



GA.38 13/14

Governance and Audit  
Committee

09/01/14

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**Subject: Update on the Internal Audit Report on the Central Lincolnshire Joint Planning Unit (JPU)**

Report by:

Mark Sturgess – Director of Regeneration and Planning

Contact Officer:

Suzanne Fysh – Head of Development and Neighbourhoods

Purpose / Summary:

Members of the Governance and Audit Committee requested a report outlining the current position on the JPU in relation to the Audit report dated March 2012

**RECOMMENDATION(S):**

- 1) That members note the information provided in this report.

**IMPLICATIONS**

**Legal: None (update report)**

**Financial : None (update report)**

**Staffing :None (update report)**

**Equality and Diversity including Human Rights : None (update report)**

**Risk Assessment : None (update report)**

**Climate Related Risks and Opportunities : None**

**Title and Location of any Background Papers used in the preparation of this report:**  
**Internal Audit Report – Central Lincolnshire Joint Planning Unit**

**Call in and Urgency:**

**Is the decision one which Rule 14 of the Scrutiny Procedure Rules apply?**

**Yes**

**No**

**Key Decision:**

**Yes**

**No**

**1.**

## Information

This is a report which is intended to update members of the Committee with the progress made towards addressing the specific issues identified in the March 2012 audit of the joint planning policy arrangements established across central Lincolnshire. As is the characteristic of audits they are a “snap shot” in time. Therefore this paper deals with the findings and recommendations of the audit undertaken in March 2012. It does not address any of the matters with the joint planning policy arrangements that have arisen since that time.

## Findings, Recommendations and Agreed Actions

	<b>Finding</b>	<b>Recommendations</b>	<b>Agreed Action</b>	<b>Priority</b>	<b>Responsibility and Timescale</b>
1	<p>Central Lincolnshire Strategic Planning Committee has a Local Development Scheme (LDS) which includes a timetable for delivery of the Local Development Framework (LDF).</p> <p>The Core Strategy is behind schedule for a number of possible reasons including:</p> <ul style="list-style-type: none"> <li>• Insufficient resources</li> <li>• Under estimation of the evidence required</li> <li>• Too short a timetable to complete the level of work needed</li> </ul>	<p>It is vital that partners agree, based on the level of risk, the best approach in the long term for the production of a robust Core Strategy that will deliver sustainable development for Central Lincolnshire.</p> <p>Each partner should ensure that their members and senior management are kept informed on this.</p>	<p>The partners are setting up a Directors Governance Board for Central Lincolnshire. The first meeting is arranged for 16<sup>th</sup> May where the directors will discuss this and agree the best way forward. A recommendation will then be put the members of the Central Lincolnshire Joint Strategic Planning Committee (CLJSPC) at their May meeting.</p> <p><b>Assurance as at December 2013</b></p> <p><b>A governance process has</b></p>	High	<p>The Directors Governance Board and the CLJSPC.</p> <p>31/05/2012</p>

	<p>With the replacement of the National Planning Policy Framework (NPPF) on the horizon this increases the risk to the partners, namely:</p> <ul style="list-style-type: none"> <li>• If the Core Strategy is rushed through without ensuring robust evidence is available to support it, it may not stand up to challenge;</li> <li>• If the Core Strategy is not ready the partner planning authorities may have to 'grant planning permission where the plan is absent, silent, indeterminate or where relevant policies are out of date' as stated in the replacement NPPF. This is known as 'the presumption in favour of sustainable development'</li> </ul>		<p><b>been established for the process of producing the planning policy documents for central Lincolnshire. This process ensures that the interests of the client councils are protected through the operation of the joint planning policy arrangements (a diagram showing the governance structure for the process is set out at appendix 1).</b></p> <p><b>This has included the establishment of a Central Lincolnshire Senior Officers Group (CLSG) (meeting monthly) to oversee the project plan, hold officers to account, review the risk register (an example of the Risk Register and Issues Logs reviewed at these meetings is given at appendix 2) and issues log and deal with strategic issues as they arise.</b></p> <p><b>The CLSG is comprised of</b></p>		
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			<p><b>the Chief Executive of North Kesteven District Council (host partner for the process), lead Directors from City of Lincoln Council, Lincolnshire County Council and West Lindsey District Council. The CLSG has met on a monthly basis since May 2012.</b></p> <p><b>The CLSG reports monthly to the “lead member group” where the planning policy lead for each of the partner councils is briefed on the principal issues arising with the development of the planning policy documents.</b></p> <p><b>At a more operational level the Heads of Planning from all the partner Councils regularly meet with the manager of the Joint Planning Unit to ensure that the timetable for the submission of the Core Strategy is being met and the project plans are in place for</b></p>		
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			<p><b>the next stage of the development of the local plan for central Lincolnshire (the allocations document).</b></p> <p><b>Periodic reports are taken through the partner councils when major decisions are required.</b></p>		
2	<p>We identified that the intended number of full time equivalent Planning Officers were not appointed due to staff leaving prior to the TUPE transfer to the Joint Planning Unit (JPU). A further Planning Officer has left and has not yet been replaced. This is putting a lot of pressure on the remaining team to deliver the Core Strategy inline with the Local Development Framework timetable and may have contributed to the delays being faced.</p>	<p>Swift action and decisions are needed by all partners to determine the best approach to addressing this. Potential options are:</p> <ul style="list-style-type: none"> <li>-Recruitment of additional planning officers, which may incur additional costs to all of the partners</li> <li>-Extension of the deadlines for submission of the Core Strategy and other LDF documents, which may increase the risk of 'the presumption in favour of sustainable development'.</li> </ul>	<p>The current budget will be reviewed to see what additional posts are within it.</p> <p>In addition this finding will be discussed by the Director Governance group, who will consider:</p> <ul style="list-style-type: none"> <li>• Current structure;</li> <li>• Recruitment process;</li> <li>• Job description review and harmonisation;</li> <li>• Skills needed for the future;</li> </ul> <p>This will help determine the best solution.</p> <p><b>Assurance as at December 2013</b></p>	High	<p>The Directors Governance Board</p> <p>30/06/2012</p>

			<p>The deadline for the submission of the Core Strategy was extended at the end of 2012 to allow for additional work which was required in order to demonstrate the deliverability of the “Sustainable Urban Extensions” around the principal towns of central Lincolnshire and to comply with the “Duty to Cooperate”.</p> <p>The Core Strategy was submitted for examination in October 2013.</p> <p>Over the period since the audit the vacant posts have been filled giving 13 FTEs in the unit. In addition project management support was added to the unit in January 2013 to ensure that the new deadline for the submission of the Core Strategy to the Secretary of State in the autumn of 2013 could be achieved. The Project</p>		
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			<p><b>Manager regularly reported progress to the CLSG and the lead member group.</b></p> <p><b>Assurance was also sought from the Planning Inspectorate in 2013 to ensure that the process that was being followed (ie Core Strategy followed by Allocations Document) still complied with the regulations governing the production of local plans. This assurance was given by a senior planning inspector.</b></p> <p><b>The interim project manager (an experienced former senior planning officer) was tasked in July 2013 to report on the current skills available in the unit and the staffing and skills requirements in the future. This work included benchmarking the current staffing and skills in the JPU with similar planning policy units in other parts of the country. This has led to a</b></p>		
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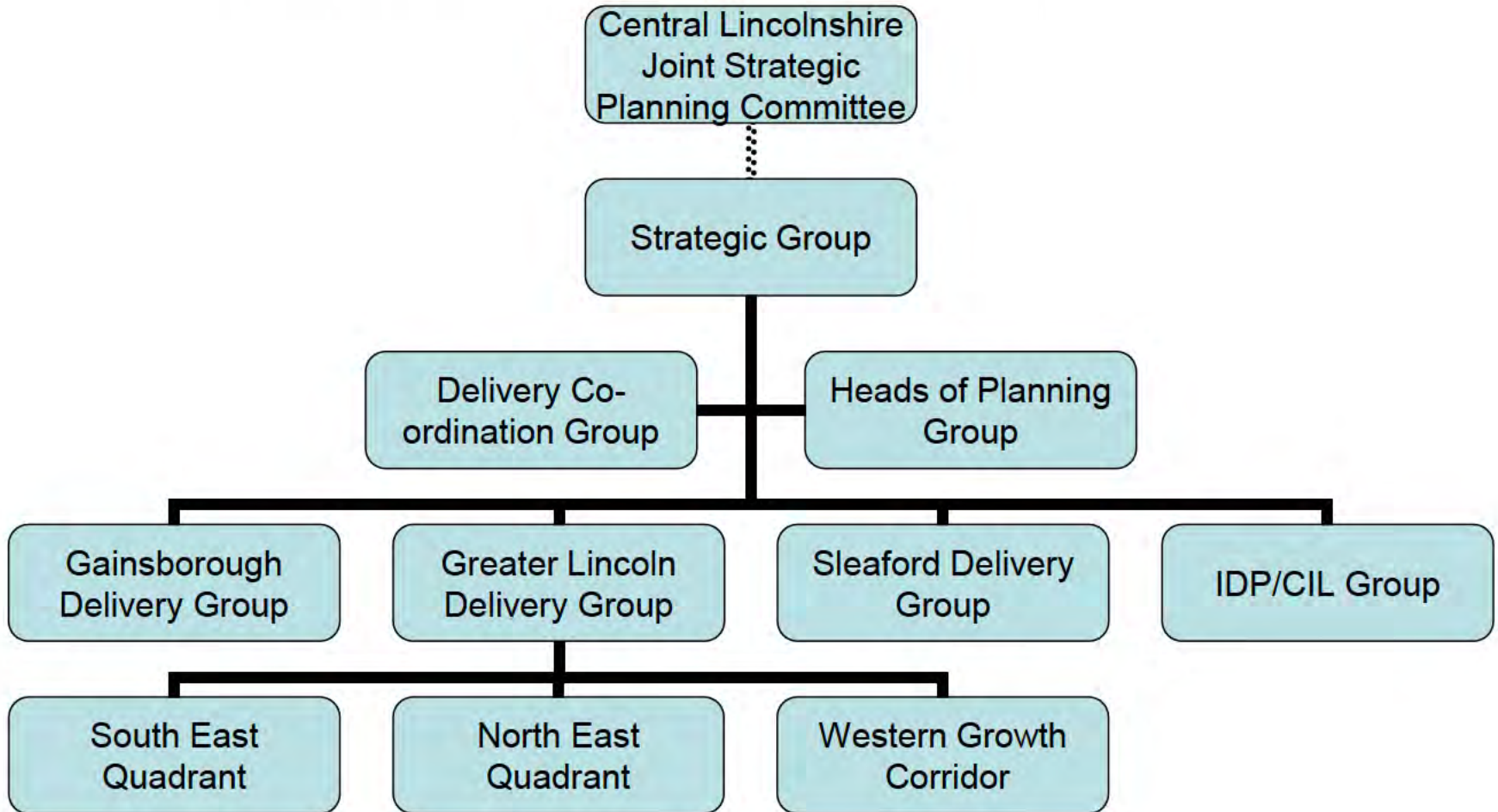
			<b>restructure of the JPU in the autumn of 2013.</b>		
3	The funding being utilised to provide the current resources includes grants which will run out at the end of 2012/13. Without further funding current levels of resource will not be sustainable.	Addressing future funding shortfalls needs to be considered early to prevent any uncertainty over provision. Further funding opportunities and potential increases in partner contributions need to be investigated fully.	<p>A partner's away day is planned for April to look at this in detail and consider / decide on options.</p> <p><b>Assurance as at December 2013</b></p> <p><b>The grants received from central government covered, amongst other things the provision of the evidence base for the Core Strategy. There are other pressures on the budget of the Unit and these needed to be managed in a sustainable way, especially in view of the financial pressures all the partner councils are under.</b></p> <p><b>In order to manage this the unit has been restructured. This will reduce the cost of running the unit to the</b></p>	High	All Partners  30/04/2012

			<p><b>partner councils and ensure that there is sufficient in the unit's budget to refresh and renew the evidence base for the policy documents as required.</b></p>		
4	<p>The Joint Planning Unit has a risk register which is part of the Local Development Scheme. This identifies and assesses the key risks facing the partnership but has not been reviewed since January 2010.</p>	<p>The risk register should be refreshed as the current state of some risks may have changed and contingencies may need to be different.</p>	<p>The Head of the Joint Planning Unit will refresh the risk register and share this with partners</p> <p><b>Assurance as at December 2013</b></p> <p><b>The identification and assessment of the risks associated with the production of the Core Strategy has been undertaken by the Unit.</b></p> <p><b>The risk assessment undertaken (and the issues log) is reviewed by the CLSG at its monthly meetings. An example of the risks examined and the form of the risk log is given at appendix</b></p>	Medium	Head of the Joint Planning Unit

## **Governance**

The Central Lincolnshire Joint Strategic Partnership was established by the 4 partner authorities in 2010 by Statutory Instrument. This means that the authorities devolved their powers around planning policy to the Partnership, which is made up of members from each authority with equal voting rights. The Joint Planning Unit was set up as the officer team to ensure that all the work required to ensure the Core Strategy gets to Examination in Public and beyond was carried out. Members from the respective authorities are expected to be kept informed of any policies and developments and can influence decisions through their representatives.

# Governance for Delivering Growth in Central Lincolnshire (as agreed by Strategic Group 19 November 2012)



## ISSUE LOG

Issue No.	Date Raised	Who by	Last Updated	Issue Description	Priority 1/2/3	Resolution / Actions	Date needed by	Status	Progress (+ closing comments)
1	19-Feb-13	MB	17-Sep-13	Appointment on 21st May.	2	Reviewing duties within the team.	31-May-13	O	JC returned. BG on short hours after period of illness.
5	19/03/2013	SP/BG/ PS	17/09/2013	Inspectorate advise on assessment of CIL and impact on Affordable Housing Policies. Inspectorate have been required by Ministers to undertake robust assessment of CIL proposals.	1	Scope for whole plan viability work prepared and circulated . Briefing with Inspectorate agreed for 7th June	April CLSG	O	Report completed and on CL website before 8 July. Need action plan for developing ongoing development of undersanding of viability - use of County resource as promoted at Lead Eco Dev Members and other information from Council's as developers etc. Need to promote key messages to staff, members, developers and public (Place marketing?) CIL consultation completed. SOme issues raised that stress importance for continuing exploration of this area

7	19/03/2013	MB	14/09/2013	ONS figures required for assessment delayed until June 2013. revokation now in force. SUE site owners concerned that the authorities can defend the growth agenda.	1	Will supplement material produced by LCC as article 4:4 authority in the preparation of the RSS. Advise that Government publications to feed into update are delayed. LCC producing paper on current "Demand"	April	○ <b><i>Predicated on LGA agreeeing contract for Edge Analytics model nationally - project for getting analysis based on Census now in doubt unless separate contract awarded. Inspectors key question will be how the growth stratgy compares to Census. Will need to ultimately feed into fuller review of population projections. In absence of LGA work progressing on provisional analysis of Census figures and previous analysis.</i></b>
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8	19/04/2013	MB	17/09/2013	SUEs input to Core Strategy is presenting certain challenges	1	SUE working groups engaging well with developers and ATLAS and key agencies. Timescale for getting all necessary details will need close monitoring	May	○	<b><i>/Topic Papers agreed with landowners and put on website before joint committee. Ongoing visioing work progressing. Project plans need updating to show future timetable of work to progress each SUE (some have applications submitted) How to benefit from use of Central Lincolnshire Examples by DCN and RTPI? RTPI report published, including Central Lincs Example. Discussions ongoing with site proponents. Need to keep up momentum and demonstrate ongoing progress</i></b>
9	19/04/2013	MB	14/06/2013	LEB position statement needs to be agreed	2	Highways prepeared statement in early March. Districts need to respsond, although issues already set out to disucssion on NEQ and SEQ and received positively	April	○	<b><i>Highways prepared statement - repsonse needed from HOP group. Draft repsonse discussed at HOP on 9th April. Response sent to Highways, and discussions had in response - no formal response</i></b>







## RISK LOG

Risk No.	Date Raised	Who by	Last Updated	Risk Description (The situation or event and its impact on the Project)	Likelihood	Impact	Risk Score	Owner	Mitigation / Control Measures	Residual Risk			Progress and closing comments
										Likelihood	Impact	Risk Score	
1	Sep-12	MB	Sep-13	If key stakeholders do not support the growth agenda, CS will be undermined at EiP	4	4	16	CLSG	Growth strategy communications plan in place	3	3	9	<i>Responsibility for authorities to have "Objectively Assessed Need" for homes and economic growth and publication of Census figures suggest strong need for authorities to be able to have a timetable for the update of the SHMA and ELR (or similar process) to assess housing and employment need and the implications for different levels of development</i> Core Strategy examination to progress in terms of the existing growth agenda, as this exceeds targets in ONS projections. <b>MP</b> letters demonstrate lack of understanding of

2	Sep-13	MB	Sep-13	If JPU team and other key staff suffer major sickness or departure, project progress threatened	3	5	15	MB	Regular team/progress meetings to ensure good communications and a degree of cover. Obtain short term support where needed.	3	4	12	Background sickness reducing. BG in LCC on part time as part of recovery. Uncertainty over part time contracts, amternity leave and long term future of unit.
3	Jan-13	MB	Sep-13	If CS project plan timescales not realistic, will not be met and credibility of Unit undermined	4	5	20	MB	Project plan in place and agreed by CLSG & Team. Mechanism for reporting and escalating issues to CLSG in place.	2	5	10	<i>Preparation of CS papers met. Project plan to be updated and re-cricatled with more detail from here to the submission date, and onwards to the Examination in Public together with the allocations process.</i> Core Strategy Publication period finished. Working towards submission (including evidence pbase and representations - 154 people made 390 comments) Service Level Agreement provided by PINS - Examination starts on 21st October with hearings potentially in Jan/Feb 2013 - subject to no hiccups.

4	01-Jan-13	MB	17-Jul-13	If insufficient info on deliverability of SUEs and other growth in place, CS wil not be "sound"	4	5	20	MB	SUE Delivery Groups and project plans in place. Critical dates and matters for input to CS identified. Evidence documents scoped. SHLAA annual review identified on CS project plan. Site Allocations Document to b e progressed.	3	5	15	SUE topic papers in an agreed position, giving confidence to advance at this time, subject to ongoing commitment to develop this approach over time, including community engagement. Topic Papers and timeines need a review to see how they should develop over time, taking into account the timing of each site. Allocation process also moving forward, highlighting the potential sites and providing a context for agreement of delivery elsewhere. Developers and Agents Forum highlighted Developers view that
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5	Jan-13	MB	Sep-13	If monitoring/SHLAA work shows insufficient supply to meet growth target the plan will not be "sound"	4	5	20	MB	Put in place early work on SHLAA review, call for sites and Site Allocations Document. Review situation in April/May before finalising CS. If issue raised later by Inspector, seek suspension of EiP to allow for further work.	3	5	15	Work on SUE topic papers continues to support the evidence for each of those sites and to backfill lack of detail available for drafting of Core Strategy. Allocations process and interim housing paper raising awareness of development opportunities. Bringing forward applications, and new sites. Demonstration that authorities are working to bring forward sites and development in collaboration with communities, developers, utilities, etc. Need to maintain working relationship over the duration of the examination.
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6	Jan-13	MB	Sep-13	If Viability work indicates CS not deliverable in line with NPPF, it will not be "sound"	4	5	20	MB	Independent work on viability commissioned and review allowed for in CS project plan before CS finalised.	3	5	15	<p><i>Need to agree way forward for developing viability understanding to aid delivery and future policy and development.</i></p> <p>Representations on CIL work and Core Strategy and ongoing discussions on SUEs indicate a need for further development of this understanding. County Lead Eco Dev Members are considering this issue, and how to develop this understanding, it is also debated at length through the CLEVA group. The Jpu has produced high level viability assessments for each SUE using the 3 dragons toolkit</p>
6a	Feb-13	RW	Sep-13	Infrastructure Delivery Plan and viability work needs to take account cost of financing if repayment by Cil is to be over a longer time frame	4	2	8	RW	Infrastructure providers must provide realistic estimates of costs over time.	2	2	4	<p><i>Need confirmation of expected costs and liabilities for CIL - amongst wider debate on providing Infrastructure.</i></p> <p>Members also concerned at how CIL will be spent.</p>







