that the authority will face is from unemployment and its associated problems. It is expected that this will continue to rise even after the economy returns to growth.

The National Indicator which relates to the local employment rate is NI 151; this is reported on a quarterly basis, but over a rolling year (i.e. the result for quarter 4 of 2008/09 relates to the period October 2007 to September 2008. The result for quarter 1 of 2009/10 relates to the period January 2008 to December 2008). For quarter 1 of 2009/10, the employment rate in Leeds was 72.4%; this is below the national average of 74.2%, and the regional figure of 73.0%. It is 0.6% lower than the previous quarter's result of 73%, however. This decline is to be expected in a time of rising unemployment; however, it should be recognised that the survey has a 95% confidence interval so the published figures should be viewed with some caution. There is also a time lag with the data, which means that it does not reflect the immediate position.

Another indicator which is showing the effects of the recession, is 'NI 157 Majors'. This Indicator measures the percentage of the largest, often complex, Planning Applications processed within the Government set time limit of 13 weeks.

It was anticipated that results for this indicator would be affected by the increasing use of the recently introduced Planning Performance Agreements (PPAs) for the largest-scale major applications. Timescales for PPAs are agreed individually with developers and applications under PPAs are removed from the 'Majors' category. 6 PPAs are currently in place and a further 5 are under discussion.

A target of 70% was set in the Local Area Agreement, for NI 157 Majors, 10% higher than the Government's published target of 60%. This reflected our desire to promote investment, the increasing use of PPAs for the most complex applications and the move towards a national aspiration of 80% of 'Majors' determined within 13 weeks, by 2012.

The number of new 'Major' applications received, however, has reduced significantly as a result of the recession, with only 36 new 'Major' applications being received during Q1 2009/10. In addition, the backlog of older applications has increased as a proportion of the total number of applications. There are currently 79 'out of time' applications on hand. The difficulty with processing applications within the 13 week deadline is largely due to the reluctance of applicants to sign S106 agreements; this appears to be a direct result of the

financial implications for developers of the recession. A strategy is being developed to address the backlog and this is likely to have a significant effect on future results against the target for this indicator.

During the first quarter, work focused on determining as many of the new applications which we received as possible within the 13 week time limit. Of the 37 decisions made during the quarter, 25 applications (67.57%) were determined 'in-time'.

### **3.2 Data Quality**

3.2.1 We are currently undertaking a review of the criteria used to inform the data quality judgements that are included in Accountability reports for each performance indicator. The process that we are using to drive these changes is the one that has been successfully adopted by our core city benchmarking partner, Sheffield City Council.

3.2.2 Our objective is to work closely with directorates and partners in order to adopt a more robust, consistent and over-arching approach that provides a wider based data quality judgement. This will be an improvement on our current process which is mainly focused on completion of the data quality checklists alone.

### **4.0 Implications For Council Policy And Governance**

4.1 Effective performance management enables elected members and senior officers to be assured that the council is making adequate progress and provides a mechanism for them to challenge performance where appropriate. Effective performance management also forms a key element of the organisational assessment under the Comprehensive Area Assessment introduced in April 2009. The CAA examines and challenges of the robustness and effectiveness of our corporate performance management arrangements.

4.2 Our approach to performance management could improve policy making and decision making by making better use of the existing information in relation to the services the council provides either on its own or in partnership.

### **5.0 Legal And Resource Implications**

5.1 There are no specific legal or resource implications of this report.

### **6.0 Conclusions**

6.1 This report and the attached appendix highlights the key concerns in relation to City Development performance and data quality. As set out above the current economic climate is having a significant impact across a number of areas within City Development.

### **7.0 Recommendations**

That the City Development Scrutiny Board note the Quarter 1 performance information and highlight any areas for further scrutiny.