



GA.06 15/16
Governance and Audit Committee
23 June 2015

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Subject: Internal Audit Report, Central Lincolnshire Local Plan

Report by:

Chief Operating Officer

Contact Officer:

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Purpose / Summary:

Audit Lincolnshire have conducted an audit into the Central Lincolnshire Local Plan. The final report is attached as an appendix to this report for information.

RECOMMENDATION(S): Members note the contents of the Audit and assure themselves that the actions identified will address the issues set out in the action plan.

IMPLICATIONS

Legal: None arising from this report

Financial : None

Staffing : None arising from this report

Equality and Diversity including Human Rights : None arising from this report.

Risk Assessment : None arising from this report

Climate Related Risks and Opportunities : None arising from this report

Title and Location of any Background Papers used in the preparation of this report:

Call in and Urgency:

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

Yes

No

Key Decision:

Yes

No

Background

The scope of the audit sought to provide assurance that the revised approach to producing the Local Plan maximises the chance of delivering an adoptable Local Plan in 2016. It covered a broad range of the governance, risk and control elements, including:

- Governance arrangements of the partnership
- Project management of the Local Plan
- Staffing and resources adequacy – now and in future years
- Contract management of external planning experts
- Quality assurance processes over the evidence base
- Stakeholder engagement and consultation
- Financial management and sustainability of the partnership

Comments

The audit has been subject to a number of interim reports to the Central Lincolnshire Strategic Group (the officers managing the local plan process on behalf of the client councils). These reports were providing a high level of assurance of the process being followed. The final report is presented to Governance and Audit Committee for their observation and comments with an overall assurance opinion that the governance arrangements are effective with an improving direction of travel over previous audit reports.

The Action Plan has a series of recommendations which it can be seen have either been actioned or are in the process of being actioned

There are no areas of concern that are being raised at this stage which have not been acknowledged and addressed.



Public Sector Auditing Private Sector Thinking

CENTRAL LINCOLNSHIRE LOCAL PLAN HIGHLIGHT REPORT

Date: 26th February 2015

Author: Rachel Abbott – Principal Auditor

Introduction & Scope

The National Planning Policy Framework (2012) requires all planning authorities to produce a Local Plan.

The aim of the Local Plan is to prepare plans and policies that help create places that are sustainable and attractive to live in. The Local Plan should work together with other plans and policies, such as economic, housing and environmental strategies.

This audit has been commissioned by Lincolnshire County Council, North Kesteven District Council and West Lindsey District Council as part of their 2014/15 audit plan provide via Audit Lincolnshire. These three authorities form 75% of the Central Lincolnshire Local Plan Partnership (CLLPP) which is tasked with delivering a Local Plan for Central Lincolnshire. Our highlight report also intends to inform the forth partner, City of Lincoln Council.

We are seeking to provide assurance on a broad range of the elements of the CLLPP, including:

- Governance arrangements of the partnership
- Project management of the Local Plan
- Staffing and resources adequacy – now and in future years
- Contract management of external planning experts
- Quality assurance processes over the evidence base
- Stakeholder engagement and consultation
- Financial sustainability of the partnership

This second highlight report provides details of our findings on three areas reviewed – Stakeholder engagement and consultation, quality assurance over the evidence base and financial management.

Key Messages

Stakeholder Engagement and Consultation – Effective

We assessed stakeholder identification and communication channels to provide assurance that the consultation makes contact with the right people and groups using the appropriate methods. We found that a named lead for communication was in place and the key stakeholders and various communication channels were identified in a workshop with the Central Lincolnshire Joint Strategic Planning Committee (CLJSPC) early 2014. Outcomes were formalised into a community engagement strategy. This strategy identifies the key stakeholders we would expect, including Local Authorities, Councillors, Parish and Town Councils, Residents, and community groups. The strategy is supported by a Communications Plan which details stakeholders and also defines communication channels including face to face events, media, social media, targeted emails / letters, posters and newsletters.

The Local Plan Team has chosen a phased approach to consultation, having 3 periods of public consultation at strategic points during production of the plan. We conducted our review between September and November 2014 to allow us to assess implementation of the phase one consultation plan and attend consultation events. The purpose of this early consultation was to communicate with stakeholders on policy choices and invite feedback to help inform and firm up policy as the plan develops. With this purpose in mind we considered the length and timing of the consultation to be appropriate.

We assessed the information shared and whilst acknowledging that by its very nature the plan is lengthy, we found it to be written in a simple way to improve understanding for residents and those without a planning background.

Our review also included feedback. We confirmed that all feedback was published on the website within a reasonable period ensuring transparency. The Local Plan Team has also produced and published a report summarising feedback and providing a response where possible.

Only minor recommendations resulted from our review, overall we can give a high level of assurance that stakeholder engagement and phase one consultation has been effective.

Quality Assurance on Evidence – Effective

The National Planning Policy Framework states 'Each local planning authority should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area.' The framework requires a 'proportionate' approach to the evidence base, but is not prescriptive. As such the Local Plan Team has adopted a simple approach to evidence, with the style being enough to inform and support the plan, along with clear links to the plan for all pieces of evidence and nothing more. This aims to make the examination process a lot easier for the inspector as they will not be

overwhelmed by volume or superfluous information and should allow clear links between policy and evidence.

We found that evidence requirements on which to base the plan have been identified. A master list is maintained which includes status of the evidence and details of the officer responsible for producing it. This list is included in the progress report to the Steering Group each month to allow progress to be monitored and any issues addressed.

We confirmed that a process is in place for review of all complete evidence to verify quality. This has a focus on methodology, data and conclusions. When necessary the Heads of Planning or Steering Group are involved in this process, especially if a decision is needed.

Our review also confirmed that once complete evidence is published on the planning website to ensure transparency and maximise the information available to stakeholders.

Financial Management – Effective

Our review of finances included management arrangements, budget setting, coding and budget monitoring and found these areas to be effective. We also looked at budget reporting which we assess as effective in terms of management reporting; however we are recommending contingency arrangement for reporting to the CLJSPC should a meeting where a finance report is due be cancelled.

The budget setting includes a medium term plan covering 2014/15 to 2016/17. The plan produces a carry forward to reserves for 2014/15 and a balanced budget for the other two years. The reserves are healthy during this time period and we assess on this basis the partnership to be financially sustainable in the medium term.

We have included full detail of findings, along with our recommendations and managements agreed actions in the action plan below.

Action Plan

	Finding	Recommendation	Agreed Action	Priority	Timescale
1	Our review of social media presence during the consultation identified that feedback comments from users, whilst there were only a few, were not responded to. We accept it is often not possible to resolve a question or observation, but a response should still be provided as not doing so could create an impression that comments are not valued.	The communications team should consider how they will deal with responding to feedback on social media for future consultations as careful management of an interactive forum is more valuable than a simple information page.	A revised approach to use of social media will be considered as part of the communications strategy for the next round of consultation.	Medium	WLDC as communications lead 30 th June 2015
2	The Central Lincolnshire Local Plan website is not very user friendly for those with sight impairment or non-English speaking residents. Whilst we did find information on the back of the local plan regarding availability in braille, audio and other languages we could not find anything to make access to other local plan information easy for people with additional needs.	The possibility of adding translation buttons and Speak IT Plus to the planning website should be explored as this will make the information more accessible to these hard to reach groups in the communities.	Appropriate revisions to the website to improve accessibility will be explored as part of the communications strategy for the next round of consultation.	Low	WLDC as communications lead 30 th June 2015
3	Our review of evidence published identified that one of the sample of eight could not be located in the online evidence	The Planning Policy team should add this to the online evidence base.	The online database will be reviewed to ensure easy access to evidence. Quality control process will ensure all new	Low	Central Lincolnshire Local Plan Team Manager

	base. This was the 'Biodiversity Opportunity Mapping Study for Central Lincolnshire'.		evidence is available going forward.		31 st March 2015
4	The quarterly budget reporting to the Central Lincolnshire Joint Strategic Planning Committee did not take place for quarter 2 2014/15. In addition we observed the presentation of the quarter one report at Committee and noted it received no scrutiny.	Management should ensure that quarterly reporting to committee takes place. If a meeting is cancelled then alternative arrangements should be made to ensure that members understand the budget position and are able to query and challenge as necessary.	This gap in reporting is noted; however with the current budget position this was deemed as low risk at this time. Contingency arrangements will be taken as necessary in the future if a gap in quarterly budget reporting to members is likely.	Medium	NKDC Planning Lead. On going.

Assurance Definitions¹

<p>Effective</p>	<p>Our critical review or assessment on the activity gives us a high level of confidence on service delivery arrangements, management of risks, and the operation of controls and / or performance.</p> <p>The risk of the activity not achieving its objectives or outcomes is low. Controls have been evaluated as adequate, appropriate and are operating effectively.</p> <p>As a guide there are a few low risk / priority actions arising from the review.</p>
<p>Some improvement needed</p>	<p>Our critical review or assessment on the activity gives us a reasonable level of confidence (assurance) on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>There are some improvements needed in the application of controls to manage risks. However, the controls have been evaluated as adequate, appropriate and operating sufficiently so that the risk of the activity not achieving its objectives is medium to low. A few specific control or risk issues identified.</p> <p>As a guide there are low to medium risk / priority actions arising from the review.</p>
<p>Major improvement needed</p>	<p>Our critical review or assessment on the activity identified numerous concerns on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>The controls to manage the key risks were found not always to be operating or are inadequate. Therefore, the controls evaluated are unlikely to give a reasonable level of confidence (assurance) that the risks are being managed effectively. It is unlikely that the activity will achieve its objectives.</p> <p>As a guide there are numerous medium and a few high risk / priority actions arising from the review.</p> <p>Our work did not identify system failures that could result in any of the following:</p> <ul style="list-style-type: none"> - damage to the Council's reputation - material financial loss - adverse impact on members of the public - failure to comply with legal requirements
<p>Inadequate</p>	<p>Our critical review or assessment on the activity identified significant concerns on service delivery arrangements, management of risks, and operation of controls and / or performance.</p> <p>Our work identified system failures that could result in any of the following:</p> <ul style="list-style-type: none"> - damage to the Council's reputation - material financial loss - adverse impact on members of the public - failure to comply with legal requirements <p>There are either gaps in the control framework managing the key risks or the controls have been evaluated as not adequate, appropriate or are not being effectively operated. Therefore the risk of the activity not achieving its objectives is high.</p> <p>As a guide there are a large number of high risks / priority actions arising from the review.</p>

¹ These definitions are used as a means of measuring or judging the results and impact of matters identified in the audit. The assurance opinion is based on information and evidence which came to our attention during the audit. Our work cannot provide absolute assurance that material errors, loss or fraud do not exist.