

2009-10 Performance Commentary

Service: Planning & Policy

Number of Indicators:	14
Including LAA Indicators:	3

Overview commentary on Performance Indicators achieved

Of the 14 indicators within the service, 9 have been achieved, 3 have not been met and 2 are not applicable to Cheshire East. Consequently 75% of the relevant indicators are on target – and all three LAA targets have been achieved.

Meeting targets on the total numbers of houses built and the total affordable homes completed is particularly welcome, given the prevailing recession in the housing market. Some other targets have also been comfortably exceeded – such as NI157 b (13 percentage points over target) and NI156 (temporary accommodation) where the outturn is a 50% improvement on the target.

Overview commentary on Performance Indicators not achieved

NI157a – Major Planning Applications

The final out turn is 57.58% against a target of 60% determined within 13 weeks. The Council suffered very poor performance during Q1 of 2009/10, largely as a result of dislocation linked to Local Government Reorganisation. Since then performance has increased steadily over the year:

NI157a 2009/10			
Q1	Q2	Q3	Q4
45.67%	42.86%	54.55%	66.67%

By quarter 4 performance had comfortably exceeded the Target figure. This is a consequence of better performance management and complimentary measures to eradicate delays. The challenge will be to maintain this momentum and significantly improve this level into 2010/11

NI157d – County Matter Applications

A target of 70% was set for this indicator – but the final outturn was 42.86%. These applications relate to waste and minerals proposals – which by their very nature tend to be very large and complex proposals. Only 14 of this type were determined out of a total of 3344 planning applications. There is no national target for this indicator – reflecting the scale and nature of these developments. The Council handled a number of large schemes through the year, which took correspondingly longer to determine.

NI197 – Improved Local Biodiversity

At present this indicator is showing a nil return as the data is awaited from a third party. The Council uses the Cheshire Wildlife Trust to compile information on biodiversity. The final outturn is currently awaited from the trust.

Key challenges in achieving targets in 2009/10

Of the indicators within the Service, the following have proved particularly challenging:

NI154 – Net Additional Homes Provided (LAA Indicator)

This indicator has been severely affected by the down turn in the housing market and the recession in the construction industry and has just exceeded the target. There is over a 5 year supply of housing land in Cheshire East – but available supply has not been taken up because of uncertainty in the market. Efforts to facilitate development have been made – for example through revised s.106 agreements – but these have not compensated for the wider impact of the recession. On a positive note, of those houses that have been built, a greater proportion than normal have been affordable homes. This is because Housing Associations have been able to access funding and can ensure that homes are taken up and occupied.

The 2009 Local Development Framework Annual Monitoring Report reported on housing completions from 2003. The average number of net additional homes completed between 2003 and 2008 in Cheshire East was 1341, well above RSS requirement of 1150.

Nationally and within the North West, house building completions peaked in 2007-8. In March 2009 completions nationally were 44% down on March 2008. In the Northwest region the number of new houses started dropped from 17,130 in March 2008 to 7,110 in March 2009.

The national recession has had a severe impact on house building rates throughout the country and this is reflected in the number of completions in Cheshire East in 2008-09 of 739 and in 2009-10 of 634. Additional public sector funding during 2009-10 has resulted in an increase in the number of affordable housing completions, and these have accounted for almost half of all housing completions in 2009-10.

Several major house builders have recently started to review sites with planning permission and to reconsider the mix of houses in the light of changed economic conditions and mortgage availability. However, very few new sites have been commenced recently, with the implications for a continued low level of completions next year.

NI 156 Number of affordable homes delivered (LAA indicator)

A total of 444 affordable homes have been completed over the year, against a target of 364. This is an improvement on 2008/09 when 370 new affordable homes were delivered across Cheshire East compared to a target of 344

Demand for affordable housing in England is increasing faster than the supply of new affordable homes and traditional methods of delivering affordable housing are failing to deliver sufficient numbers of new units. This position applies to Cheshire East where house prices are high compared to many other areas in England and there are problems accessing affordable housing and insufficient rented accommodation. During 2009, prices in Cheshire East have increased from a low of £150,000 in Q1 to £175,000 by Q3, representing an increase of 16.7%. This varied across the Authority with average house prices in the old districts of Congleton at £189,757, Crewe and Nantwich £163,891 and Macclesfield £290,399. In terms of relative affordability, Cheshire East is ranked 8th least affordable District in the North West (out of 39 Authorities). The Affordability problem has been further highlighted in the recent Strategic Housing Market Assessment for the Borough, which set a figure of unconstrained housing need of 1243 affordable homes.

The Recession has served to limit the numbers of affordable dwellings built as part of conventional market schemes, but conversely Housing Associations have been able to tap into funding sources that the market has been unable to access. The Council's Housing and planning teams have worked closely with Housing Associations to facilitate developments – and this has resulted in an improved performance this year.

Key challenges in achieving targets into 2010/11

NI 154 & NI 156

The limited recovery in the housing market will continue to impact on both indicators. However the Council is being proactive in reviewing options, including the use of its own assets, to stimulate development.

NI 157a, b& c

The Council's planning functions are undergoing a transformation process during 2009/10 this will improve systems and processes and will enable the speed of determination to be improved. However this will to some extent be offset by a number of applications already on the books which have exceeded their 13 week targets. Nevertheless the trend in improving performance should continue.

NI 159

The Council is progressing its core Strategy which will identify significant growth through to 2026. However the benefits of this will not be realised until after 2010/11. Consequently sufficient land must be made available through the planning system in the shorter term.

Commentary on projected financial outturn 2009/10

The Service's 2009-10 outturn (a £741k overspend against a £3m net budget) reflects the downturn in the economy, principally resulting from a decline in Planning Fees and search fees income of £1.2m. However the Service was able to partially offset the impact of this by achieving £721k of savings from other areas of the budget.

The prospects for 2010-11 are improving as the economic recovery leads to a gradual rise in the Planning fee income.