

Service Inspection Report

March 2006



Environment Inspection - Planning

Newcastle-under-Lyme Borough Council

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For further information on the work of the Commission please contact:

Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 020 7828 1212 Fax: 020 7976 6187 Textphone (minicom): 020 7630 0421

www.audit-commission.gov.uk

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Service Inspection

This inspection has been carried out by the Audit Commission under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. These principles embody the objectives of our strategic plan and strategic regulation. They also reflect the principles from *The Government's Policy on Inspection of Public Services (July 2003)*.

Audit Commission service inspections should:

- focus on public service outcomes from a user perspective;
- act as a catalyst to help inspected bodies improve their performance;
- concentrate inspection work where it will have most impact, so that it is proportionate and based on an assessment of risk;
- be based on a rigorous assessment of costs and benefits, with a concern for achieving value for money both by the inspected organisation and within the inspection regime itself;
- be, and be seen to be, independent of the inspected organisation;
- report in public, using impartial evidence to inform the public about the performance of public services so as to enhance accountability;
- involve collaborative working with other inspectorates and external review agencies to achieve greater co-ordination and a more holistic approach to the assessment of performance by audited and inspected bodies;
- share learning to create a common understanding of performance that encourages rigorous self-assessment and better understanding of their performance by inspected organisations;
- be carried out objectively by skilled and experienced people to high standards and using relevant evidence, transparent criteria, and open review processes; and
- enable continuous learning so that inspections can become increasingly effective and efficient.

We assess services using published key lines of enquiry (KLOE) to inform our judgements. The KLOEs can be found on the Audit Commission's web site at www.audit-commission.gov.uk.

This report is issued in accordance with the Audit Commission's duty under section 13 of the 1999 Act.

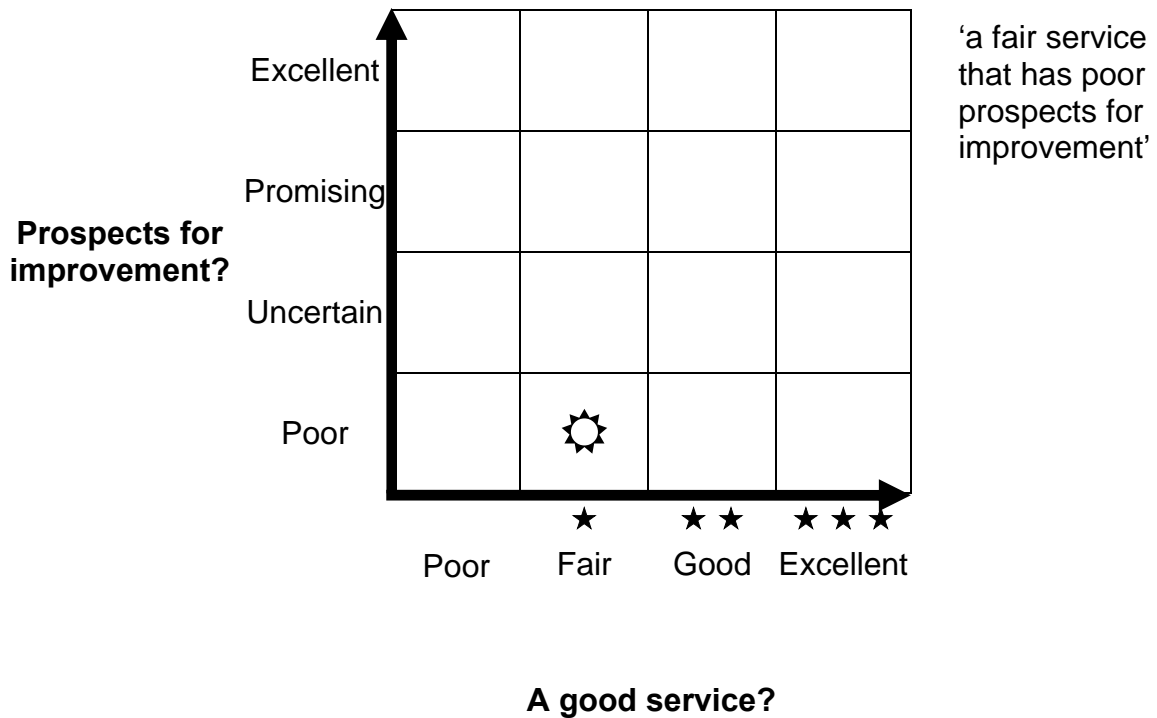
Summary

- 1 Newcastle-under-Lyme Borough Council lies in north Staffordshire to the west of Stoke-on-Trent, with Cheshire to the north and Shropshire to the west. The borough is mixed in character – although parts are urban in nature, two-thirds of the borough is rural. The scarred and degraded ex-industrial landscape in the north contrasts with the affluent commuter belts in the south. Overall, the borough is not particularly deprived, but does have some significant pockets of deprivation. It has a population of 123,000 which is expected to decline, with currently 3.5 per cent from ethnic minority communities.
- 2 The planning service has a key part to play in delivering the Council's agenda of increasing prosperity and economic growth; improving housing quality and choice; and improving the quality and sustainability of the environment. Regeneration is a key issue for the area and the Council demonstrates its community leadership through its active engagement with partners to deliver improvements in the borough.
- 3 The whole planning service was inspected and this included planning policy, development control, building control, and enforcement. The service has a budget of £1,655,779 for 2005/06 and is delivered by 32 staff.
- 4 Overall, the Council is delivering a planning service that meets minimum requirements. It is successful in delivering an improved natural and built environment with a significant increase in employment opportunities. But the service is not easily accessible to all in the community; it is slow in deciding planning applications and does not deliver value for money in its work.
- 5 The planning service is unlikely to improve. It does not use the corporate performance management framework effectively to drive improvements in the service. The service has increasing financial resources (from its planning delivery grant) which it is using to improve service delivery, but is not making best use of its available capacity.

Scoring the service

- 6 We have assessed Newcastle-under-Lyme Borough Council as providing a 'fair', one-star service that has poor prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Figure 1 Scoring chart¹



Source: Audit Commission

¹ The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

7 The service is a fair, one-star service because of the following.

- There is an up-to-date planning framework with a positive approach to development, balancing social and economic needs.
- The natural and built environment in the borough is protected and enhanced through developments that:
 - make effective use of sites with development in sustainable locations; and
 - maintain the vibrancy of the town centre with mixed activity such as shopping, living, entertainment.
- The Council makes a positive contribution to regeneration and has delivered a significant number of additional jobs.

8 However:

- the service is not designed around the needs of the community:
 - it is difficult to access advice;
 - customer care is inconsistent; and
 - the language used in planning committee reports is incomprehensible to non-experts;
- enforcement is reactive and the Council does not monitor compliance with planning conditions;
- the development control service is slow to determine planning applications and user satisfaction with the service is low;
- the service is not delivering value for money:
 - performance does not compare well with other councils;
 - there is little accurate information on the cost of the service; and
 - there are no processes to review or improve value for money.

- 9 The service has poor prospects for improvement because of the following.
- There is no track record of effective service improvement.
 - The reorganisation to create a planning contact centre allowed planning officers to clear some of the backlog of planning applications but led to a deterioration in customer service.
 - Improvement planning is weak and fails to balance the varying capacities in different aspects of the service.
 - The corporate performance management framework is not used effectively in the planning service to drive improvement in the service.
 - The Council does not make effective use of the capacity available in the planning service, for example:
 - lengthy meetings of the large planning committee absorb officer capacity;
 - there are low levels of officer delegation; and
 - the organisational structure is inefficient.
 - The Council has identified recruitment difficulties but has not fully explored alternative options for delivery.
 - But the Council is making good progress with its new local development framework and is developing area action plans to support the delivery of the sub-regional agenda for housing market renewal.

Recommendations

- 10 To rise to the challenge of continuous improvement, councils need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the Council. In addition, we identify the approximate costs² and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context the inspection team recommends that the Council should do the following.

Recommendation

R1 Make better use of existing capacity by:

- *improving decision-making processes and levels of delegation in all areas to make better use of existing resources;*
- *evaluating the input to meetings and reducing, where appropriate, attendance by officers;*
- *reviewing the balance of staff within the service and reallocating resources to where they are needed;*
- *training frontline customer service staff to resolve more queries at first point of contact and without having to refer the matter to specialist staff; and*
- *exploiting the investment in ICT by streamlining processes and delivering for more for less in the service.*

The expected benefit of this recommendation is:

- improved service efficiency.

The implementation of this recommendation will have high impact with medium costs. This should be implemented by September 2006.

² Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 percent and high cost is over 5 per cent.

Recommendation

R2 Improve performance management within the service by:

- *identifying and collecting robust data for key performance indicators; and*
- *using performance data to drive improvements in service delivery and value for money.*

The expected benefit of this recommendation is:

- improved effectiveness of the service.

The implementation of this recommendation will have high impact with low costs. This should be implemented by September 2006.

Recommendation

R3 Review the Council's approach to the accessibility of the planning service by:

- *producing a wider range of easy to read guides on the planning service;*
- *making the guides easily available in different formats, for example as printed documents, electronically on the website, etc;*
- *make available to the public, staff who can comment on planning/building control/enforcement issues; and*
- *promoting the use of the website to applicants and potential applicant.*

The expected benefit of this recommendation is:

- improved accessibility of the service to all parts of the community.

The implementation of this recommendation will have high impact with low costs. This should be implemented by December 2006.

Recommendation

R4 Work with the Office of the Deputy Prime Minister to improve the speed of the development control activity.

The expected benefit of this recommendation is:

- faster determination of planning applications in line with national standards.

The implementation of this recommendation will have high impact and is mandatory.

- 11 We would like to thank the staff and Councillors of Newcastle-under-Lyme Borough Council who made us welcome and who met our requests efficiently and courteously.

Stephanie Cole
Jennifer Gilmour
Inspectors

Dates of inspection: 6 – 14 December 2005
Email: st-cole@audit-commission.gov.uk
j-gilmour@audit-commission.gov.uk

Report

Context

The locality

- 12 The Borough of Newcastle-under-Lyme lies in North Staffordshire at the northern end of the West Midlands region. It is bordered by Cheshire to the north, Shropshire to the west, and Stoke-on-Trent to the east. The borough is both urban and rural in character with approximately two-thirds of its 81 square miles being rural in nature. It contains two main towns, Newcastle-under-Lyme and Kidsgrove. There are good road and rail transport links, with both the M6 and the west coast mainline railway running through the borough.
- 13 The borough has a population of 123,000 with 3.5 per cent from ethnic minority communities – a low proportion when compared with the national average of 13 per cent and the regional average of 13.9 per cent. The population is predicted to reduce by 1 per cent by 2010 compared with an expected increase of over 4 per cent nationally.
- 14 There are currently eighteen conservation areas in the borough with a further two areas about to be designated. These areas have been identified as having special architectural and historic importance.
- 15 The traditional employment bases of mining, manufacturing, and pottery industries are in decline. This has left the borough with an environmental legacy of scarred and degraded landscapes with contaminated land, as well as the economic decline. The historic narrow employment base has also resulted in low skills, poor educational standards, and poor health in the economically active adult population. These characteristics, from the old coalfield communities, contrast sharply with the relatively affluent parts of urban Newcastle and the commuter belts to the south west of the borough.
- 16 The borough is attracting new industries with distribution and light manufacturing sectors now the largest employers in the area. Unemployment at 1.4 per cent is below the national average of 2.0 per cent, but average pay is 20 per cent lower than the national average. There is wide local variation in the levels of deprivation. Although overall the borough is not particularly deprived (scoring 138 out of 354 according to the index of multiple deprivation for 2004, where 1 is the most deprived), there are significant pockets of high deprivation; 13 per cent of residents live in the most deprived ward areas in the country.

- 17 These multiple factors (the condition of the urban fabric, the low skill level, and employment challenges) have resulted in parts of the borough being included in several regional and national regeneration programmes. For example, the borough is part of the North Staffordshire Housing Market Renewal Programme (Renew), the North Staffordshire Regeneration Zone (RZ), and the Knutton/Cross Heath Neighbourhood Management Pathfinder (NMP). All of these programmes provide significant opportunities to the locality in terms of funding for regeneration activities.

The Council

- 18 The Council comprises 60 councillors, elected in thirds with an election being held in three of every four years. It is currently led by a Labour administration – there are 32 Labour councillors, 14 Conservative, 12 Liberal Democrat and 2 Independent. The Council has adopted the 'cabinet and leader' model of governance where most decisions are made by the cabinet. The cabinet consists of a leader and five other portfolio holders representing community safety, regeneration and housing, quality of life, performance and resources, the environment, and social inclusion. All other councillors sit on the scrutiny committee. In addition, the Council has a number of committees that carry out specific functions, including a planning committee of 36 councillors which makes decisions about planning applications and other development control issues.
- 19 The Councillors are supported by a team of officers led by a chief executive and five heads of service. The Council employs around 700 staff across seven departments, with the planning service forming part of regeneration and planning services. The Council's estimated net budget for 2005/06 is £14.3 million, an increase of 6 per cent on 2004/05.
- 20 The Council was rated as 'fair' in the Comprehensive Performance Assessment (CPA) carried out in April 2004. The Council's contribution to the local strategic partnership and its work around regeneration were among the strengths identified, whilst there were key weaknesses in people management and performance management which had been a barrier to improving services. Planning service related weaknesses included the speed of process planning applications and the declining satisfaction with planning services.

The service inspection

- 21 The purpose of the inspection was to assess how the planning service is responding to its declining performance, its capacity to improve, and how it is supporting the regeneration of the area. The inspection covered the whole of the planning service - planning policy, development control, building control, and enforcement.

- 22 The Council is a planning standards authority for 2005/06 as assessed by the Office of the Deputy Prime Minister (ODPM) because of its poor speed of determining minor planning applications from July 2003 to June 2004. It is now proposed as a standards authority for 2006/07 for major and minor applications. The Government Office for the West Midlands (on behalf of the ODPM) is planning to work with the Council to improve the time taken to process planning applications and so the inspection has not examined this aspect of development control in detail.
- 23 The service inspected is an integral part of the regeneration and planning service and its organisational structure shows 32 posts to deliver the planning parts of the service. The gross budget for the planning service in 2005/06 is £1,655,779, an increase of 10 per cent since 2004/05. The service received a planning delivery grant allocation of £173,939 in 2004/05 and has been awarded £250,859 for 2005/06, included in the gross budget above.

How good is the service?

What has the service aimed to achieve?

- 24** The planning service has a key part to play in delivering the Council's mission '*to lead the Borough by developing a fairer, safer, more prosperous, and sustainable community*'. The corporate plan 2005 to 2008 expands on the Council's mission, identifying seven priority areas. It also shows how the mission and priorities link with the community strategy. The planning service has key contributions to four of the Council's priorities.
- Increasing prosperity and economic vitality:
 - increasing the mix and range of employment opportunities, particularly in the most disadvantaged communities; and
 - maintaining and improving the viability and vitality of our town centres.
 - Improving housing quality and choice:
 - improving access to housing for vulnerable people; and
 - working with our partners to improve the match of available housing to housing needs and aspirations.
 - Improving the quality of life and health of residents:
 - improving access to leisure and recreational facilities for disadvantaged communities and groups including young people and those in rural areas.
 - Improving the quality and sustainability of the environment:
 - working with our partners to improve the quality and sustainability of the environment and the image of the area generally.
- 25** The Council has a clear understanding of the economic and regeneration pressures that impact on the built environment and on the quality of life for residents. It is actively engaging with sub-regional partners to ensure that its actions are aligned to the emerging sub-regional regeneration agenda. For example, it is taking a lead with the Renew partnership in the Newcastle area. This partnership is aiming to balance the supply of housing; provide sustainable neighbourhoods; reduce outward migration from Stoke-on-Trent; improve the environment; and create wealth. The Council is also working with other local authorities to develop the North Staffordshire Core Spatial Strategy (NSCSS) to reinforce and deliver the regeneration aims.

- 26 Development in the borough is guided and controlled by the development plans. The Council is committed to ensuring it has a clear planning policy framework to facilitate appropriate development and adopted its Newcastle-under-Lyme local plan 2011 in 2003. The other relevant development plans are the Regional Planning Guidance for the West Midlands (adopted in 2004) and referred to as the regional spatial strategy), and the Staffordshire and Stoke-on-Trent Structure Plan 1996 to 2011 (adopted 2001, amended 2002). Although there is a flow between the general planning policies, as the plans were developed at different times there are some areas where the policies provide insufficient guidance. The council has been proactive in filling the housing policy gap with the housing clarification report.
- 27 The Council is responding to the changes in the planning system. The Government Office of the West Midlands (GOWM) has agreed the local development scheme (LDS) and the statement of community involvement has been submitted. The local development framework will replace the local plan in 2007 but, because the local plan is recent, the Council has saved many of its policies and these do not need to be replaced until April 2009.
- 28 The local plan shows an understanding of the dynamics and pressures affecting the area together with the impact these have. Its overall aim is *'to help the borough develop, in a sustainable way, to meet the needs and aspirations of its residents and businesses and improve the quality of life for all'*. It reflects the needs of the area, recognising the need to balance economic, social and environmental issues whilst adopting a positive approach to development, containing policies to manage this. Regeneration forms a core strategy in the plan, continuing the approach of regeneration that has been the cornerstone of planning policies in north Staffordshire for many years.
- 29 Recent national planning priorities are reflected in the local plan which also reflects and supports regional and sub-regional objectives. It contains policies that encourage biodiversity; minimise crime and the fear of crime; support the vitality of the town centres; and protect the natural environment.
- 30 The needs of minorities in the community are addressed through local plan policies. For example, the plan contains policies to deliver a mix of housing types including affordable housing and gypsy sites; policies to address the hierarchy of transport provision; and the need to ensure access for people with disabilities to buildings.

Is the service meeting the needs of the local community and users?

Access, customer care and user and/or community focus

- 31** The delivery of the planning function is not designed around the needs of users or the community. There is limited engagement with users to ensure that planning services are designed to meet their needs. For example:
- there is no planning user forum and no ongoing user expectation/satisfaction surveys in place to capture their views;
 - the results of the planning specific 2003/04 best value satisfaction survey were not used to improve areas of specific concern around the availability of advice and being kept informed of progress; and
 - the public are not permitted to speak at planning committee.
- 32** As a result, people may feel that their views are not important and may perceive that they are being prevented from putting their views forward.
- 33** Customer access to advice about the planning process is poor. In 2004, the Council set up a service contact centre in order to handle all first line contacts relating to development control, building control and enforcement. This was specifically aimed at increasing the time planning officers have to focus on processing planning applications rather than being aimed at improving access to advice, but it also limits direct access to planning advice, for example.
- Staff in the planning contact centre are only able to resolve a limited range of simple queries and are not allowed to handover more complex telephone queries to a planning officer for resolution. There is no duty officer system to handle this and so, in these cases, contact centre staff can only take a message and customers have to wait for a call back. There are no customer standards in place to make sure that this happens quickly.
 - Customers wishing to see a planning officer can only do so via a pre-booked appointment. There are only 25 half-hour appointments available per week, and customers typically have to wait for up five working days to see a planning officer.
 - There is no access to building control advice for most of the day as building control officers are only available to speak to or see customers between 9.00am and 10.00am on weekdays and there are no alternative arrangements to cover this.
- 34** Limiting the availability of advice in this way is influencing customer satisfaction and also restricts the Council's ability to influence the quality of applications submitted to them.

- 35 Access to advice about planning services via other means is also restricted.
- Although the Council produces a range of guidance, not all of these are accessible via the Council's website. For example, at the time of the inspection there was only one supplementary planning guidance note (space around buildings) on the website, and very little information available about other areas such as conservation, listed buildings and enforcement services. The Council has published guidance for landscape and open space provision and for social and affordable housing but it is not clear where this is available to users. As a result, the Council is not enabling customers to help themselves.
 - There is no written guidance in place for the application of section 106 agreements which aim to secure contributions from developers to mitigate the impact of new developments. This is important to ensure that the use of section 106 is viewed as transparent fair and consistent and to ensure that developers are able to take account of the likely expectations of the planning authority at an early stage.
- 36 The level of customer care provided is inconsistent. Staff in the planning contact centre have received insufficient training and as a consequence do not fully appreciate customer needs. For example, they do not routinely offer customers an alternative source of information such as the website. However, users find that once they do make contact with planning officers, the level of care and advice is good. Customers are therefore receiving a different standard of service.
- 37 The Council has a planning charter for customers (covering development control only) and a brief guide to dealing with planning complaints (covering enforcement activity for development control). There are no published service standards for other planning services such as building control or conservation. This means that users do not know what level of service to expect.
- 38 The style and language used in documents intended for Councillor and public use is inconsistent. Generally, public consultation documents attempt to simplify the subject matter to be understandable by most people and the statement of community involvement for the new planning framework identifies how some 'hard to reach' groups will be approached - via documents in Braille and working with young people. However, other aspects of the service and, in particular, the reports that go to planning committee are impenetrable to most non-experts. The use of jargon/technical terminology in these instances acts as a barrier. In other documents the Council has made little attempt to differentiate between householders and developers in designing communication appropriate to needs. In 2004/05, 36 per cent of planning applications received were invalid. The main reason for this was the requirement for additional information/clearer information. Good information and guidance provides a building block for improvement in this area.

- 39 The Council's website is improving on an ongoing basis. It now allows a good range of online facilities for people who wish to submit, view, track, pay for or comment on planning applications. There is also a facility to view a map of the application site but elevations of proposed buildings are not available for new planning applications as it takes around two weeks for these to be loaded onto the site. Currently, there are no facilities to view related historical planning applications, although this will be available shortly.
- 40 A key strength for the Council in meeting the needs of the community is the adoption of a positive approach to development. The Council has recognised the need to balance economic social and environmental issues and has sustainable development at the heart of its many planning policies. The focus for much of this is in the regeneration of the urban area. The planning service is delivered as part of the regeneration and planning department which recognises the synergies between the various functions. The Council's focus on regeneration is not at the expense of its rural communities. Here the Council is responding appropriately to differing needs, in particular, the protection of the green belt and provision of affordable homes for local people.
- 41 The Council is actively encouraging residents to be involved in new policies and plans. The statement of community involvement for the new development framework sets out how the Council intends to achieve this involvement and the planning service is using this to engage with communities. Examples of effective public involvement include the area action plans for Newcastle-under-Lyme town centre and for Knutton and Cross Heath. These have both been identified as areas where proposals for change are complex and critical to the affected communities. The approach to public consultation in these areas is robust and will enable the Council and its partners to develop plans that account for residents views.
- 42 At corporate level the routes to consult with hard to reach groups have been strengthened. There is more regular and formal consultation with for example the North Staffordshire racial equality council, Age Concern and youth forums.

Diversity

- 43 The Council is not sufficiently addressing the needs of all users. The 2004/05 performance data for access to Council buildings for people with disabilities put Newcastle in the 25 per cent worst performing authorities nationally. Despite the recent completion of improvements to the main civic offices, there are a number of areas which continue to be a barrier to access. For example:
- the development control reception is located on the first floor and, although there is a lift, access is via heavy double swing doors;
 - the reception points in the civic offices are poorly signed and are not designed to be wheelchair friendly; and
 - the public gallery in the Council chamber (where planning committee is held) has a level platform for wheelchairs but other members of the public are seated in tiered rows accessed by steep stairs with no handrail, some people would find this difficult to negotiate.

- 44 The Council has delivered diversity training for staff and this has resulted in a raised awareness of the potential needs of diverse groups. However, some of the Council's written policies do not account for different needs. For example, formal complaints and objections to planning applications must be submitted in writing. Although staff are willing to help with form filling, the limited access to these services will deter many people.

Service outcomes for users and the community

- 45 The Council is successfully protecting and enhancing the natural and built environment. It has delivered outcomes which have integrated economic, environmental and social issues in a consistent way, making a significant contribution to managing a sustainable quality environment. For example, it has facilitated the partial redevelopment of the Silverdale colliery site (which was in multiple ownership), delivering a business park for local employment with suitable landscaping but which required the developer to treat the contaminated land. This has achieved multiple objectives of removing contamination and dereliction whilst providing accessible employment on a brownfield site.
- 46 The Council is facilitating quality development which is sustainable in terms of design, location, and land use. For example, it has widened the borough's employment base by encouraging high tech employment development at Keele Science Park. The Council took care to ensure issues around listed buildings and historic parkland were managed within the context of delivering a 21st century design alongside the existing university, and one which is supported by an active green travel plan. This has resulted in sympathetic development extending the employment base of the borough, building on the academic expertise within the university.
- 47 The Council is successful in using the planning function to assist in providing new jobs and employment opportunities. It can demonstrate success in delivering major developments, for example the Lymedale business park completed in 2004/05, and provides 3,000 additional jobs. This development provides jobs which suit the current skill base of local residents and is planned to have easy access for walking, cycling and public transport. However, in complying with current national policy to limit car parking, the development has created a problem with parking on access roads restricting access particularly for heavy goods vehicles and it is not clear how this experience will be used to inform decisions in the future.

- 48 The Council understands the housing needs of the borough. It is working with partners, such as in the Renew partnership, to regenerate rundown housing areas through partial clearance and investment, for example in Knutton and Cross Heath. The Council is working with Renew to develop a master plan for the regeneration area covered by it. The Renew agenda has delivered eleven projects in Knutton and Cross Heath costing over £2 million, which includes £500,000 of environmental improvements, the clearance of 22 properties, 8 properties purchased under a voluntary acquisition scheme, and surveys on housing stock condition and housing needs. The foundations of plans and projects are now in place and these should deliver tangible outcomes over the next 12 months.
- 49 The Council is also meeting the needs of rural communities. It recognises the importance of the rural two-thirds of the borough, and seeks to ensure the sustainability of the rural communities while protecting the rural environment. There is a good balance with the different needs of surrounding rural communities. In particular the protection of the green belt, and provision of affordable homes for local people. Affordable housing has been built in rural areas where a need has been identified as, for example, the development on the edge of Audley village. In providing the right mix of housing the right locations, the Council is meeting the needs of residents.
- 50 The Council is supporting Newcastle town centre by encouraging a mix of uses through the day and evening to support its vibrancy and to maintain the retail function. For example, the new Warner cinema is in a converted building in the centre (previously used as a supermarket and car park) which adds to the vibrancy of the town centre. Design is a key issue as is the desire to protect the 'jewel in the crown'. An urban design contextual study is now providing better guidance on the quality of town centre development. The town centre is a conservation area and the Council is careful to ensure that any development is compatible with this.
- 51 There is good working across administrative boundaries. The Council works well with neighbouring authorities and partners to deliver good outcomes for the wider north Staffordshire community, for example the Surestart centre at Knutton which has an innovative design with a moss sedum roof; and the Chatterley valley scheme where the Council worked to deliver a joint solution with Staffordshire County Council and Stoke City Council. The Council has a close working relationship with Stoke-on-Trent, developing planning policies together. This joint working delivers improved benefits for residents.
- 52 The Council has a relevant and up-to-date planning framework to guide development in the borough. The local plan, adopted in 2003, provides current planning policies for the borough and reflects national, sub-regional and local priorities. There is little published supplementary guidance as the Council relies on the guidance provided by the local plan itself and does not consider that any additional guidance is necessary.

- 53 The Council is making good progress in preparing a local development framework. It responded quickly to the change in the statutory planning framework introduced in 2004 in which local plans, structure plans and regional plans are replaced with a local development framework (LDF) and regional spatial strategies. The local development scheme (the Council's project plan to deliver the new framework) has already been agreed by GOWM and it has a clear timetable with some key milestones. The service has a clear understanding of what the new development framework will contain with, for example, action plans for areas of need such as Newcastle town centre and the Knutton and Cross Heath residential area. This work will ensure that the regeneration initiatives and timescales are tied into the development framework. The progress on the new development framework will enable the Council to ensure that development is appropriate to the needs of communities and continue with regenerating the industrial area.
- 54 The Council seeks appropriate section 106 contributions. Section 106 agreements cover the usual range of issues such as highways, education, and open space. The Council recognises that the levels of contamination present on most of the brownfield sites are such that development is expensive and that there is little scope left to lever in additional benefit for the community. However, the return of contaminated derelict sites to safe use, such as at the Silverdale colliery site, is effectively a positive community benefit. The historical image of the area as a contaminated area is diminishing as a result.
- 55 Performance on managing planning applications is poor. The Council is proposed as a planning standards authority in two categories for slow speed of decision-making. Levels of delegation from the planning committee to the Development Control Manager are low at 85 per cent over the past two years, against a target of 90 per cent. Over half of those applications taken to committee are deferred, overturned, or delayed because councillors ask for a site visit. Internal systems and procedures also add to the planning officers' workload. For example, all planning applications result in the same format report as those going to planning committee. BVPI surveys show that satisfaction with the service is falling - when compared with other councils, satisfaction with the planning service has fallen from being amongst the best performing to being below the average (from best to third quartile). However, the Council performs well on appeals - relatively few applicants appeal and the Council is successful in 76 per cent of those appeals.
- 56 There is inconsistent performance against the service's own standards. It performs well at the start of the process (for example meeting its own standard to validate planning applications within three days of receipt) but performance in informing applicants of a decision following a planning committee is poor with only 12.6 per cent of applicants informed of the decision within the Council's standard of three days. Only 62 per cent of complaints about breaches in planning are informed of the outcome of their complaint in 15 days. The service does not publish its performance against charter standards although information is reported twice yearly to the planning committee and the committee reports are available on the website. Overall, it does not consistently deliver what it sets out to do within its planning charter standards.

- 57 The Council does not undertake routine compliance monitoring to ensure that what is built accords with planning permission. Its enforcement service is reactive - it responds to complaints from the public and will investigate if necessary. The enforcement officer seeks to resolve issues through negotiation rather than entering formal (and expensive) legal proceedings, although if negotiation fails then formal action will be taken. The reactive enforcement activity does not ensure that the quality of the built and natural environment is in accordance with the carefully developed statutory plans.
- 58 The building control service is stretched and has a pragmatic approach to managing its workload. This allows the workload to be matched to available resources and focuses work on essential components. So the building control service concentrates on plan checking and statutory inspections, achieving compliance with building regulations within timeframes. But it does not have the capacity to do additional value-added-work such as preventative work on-site. Also there is no mechanism for the building control service to work with the development control service to ensure that buildings comply with planning permission or that permission exists. The total focus on the pragmatic approach coupled with the limited resources available make it difficult for the building control service to add value to the built environment.

Is the service delivering value for money?

- 59 Comparison data shows that the Council does not provide a value for money planning service. The cost of the service per head of population is low compared to other councils, but this low cost reflects the level and range of service and is not an appropriate comparator to use on its own to assess value for money. The Council provides a limited service with, for example, limited compliance monitoring and a low level of enforcement activity, and it is slow to process planning applications. It receives fewer applications than other similar councils - in 2003/04 the Council received 33 per cent fewer planning applications than the national average for district councils (9.1 applications per 1,000 population as compared with the national average of 13.7).
- 60 The Council does not consider whether the service is providing value for money. It does not have timely and accurate financial or performance data. It does not have access to unit cost data or to costs of different aspects of service delivery. The service does not transparently assess the cost of staff or allocate accurate costs to the various aspects of the service - it is unable to identify how many staff contribute to the work of the service. Therefore, officers and councillors do not know whether the service represents good value and are not in a position to use cost data to improve service performance.

- 61 The Council cannot show that its partnership working is delivering value for money within the planning service. The service works in partnership with external bodies, particularly relating to regeneration. The Renew and RZ partnerships have levered in a significant amount of external regeneration funding and have provided funding for additional staff within the Council. However, the impact of these partnerships on the routine work of the Council is not well managed and they drain resources from the service, whilst regeneration work takes priority. Thus the operation of these partnerships does not improve the value for money aspect of the planning service.
- 62 Service operation does not result in a value for money service. The building control service is economic, taking a pragmatic approach to resource allocation, but it does not add value through preventative work whilst on site visits. The development control service is not efficient. The number of planning applications dealt with by each planning officer averages around 150 per year. According to ODPM guidance, this level of workload is not onerous but the Council continues to struggle to meet the required performance to process applications, indicating that processes and systems are inefficient. Whilst the input varies, neither aspect of service balances costs with high productivity and successful outcomes in an effective way to deliver value for money.
- 63 Service managers do not have the appropriate information which would allow them to review value for money. There are no processes to effectively review and improve value for money. Service reviews are not used as a mechanism to give improved cost-effectiveness or to give improvements in efficiency. The service plan sets some targets for service outcomes, but these are not effective in driving improvement.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 64** There has been no sustained improvement to key performance measures or value for money for planning services over the last three years with the exception of BV179 the percentage of searches carried out within ten days.
- Public satisfaction fell between 2000/01 and 2003/04 from 87 per cent to 71 per cent. Nationally, compared with other councils, this represents a fall from best 25 per cent performance to worst 25 per cent.
 - 2004/05 performance data shows that improvements to the speed of processing minor and other planning applications within government targets were insufficient to raise performance above the worst 25 per cent nationally. Performance fell back further for major applications processed within government targets and this too was in the worst 25 per cent compared with other councils. There has been some recent improvement to the speed of processing other (mainly householder) planning applications since April 2005. If sustained, would meet the government target of 80 per cent processed within eight weeks.
 - The service budget is growing at a rate above inflation and the service is not looking at making efficiency savings in line with 'Gershon'.
 - The Council performs comparatively well on the percentage of development taking place on previously developed land (brownfield). However, this would be commensurate with the post industrial character of the borough.
- 65** The introduction of the planning contact centre in 2004 was specifically designed to deliver improvements to the speed of processing planning applications. Whilst this has addressed the backlog of applications from 2004 and improved the speed of processing other (mainly householder) applications, it has resulted in a deterioration in customer service. Although more telephone contacts are being answered, developers and agents perceive the call back system to be ineffective and not responsive. The impact on the quality of applications submitted has not been assessed, so the Council does not know if restricting pre-application advice is affecting the delivery of quality development on the ground.
- 66** Recent investment in planning services is significant. The investment has significantly increased the number of services that are now e-enabled. Comparatively, the Council's performance in this area has improved from the worst 25 per cent nationally in 2003/04 to above the median in 2004/05. The Pendleton survey (an assessment of specific functionality of all councils planning websites) has the Council a comparatively good score of 17 (out of 21). However, the service has yet to benefit from this investment. The number of planning applications submitted via the website as of December 2005 was 6 (out of around 1200 submitted annually). The Council held agents' briefings on the online service, but it is doing little else to encourage use of the online service.

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- 67 The Council has responded positively to the Renew agenda for the sub-region and has invested significant Councillor and officer time since its creation in 2003. The foundations of plans and projects are now in place and these should deliver tangible outcomes over the next 12 months. The Council and its partners have gained the support of 70 per cent of residents for the area action plan as the plan for Knutton and Cross Heath has been developed. Support from the majority of residents provides a sound building block for delivery.
- 68 The planning service has a good track record of delivering its strategic plans to programme. The local plan was adopted in October 2003, and places the Council in a favourable position compared with many others. It is also making good progress with the delivery of the local development framework and more specifically, area action plans for the areas of major intervention.

How well does the service manage performance?

- 69 Overall, planning services improvement planning is weak. Current plans fail to balance the relatively strong position of the strategic planning function with the day-to-day delivery of planning through development control, building control etc. The focus for improvement within these delivery services is to increase overall staff numbers, and as a consequence baseline costs have risen. There has been no assessment of the effectiveness of the service or of the resources needed to deliver it. Also the Council has not assessed whether the resources and costs for the strategic planning function are commensurate with service and Council priorities, and whether more flexibility would be beneficial.
- 70 The Council does not ensure that benefits are delivered from capital investments. The business case for investment decisions does not always identify all the potential benefits or efficiencies. For example, a project to allow all historical planning applications and building control records back to 1947 to be available online only quantifies the potential release of building space as the key benefit. The business case did not consider how much officer time is spent looking through archives to trace historical records or identify the potential savings in staff time when records can be accessed directly via an online system. The delivery of efficiency and improved value for money is therefore not at the heart of such investments.

- 71 The Council has strengthened the corporate performance management framework but the management of performance in planning services is not evident. The performance management framework (the tools available) consists of a number of regular and monthly and quarterly reports to senior officers and Councillors. This includes a 'dashboard report' to cabinet with high level indicator performance, commentary on variances from planned performance and any actions to remedy the situation. The application of this framework is not effective. For example, the October 2005 report did not establish why corporate telephone performance is below the Council's target figure and the suggested remedial action is to 'continue to monitor'. In the planning service, poor performance for determining minor applications is put down to staffing problems. The cabinet are not presented with supporting information such as volume received or productivity outputs per member of staff to establish the validity of this claim. This limited use of performance management is not sufficient to drive improvement in the service.
- 72 Performance monitoring is established for parts of planning services, but not consistently throughout the service. Whereas the development control service has a good range of performance measures that are reported regularly to senior managers and Councillors; this is not the case for building control, conservation, GIS administration or strategic planning. This has led to some services like building control being invisible to senior officers and Councillors, and a lack of understanding of the service quality, cost or productivity of others.
- 73 There is a lack of clarity and commitment to the Council's plan to create a corporate customer contact centre. Plans are not well understood by planning staff. Beyond the headline, staff are not clear about the potential impact upon the planning service or staff currently employed in the planning contact centre. Senior officers have serious doubts about the ability of non technical staff to deal with planning contacts. This scepticism is a significant barrier to the success of this key project.
- 74 The Council has demonstrated community leadership in its commitment to regeneration programmes such as Renew, Regen and the Neighbourhood Management Pathfinder programmes. These are providing a clear focus and vision for the planning service which aspire to make a real difference to local people and are being translated into local and sub-regional planning policy. On a practical level, the Council stepped in to improve the consultation process with residents of Knutton and Cross Heath. This resulted in a good level of buy-in to the proposed plans for the area and enabled residents concerns to be heard. The plans have secured significant community benefits for example, a £15 million health centre and 60 bed extra-care scheme due to commence in autumn 2006.
- 75 The Council has an up-to-date local plan but also has a good understanding of gaps in planning policies and has a prioritised programme of development in place. These include developing clearer design guidance for Newcastle town centre, conservation assessments and housing policies that better reflect the sub-regional needs. This will enable the planning process to deliver outcomes that sit with sub-regional aims and priorities.

Does the service have the capacity to improve?

- 76 The impact of the regeneration programmes in the area has brought significant external funding opportunities for the area but has resulted in a drain on the Council's councillor and officer capacity. Although the Council receives external funding for some specific staff posts, this does not sufficiently compensate for the input from senior officers, councillors or support services such as personnel.
- 77 The size of the planning committee and scrutiny committee does not make efficient use of the Council's resources. Currently all councillors who are not cabinet members only sit on the overview and scrutiny committee and 36 councillors sit on the planning committee. This means that the training and servicing of these large committees is onerous and decision-making more complex. Delegation from committee to officers is comparatively low (at 84 per cent) and so a significant proportion of applications are reported to committee. Over half of the reports result in deferral, a request for a site visit, or the recommendation being over-turned. In addition, some councillors consider that the size of the planning committee leads to meetings that are too long and recognise that it is difficult for to ensure all councillors fully understand the applications they are considering. These factors combine to sap the capacity of the organisation and make processing applications inefficient.
- 78 The working practices do not make effective use of existing resources. The response to new requirements is to set up meetings resulting in frequent meetings on a range of issues, often with the same people attending. It has recently set up a councillor liaison group to review major planning applications at the pre-application stage, but has not reviewed the current range of working groups, project teams or partnership involvement taking place. This results in some officers feeling stretched, takes attention away from day-to-day service delivery, and contributes to delays in processes.
- 79 The Council is not making the best use of its staff by setting the level of authority/delegation low. There is close supervision of staff resulting in staff who do not feel empowered to make decisions, having to refer matters to more senior staff or to councillor groups for authorisation. For example, the ICT working party must refer all proposed ICT spend of over £5,000 to the councillors ICT monitoring board. This is inefficient use of councillor and officer time, and does not recognise the skills and ability of Council staff.
- 80 Capacity in the development control function is hindered by the inability of the Council to retain and recruit qualified staff to vacant posts. Staff turnover in this area has increased recently and currently there are three vacant posts on the structure. The position is further hindered by the lower salary rates offered at Newcastle-under-Lyme Borough Council compared with neighbouring authorities, and the outcome of job evaluation which has resulted in reductions to some staff pay scales. The Council has yet to agree a way to fully address this situation.

- 81** Alternative service delivery options including outsourcing or partnerships have not been fully explored. Negotiations were started with Stoke-on-Trent City Council in 2003 to jointly deliver the building control service but these were not successful. There has been little exploration of how other parts of the service such as development control could be delivered other than through the Council's own staff. To date, specialist areas have been covered by the procurement of agency or consultancy services which can be an expensive option.
- 82** The structure of the planning and regeneration department does not make best use of available resources. Recent changes approved provide a clearer focus on performance management and provides a more flexible support resource. However, the new structure has not been built around a robust assessment of workload and has in it several 1:1 reporting lines and up to six tiers of seniority which is not deemed to be best practice.
- 83** The Council has recently approved the investment of additional staff posts to address some areas of known weakness. This includes 2.5 posts in building control, a senior enforcement officer, and a trainee planning officer. Also, at corporate level, there is an additional post of a new solicitor and plans to create a corporate enforcement team to build capacity. In addition, the Council intends to mainstream posts currently funded through planning delivery grant or other external sources.
- 84** The process of job evaluation does not appear to have had a significant negative impact upon staff morale, despite many staff in planning being adversely affected by the change. Although it is early days, and all of the appeals have yet to be conducted, staff commitment is generally high and sickness levels corporately have improved since 2004/05. The Council is currently forecasting an outturn of 9 to 9.5 days/employee for 2005/06 compared with just over 11 days/employee in 2004/05.