

Review of Planning Services – Carmarthenshire County Council

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Summary report

Summary

What we reviewed and why

- 1 Following our Assurance and Risk work in 2018-19, the performance of the planning service in Carmarthenshire County Council (the Council) was identified as a potential risk. We subsequently planned to undertake a review of the planning service as part of our 2019-2020 audit. At the request of the Council we deferred our review whilst it commissioned its own external review, entitled 'Strategic Review of the Planning Service'. This external review concluded in December 2019 and the report highlighted a number of issues and made a number of recommendations.
- 2 By agreement with the Council, our subsequent review sought to provide both assurance and insight as to whether the planning service is meeting its own objectives and supporting the Council in achieving its overall objectives. Our work reviewed if the Council has in place proper arrangements to plan and deliver its planning services sustainably.
- 3 We undertook the review during the period December 2020 to April 2021.

What we found

- 4 Our review sought to answer the question: **Is the planning service meeting its own objectives, and supporting the Council in the delivery of its overall objectives?**
- 5 Overall, we found that: **Significant and long-standing performance issues in the planning service need to be urgently addressed to help support delivery of the Council's ambitions.** We came to this conclusion because:
 - the Council's current arrangements for determining major planning applications need strengthening to help it achieve its regeneration ambitions;
 - long-standing, significant performance issues in development management and planning enforcement are undermining effective service delivery; and
 - the Council needs to urgently review its performance and service improvement arrangements for its planning service to better serve its customers.

Recommendations

In addressing the significant and long-standing performance issues in its planning service, we strongly advise that the Council prioritises these recommendations. We will follow up the Council's progress in improving its planning service during the next 12 months.

Exhibit 1: recommendations

The table below sets out the recommendations that we have identified following this review.

Recommendations	
Strategic impact	
The Council should:	
R1	align its planning service to its corporate ambitions to ensure: <ul style="list-style-type: none">• it can respond effectively to deal with its regeneration ambitions and can deliver them at pace; and• that the planning service is effectively contributing to and collaborating with other services to deliver on the corporate agenda.
R2	review the role and outcomes it expects from its planning service as part of its strategic groups, to ensure the service is effectively integrated and delivering the required outcomes.
Service delivery – development management	
The Council should:	
R3	develop a plan and timeline to deal with its planning application backlog, in particular the historic backlog.
R4	review its planning data collection arrangements to ensure they are being done correctly and reported accurately.
R5	address the financial risks associated with the continued overspend in its planning service and the potential fee reimbursement associated with non-determination of applications.
Service delivery – planning enforcement	
The Council should:	
R6	develop a plan and timeline to deal with its planning enforcement backlog, in particular the historic backlog.
R7	review the resources and capacity within its planning enforcement service to address the accruing caseload.
R8	ensure that other related Council services are able to accommodate any increases in planning enforcement action.

Recommendations

- R9 ensure that any changes to its enforcement policy are assessed for impact and consulted on, to ensure all consequences are considered.
-

Risk management

The Council should:

- R10 review its corporate risk register to ensure that the planning risks, related to development management and planning enforcement are comprehensively defined and have clear mitigating actions.
- R11 assure itself that its corporate arrangements for risk management are effective¹.
-

Responding to review findings

- R12 The Council should ensure that in responding to findings of all reviews into the effectiveness of its planning service that it:
- prioritises the actions;
 - regularly evaluates the impact of the changes that it is making; and
 - regularly reports progress to senior officers and Members to ensure transparent and timely oversight and monitoring, and that any corrective action is taken.
-

Performance management

The Council should:

- R13 ensure that the data available under the new planning performance management system (Arcus) is designed, maximised, and presented for analysis at relevant meetings.
- R14 ensure that it presents a consolidated range of planning performance information to senior officers and Members to provide them with a fuller picture of service performance. This should include:
- performance data;
 - financial data;
 - complaints information; and
 - risk management information.

¹ The Auditor General for Wales has previously reviewed the Council's arrangements for risk management. The report, **Review of Risk Management Arrangements - Carmarthenshire County Council**, was published in July 2019 and contained six proposals for improvement. The report can be viewed on the Audit Wales website [here](#).

Recommendations

R15 better benchmark, collaborate and share learning with other Local Planning Authorities to maximise opportunities to identify and implement good practice.

Service user perspective

R16 The Council should better consider and apply the perspective of its service users in designing and delivering its planning services to continuously improve the service in a sustainable way. This should include:

- understanding the current position regarding trends in complaints and customer feedback, and taking action to address any issues;
 - setting out clear standards that service users can expect;
 - improving engagement and ongoing communication with customers; and
 - establishing an improved mechanism for gathering, evaluating, and applying customer feedback.
-

Well-Being of Future Generations

R17 The Council should take the opportunity in any changes to the planning service to consider how it might act more closely in accordance with the sustainable development principle² in contributing to the delivery of the Council's well-being objectives.

² The sustainable development principle is set out in the **Well-Being of Future Generations (Wales) Act 2015**

Detailed report

Significant and long-standing performance issues in the planning service need to be urgently addressed to help support delivery of the Council's ambitions

The Council's current arrangements for determining major planning applications need strengthening to help it achieve its regeneration ambitions

- 6 The Council has previously undertaken reviews of its planning service due to its own concerns about the service's performance and its ability to effectively support the delivery of the Council's corporate ambitions. Over recent years, the Council's Transformation, Innovation and Change Team (TIC) has worked with the service to look at process changes within the service to try to drive improvements in service delivery. However, the Council's ongoing concerns about the effectiveness of its planning service led it to commission its own external review. This commissioned review concluded in December 2019, and the resulting report included 50 recommendations. The planning service has subsequently developed an action plan to address these recommendations.
- 7 The Council's Corporate Strategy highlights the importance of regeneration. The Council has stated the importance of prioritising regeneration schemes that relate to job creation and economic growth post-Covid. It has not established whether its planning service is able to effectively support it to deliver on its regeneration priority.
- 8 The Council is failing to determine many major applications within the prescribed timelines. From April 2018 - March 2019 it determined only 39.1% of major applications within the Welsh Government's prescribed timelines, putting it 19th out of 25 planning authorities in Wales, and in the 'improve' category set by Welsh Government³. For the six years, from April 2013 to March 2019, the Council's average performance for determining major planning applications within the Welsh Government's prescribed timelines was 20.9% putting it 24th out of 25 planning authorities in Wales⁴. This poor performance is potentially affecting the Council's ability to deliver its regeneration ambitions at pace.
- 9 A contributing factor to the Council's poor performance on major applications is its significant backlog of planning applications waiting to be determined. With the

³ Welsh Government, **All Wales Planning Annual Performance Report 2018-19**, December 2019, page 24

⁴ Welsh Government, **All Wales Planning Annual Performance Report 2018-19**, December 2019, page 25

planning service constrained dealing with its backlog, it may not have enough capacity to also contribute effectively to the Council's wider corporate agenda.

- 10 The planning service is involved in some of the Council's key strategic groups including the: Regeneration Delivery Team, Business Economy and Communities Recovery Group and Capital Programme groups. The Council should review the planning service's input and role on these groups to assure itself that the service is contributing effectively to its corporate ambitions.

Long-standing, significant performance issues in development management and planning enforcement are undermining effective service delivery

Development Management

- 11 The Council has a significant backlog in planning applications waiting to be determined. As at the 15 March 2021 it had 847 applications waiting to be determined. Whilst backlogs are not unusual, the Council's backlog includes some which date back over five years. At the time of our review it did not have a clear plan of action to deal with these historic cases.
- 12 Whilst it appears that the Council has sufficient resources within its Development Management function to determine the number of applications that it is receiving, it does not have the capacity to deal effectively or sustainably with both these and the backlog cases. The backlog in applications is hindering the service's ability to be a high performing, customer focused service.
- 13 We are also concerned that the Council may not be collecting its planning performance data correctly in line with national guidance⁵. This could have significant consequences as the Council may be misreporting its performance data related to the time taken to determine planning applications, and performance may potentially be worse than currently recorded and reported. The Council needs to review this urgently to assure itself that the data it is collecting and using is accurate.
- 14 The planning service has a track record of overspending and has overspent every year from 2015-2020. The total overspend in this 5-year period was over £1.8 million. The largest overspend was in 2019-20 when the planning service overspent by £512,000.
- 15 There is also a potential financial risk associated with non-determination of applications, which the Council needs to consider and plan for.

⁵ Welsh Local Government Association - Data Cymru, **Public Accountability Measures (PAMs) 2019-20, Guidance for local authorities**

Planning Enforcement

- 16 The Council also has a backlog of planning enforcement cases. As at 15 March 2021 there were 761 planning enforcement cases waiting to be dealt with.
- 17 For the period April 2019 – March 2020 the Council received 341 enforcement cases and dealt with 192 (149 were not dealt with). At the current levels of resource and performance, the planning enforcement service's backlog will continue to grow, as the service is receiving more enforcement complaints than it is able to deal with. The service in its current form is not sustainable.
- 18 The Council does not have a clear strategy to sustainably deal with the backlog in the planning enforcement complaints. However, if the Council does increase enforcement action in the future this could lead to a knock-on effect in increasing retrospective planning applications, worsening its planning applications and backlog pressures. The Council will need to plan for the impact of increasing its enforcement action on the development management service and other related services.
- 19 An ineffective planning enforcement service presents a risk to the Council as it potentially:
- negatively impacts compliance with planning policy;
 - undermines customer service and their confidence in the planning service; and
 - hinders the Council in meeting its well-being objectives, such as biodiversity.
- 20 The Council is in the early stages of considering changes to its enforcement policy, to raise the thresholds for intervention. It has not yet assessed or consulted on the breadth of impact and the potential consequences of such a policy change on other Council policies and strategies, or the public.

The Council needs to urgently review its performance and service improvement arrangements for its planning service to better serve its customers

Internal Review and Monitoring

- 21 The planning service developed an action plan to address the 50 recommendations made by the Council's commissioned external review of its planning service, but it has not:
- prioritised the actions;
 - regularly evaluated the impact of the changes that it is making; or
 - regularly reported progress to senior officers and Members to ensure transparent and timely oversight and monitoring, and that any corrective action is taken.
- 22 Where the planning service is taking action on the recommendations, there is not always a clear plan for, or effective monitoring of the action, including for the

planning applications that the service recently passed on to a private sector company it had commissioned to help it address its backlog.

- 23 The planning service has taken five years to introduce its new performance management system, Arcus, which went live in 2020. Until Arcus was in place, it was more difficult for the service to produce the essential data that the Council needed to effectively analyse and monitor its planning performance. Under the new Arcus system, performance dashboards have now been created, but these are not yet fully developed.
- 24 The Council's Corporate Management Team, Executive Board and overview and scrutiny committees review some planning performance data via quarterly performance reports. The planning service also produces an Annual Planning Report, and Welsh Government produces All Wales Planning Reports. However, there has been limited challenge by the Council of the performance data for development management and planning enforcement. At the time of our review, work had not been undertaken internally to drill down and analyse the data and its context.
- 25 The visibility of a full, contextual picture of the Council's planning service performance to senior officers and Members is limited. To enable officers and Members to effectively challenge the complexities and successes of the service, the Council needs to make its data available and explicit.
- 26 In reporting on planning service performance, currently the Council does not report together on a full range of performance information, including:
- performance data;
 - financial data;
 - complaints information; and
 - risk management information.

This limits the Council's ability to assure itself of the economy, efficiency, effectiveness, and sustainability of the planning service.

- 27 Up until September 2020 the Council's Corporate Risk Register included a risk related to maintaining and developing effective planning policies (including delivering effective enforcement). At its September 2020 meeting, the Audit Committee noted the removal from the Corporate Risk Register of the part of this risk that related to delivering effective enforcement. Given the ongoing significant service delivery issues within planning enforcement it is unclear what the rationale was for the removal of this item from the risk register.
- 28 A new corporate risk around meeting statutory planning delivery targets was reported to the Council's Audit Committee in March 2021. The risk is rated high, but within the papers to the Audit Committee, the risk is not clearly defined and it lacks clear control measures. Whilst including planning performance as a corporate risk is to be welcomed, the information provided to the Audit Committee in relation to this risk is inadequate.
- 29 Whilst the Council does attend regional and national groups eg The Planning Officers' Society for Wales, it does not undertake thorough benchmarking with

other councils in relation to performance or good practice in planning services. There may be opportunities for the Council to collaborate more and learn from good practice in other Local Planning Authorities to help it drive improvement sustainably.

Service User Perspective

- 30 The planning service is an income generating service, paid for through customer fees for determining planning applications. The current planning application caseload is limiting the time available to officers to communicate and update customers on progress with their applications.
- 31 We were told that some customer dissatisfaction or concerns around development management and enforcement are directed to the local Elected Members, Executive Board Members, or the chief officers of the Council. Often this happens when a customer has tried but failed to contact the planning service directly or failed to get a satisfactory response. We were told that the Elected Members and/or chief officers then contact the planning service to escalate the issue, this is causing increased work for planning officers, and all involved.
- 32 In terms of planning officer caseload, the Council will need to consider how it balances the demands of prioritising major schemes and regeneration work, alongside determining all other types of planning applications.



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