

Environment - Planning and Regeneration

North Tyneside Council

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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.

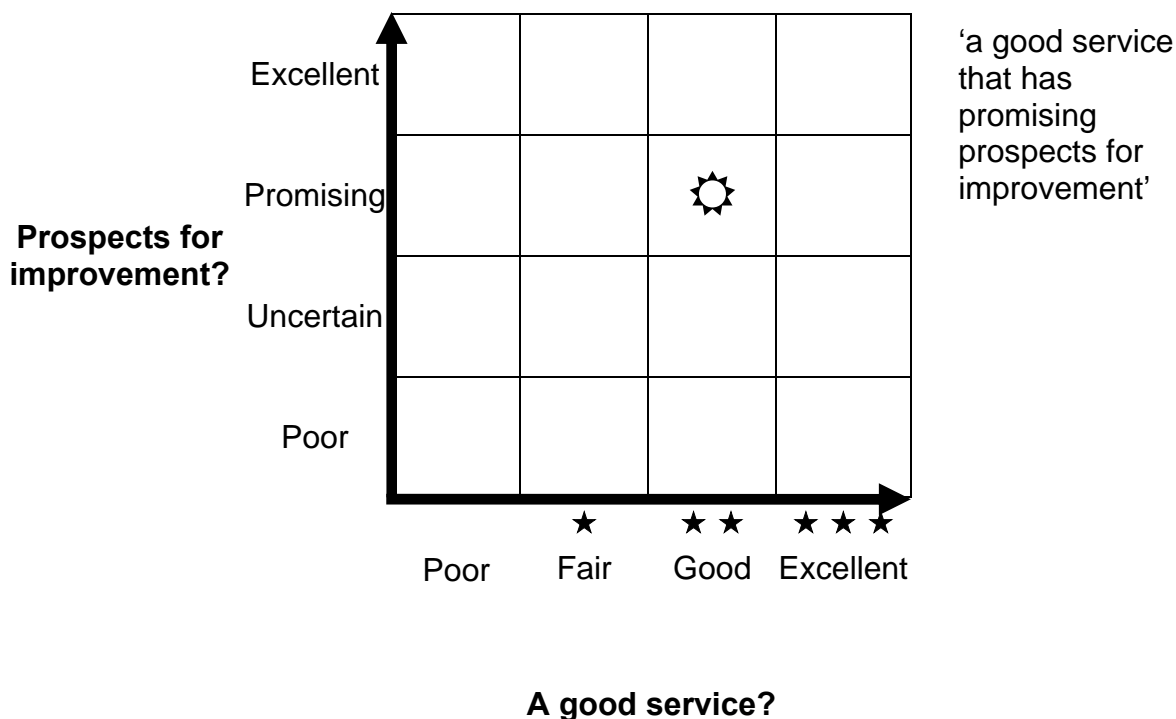
Summary

- 1 North Tyneside Council is delivering good planning and regeneration services with promising prospects for improvement.
- 2 The Council has clear aims for the service with a consistent hierarchy of strategies and policies to deliver the Council priority to regenerate the borough and close the gap between the affluent and deprived areas. However, specific proposals and the Council's overall approach to regenerating the borough are not always communicated clearly to communities. This is important as there are still many local action plans to be developed with communities.
- 3 The Council has contributed through its plans, investment and working with other organisations to deliver significant regeneration projects and is exceeding targets set for providing learning and employment opportunities and business start ups. It is also meeting targets for new build housing but has yet to evidence the affordable housing needs of the borough.
- 4 The service can demonstrate a track record of delivering significant improvements in recent years and has received national awards for involving communities in developing proposals. Planning performance is generally above average with particularly good improvement in the time to determine planning applications, where performance was at the level of the best 25 per cent of councils in 2004/05. However, the number of appeals against planning decisions and the percentage of appeals allowed rose to above average in 2004/05.
- 5 The service provides a wide range of information, standards of service are stated in a development control charter for customers explaining the planning process, and the Council provides a range of material to guide prospective developers. Services provide value for money in comparison with other authorities and satisfaction with the service is improving, however, the Council has not reviewed the cost effectiveness of the services to achieve efficiency savings.
- 6 There is strong corporate and political support for the service. Investment in resources and management has improved the service's capacity and there are good calibre staff who are committed to delivering improvements through partnership working. The development team approach is being formalised to ensure commitment from all Council services involved in assessing planning applications.
- 7 Managers have good information to monitor and manage service performance. However budgeting and financial control is not effective in some areas of the service. The Council is currently streamlining performance indicators and reporting and establishing improved project management arrangements.

Scoring the service

- 8 We have assessed North Tyneside Council as providing a 'good', two-star Planning and Regeneration service that has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

Table 1 Scoring chart¹



Source: Audit Commission

- 9 The service is a good, two-star service because:
- a clear and consistent hierarchy of strategies and policies are in place to deliver the Council priority to regenerate the borough;
 - the implementation of the Unitary Development Plan (UDP) has delivered some significant regeneration projects exceeding targets for learning and employment opportunities and business start ups, all contributing to reducing the level of deprivation in the borough;
 - good engagement with residents and businesses is driving improvements in the borough, recognised by national awards for community participation;

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.

- there is good involvement at a regional and sub-regional level;
- the service provides a wide range of information, standards of service are stated in a development control charter for customers, which explains the planning process, and the Council provides a range of material to guide prospective developers;
- performance is meeting targets and generally above average, particularly for the time to determine planning applications, in 2004/05 performance was in the best 25 per cent of councils for minor and other applications; and
- the service is providing value for money comparing cost and performance to other similar Councils.

However:

- production of the Local Development Framework has been delayed to allow additional consultation on the Community Strategy;
- affordable housing needs in the borough are not being achieved;
- the number of appeals against planning decisions and the percentage allowed rose to above average in 2004/05;
- communication of proposals including feedback following consultation is not always effective; and
- the Council has not reviewed the cost effectiveness of the services to achieve efficiency savings.

10 The service has promising prospects for improvement because:

- the service can demonstrate a significant track record of delivering improved performance in recent years and satisfaction levels are improving;
- future plans for the service are clear, robust and deliverable, based on a wide range of consultation and assessments to develop strategies;
- there is good performance management in the directorate and the Council is refining performance indicators and reporting;
- the service responds to customer feedback and external challenge to improve poor performance;
- the service has good calibre staff committed to delivering improvements to the borough through improving their performance; and
- there is strong leadership of the Council and leadership capacity of councillors and officers is being developed.

However:

- some development strategies are not yet in place;
- there is not always commitment from all council services to a development team approach;

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- some councillors do not have a corporate approach, optional training courses are poorly attended; and
- there is a need for improved resource management to demonstrate value for money and there are still high sickness levels in some service areas.

Recommendations

- 11 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 Improve communication of the Council's overall approach to regenerating the Borough.

- *Raise the profile of the Sustainable Development Strategy developed by the service to clarify roles of the Council and others involved in regenerating the borough.*
- *Ensure that councillors are briefed or trained to understand and communicate the Council's corporate approach in response to queries and complaints.*
- *Ensure clear timetables for proposals are communicated to the public.*

The expected benefits of this recommendation are:

- improved effectiveness of partnerships;
- better community leadership and increased community involvement; and
- improved management of community aspirations.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within three months.

Recommendation

R2 Expand the value for money assessment of core services delivered by the Council through analysis of the benefits of expected outcomes from decision-making and investment against the costs of providing the service.

The expected benefits of this recommendation are:

- greater focus on the impact of money invested in the service on outcomes for residents;
- focus on service efficiency; and
- increased efficiency of services.

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.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within six months.

Recommendation

R3 Progress the development of strategic plans and performance indicators to identify a clear way forward and address particular issues within the service.

- *Clarify and respond to affordable housing needs of the borough.*
- *Identify actions to reduce level of appeals.*
- *Ensure all service areas are committed to a development team approach.*

The expected benefits of this recommendation are:

- increase awareness and improvement in low performing areas of the service;
- improved outcomes for residents;
- more efficient services; and
- clearer target setting.

The implementation of this recommendation will have medium impact with low costs. This should be implemented within six months.

Report

Context

The locality

- 12 North Tyneside is one of five Tyne and Wear authorities. It borders urban Newcastle, the coast, the river Tyne and Northumberland. The borough has no single major centre but comprises a series of individual settlements linked by a strategic highway network and an extensive Metro light rail loop. The A19 trunk road provides north/south links to the national network although the Tyne Tunnel is a restricting factor at peak times. Settlements in the northwest of the borough function largely as suburbs of Newcastle.
- 13 North Tyneside has a population of 190,700. This has fallen by 0.7 per cent since the 2001 Census, but, contrary to the anticipated trend elsewhere in the region, it is forecast to rise. In 2001, 1.9 per cent of the population were from a Black or Minority Ethnic (BME) community. The 2004 Index of Deprivation puts North Tyneside at 80th, no longer amongst the most deprived areas nationally and the least deprived in Tyne and Wear, but it has wide variations in the levels and concentrations of deprivation.
- 14 Unemployment, at 2.9 per cent in December 2005, is the only deprivation indicator in which the Council is in the lowest 25 per cent nationally. It is lower than local averages but in some wards the rate is much higher, up to 11.6 per cent. An expanding service sector is creating employment opportunities, most notably on the A19 corridor business parks and access to this and job opportunities elsewhere in the region from existing settlements is important.

The Council

- 15 In 2002 the Council adopted the elected Mayor model and introduced a Chief Executive position. A new Chief Executive was appointed during 2005 and in May 2005 there was a change in the political leadership of the Council with the election of a new Labour Mayor and Labour Cabinet. Of the 60 councillors, 28 are Conservative, 23 are Labour, 7 are Liberal Democrat and 2 are Independent Labour. Significant progress on all the corporate assessment themes resulted in the CPA categorisation improving from 'poor' in 2002 to 'fair' in 2004.
- 16 The Council is led by the Elected Mayor and a cabinet of the Deputy Mayor and seven Portfolio Chairs. There is a single Overview and Scrutiny Committee with six sub committees covering budget monitoring, corporate, education, housing, environment and health. The Council Plan 2005/06 sets out the Council's five priorities:
 - creating positive futures for children and young people;
 - promoting health and well being;
 - regenerating the borough;

- ensuring fair access to efficient services that meet the community's aspirations; and
 - developing safe, inclusive and neighbourly communities.
- 17 The Council employs 9,500 staff and net revenue expenditure in 2005/06 was £235.4 million. A recent restructure of the Council workforce has resulted in a corporate management team of the Chief Executive and four strategic directors responsible for: organisational improvement; community services; children, young people and learning; and development. Appointments at this level have been completed however formation of the directorates is still to be finalised.

The Council's planning and regeneration service

- 18 The planning and regeneration services are in the Environment, Regeneration and Housing (ERH) directorate, but under the planned restructure will be part of the new Development Directorate. Regeneration is one of three sections in the ERH directorate and planning services are part of the Environment section.
- 19 The regeneration service area has responsibility for the following areas:
- Business and employment - 24 staff, 11 externally funded;
 - Renaissance - 8 staff including 4 Area Regeneration officers;
 - Safer communities - 11 staff, 7 externally funded by the Home Office;
 - Strategic regeneration - 19 staff, 3 externally funded; and
 - Urban renewal - 5 staff.
- 20 The planning service is delivered by 48 staff and is responsible for policy, implementation and development control.
- 21 The 2005/06 net budget for regeneration service was £1,529,341, an increase of 24 per cent on 2004/05. The planning and development control net budget of £1,442,236 was a decrease of 9.5 per cent due to readjustment of support services following a significant increase the previous year linked to a major Council reorganisation from 16 departments to four directorates. Increased budgets set for 2006/07 are £1,667,928 for regeneration and £1,751,636 for planning and development control.

National context

- 22 The Urban White Paper published in 2000 emphasised the importance of sustainability and regeneration of communities. The Government set out its strategy for building sustainable communities in 'Sustainable Communities - Building for the Future', published in February 2003. It has updated Planning Policy Guidance in the light of the White Papers to give priority to development on brown field sites, achieving higher density housing, sustainable transport policies, increased protection for town centres and better urban design. Planning Policy Statement (PPS) 1 sets out how planning authorities should seek to achieve, through their plans, the aim of sustainable development.

23 Legislation to reform the planning system, the Planning and Compulsory Purchase Act 2004, was enacted in May 2004 and into force in September 2004. The main points are:

- Regional Planning Guidance will be replaced by statutory Regional Spatial Strategies;
- the Unitary Development Plan will be replaced by a Local Development Framework (LDF), which will include area action plans and should be in conformity with the Regional Spatial Strategy (RSS) and is the spatial expression of the community Strategy;
- a Statement of Community Involvement will set out benchmarks for community involvement;
- processing of planning applications will be made more efficient by increased delegation and standardising and streamlining procedures and consultations;
- communities will be helped to participate more in the planning process;
- the enforcement system will be reviewed to make it more effective;
- Best Value targets will be reviewed and the emphasis on outcomes increased; and
- extra resources will be put into the planning service, subject to performance against best value targets.

How good is the service?

What has the service aimed to achieve?

- 24 There is a clear hierarchy of plans which align the service aims to the corporate aims of the Council and the Community Strategy, and action plans in place to deliver the service aims. The Council Plan 2005/06 sets out five priorities linked to the Community Strategy; one of the five is 'regenerating our borough' with the challenge to close the gap between affluent and deprived areas of the borough. Service aims and priorities are identified in directorate and service plans and reflect community and user needs informed by relevant data and extensive consultation.
- 25 The Unitary Development Plan (UDP), adopted in 2002, remains aligned with the priorities of the Council and in particular to 'regenerate our borough' and remains valid until September 2007. The UDP has links to other corporate, regional and sub-regional documents including the Community Plan, Regional Economic Strategy and the Tyne and Wear Economic Strategy. There are four main regeneration strategies from UDP policies covering coastal, riverside, the A19 corridor and Weetslade in the north west of the borough. The Local Development Scheme (LDS) adopted by the Council in March 2005 provides the timetable for production of the Local Development Framework (LDF) and the Statement of Community Involvement (SCI) was adopted in December 2005.
- 26 The service vision is 'to deliver services that make a visible and sustainable difference to the quality of life in North Tyneside' and aims by 2020 to increase prosperity of North Tyneside and develop and promote the area. The service is working to the current UDP but a key objective for the Council is to establish a strategic framework for economic regeneration with key milestones being the production of: an LDF core strategy; three Area Action Plans for the LDF; and finalising the Economic Regeneration Strategy and its delivery plan.
- 27 A priority for the service is the production of the Economic Regeneration Strategy and its Delivery Plan. These have been developed alongside a review of both the Community Strategy and the Council Plan. The delivery plan has two levels of targets: those shared with partners and those that can be delivered by the Council. These targets are consistent with those in Public Service Agreements, Neighbourhood Renewal programmes, Local Area Agreements and the Community Plan documents and include targets to close the deprivation gap within the borough.
- 28 Wallsend, North Shields and Whitley Bay town centres have been identified as priority areas for action plan preparation in the LDS. Area Action Plan programmes for the three aim for adoption between August 2008 and June 2009.

- 29 The draft Sustainable Development Strategy provides a framework to make everyone (Council, partners and residents) aware of their roles in regenerating the area and the need for a co-ordinated approach to bring about economic, social and environmental improvements in the borough. This strategy and the Economic Regeneration Strategy will be key drivers for the Council and its partners to deliver the long term aims of the Community Strategy.
- 30 Service aims reflect regional and sub regional priorities identified in the Regional Spatial Strategy, Regional Economic Strategy and the Tyne & Wear Economic Strategy. The Council has increased its involvement in regional and sub regional activities with other authorities including leading the transport case for Northern Way/ City Regions and representing Tyne & Wear on the Regional Transport Board. Shared sub-regional regeneration objectives include the A19 corridor, the TyneWear Partnership (TWP), the Coastal Regeneration Strategy, the River Tyne Strategy and the Tyne & Wear Together (TWT) partnership aiming to take a sub-regional approach to issues of worklessness.

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

Access and community focus

- 31 The needs of citizens are at the heart of design and the service is increasing community involvement in regeneration services. The Council has comprehensive information about its communities obtained from various consultations, from statistical data and from area regeneration focus groups established to focus on specific issues. The Council involvement in the 'Design Know How' initiative with Northern Architecture, the North East Civic Trust and local residents to produce the Fish Quay plans was recognised by GONE as an 'excellent' early example of community participation that the government is looking for in planning reform.
- 32 At a strategic level the Council has recognised the need to balance economic, social and environmental issues and achieve sustainable development. This is reflected in the Unitary Development Plan (UDP) and the associated guidance and advice documents that are provided to direct applicants about their proposals for development. The documents also provide details for local people about the overall principles within which development will be carried out across the borough. The planning and regeneration information provided to local people and developers is consistent with the intentions of other corporate and regional strategies and this ensures that development across the area is appropriate for local and regional needs.
- 33 The Council works closely with residents to ensure they are involved with decision-making about their local community. Proposals discussed at area forums have led to community groups leading consultation for improvement. In Whitley Bay, the local high school led consultation with all other schools in the area about improvements to the local environment. Feedback led to the development of a skate park in the area.

At Battle Hill, two schools carried out joint consultation and produced proposals for environmental improvements as part of the Wagonways project, these were completed to resident's satisfaction.

- 34 However, not all consultation is effective or communicates a clear message. For example, the Council used a tour bus to engage with 600 local people in Whitley Bay to discuss redevelopment. Feedback was incorporated into the proposals and a further tour bus event was used to inform 1,000 local people of the final scheme, which met with general approval. However, some local residents consider that the political differences in the Council stops progress, particularly in relation to regeneration proposals for Whitley Bay which have been ongoing for a number of years.
- 35 The Council is engaging effectively with local businesses to identify and address their needs. The regeneration of the Fish Quay and North Shields town centre have included working with local businesses to identify needs and priorities and discuss what regeneration should include. Communications include sending 2,000 newsletters to tell local business people and residents what is happening in their area. The newsletters help the Area Regeneration Officers provide information to small local businesses that would otherwise feel isolated.
- 36 The planning and regeneration services are accessible and responsive to the needs of local people and developers, providing service users with clear and timely advice. A development control duty officer is available to deal with enquiries and out-of-hours appointments are offered to developers. Good quality information is provided in Council office reception areas where there are exhibitions and displays with computer access and language-line facilities. Leaflets and other guidance and advice documents are provided for local people in a style that is easily understandable. They are available in large print and in languages other than English.
- 37 There is a comprehensive web site that provides information about planning policies and processes. It allows applications to be made on-line and maintains all planning details including reasons for decisions. The website clearly signposts planning information and links easily to other relevant planning bodies. Computers are provided in planning reception and libraries which allow public free access and planning is now the second most used website in the Council.
- 38 Service standards are clear and comprehensive, based on a good understanding of local need. The service has used feedback from users and survey information to inform the corporate plan and the community strategy's 'North Tyneside Our Vision for 2020'. It has also contacted groups at risk of exclusion. These have included BME communities and young people, through initiatives such as a 'making a difference day' at a local high school which contributed to conservation planning.
- 39 The Council has clear documented procedures for working with developers that include the provision for pre-application consultation and, where necessary, a development team approach. This involves the Council working with the developer and other stakeholders including community groups and other Council departments.

These groups often address any legal agreements required to pursue the application such as Section 106 developer contribution issues. The Council is introducing a more formalised development team approach to ensure all development team members take a positive and open approach to other stakeholders.

- 40 The Council provides clear advice and information about the development control service. The various guidance and advice provided by the Council give applicants a clear indication of what the Council requires from an application. It provides 12 advice notes that deal with issues ranging from making an application, speaking at committee and staff conduct. The Council provides clear pre-application advice through 30 policy advice notes including access, noise and multiple occupations that provide material planning criteria to be taken into account when considering individual proposals. Gaps in written information include the promotion of sustainable materials, resource use and maintenance in design.
- 41 The Council also provides supplementary design guidance for developers and works with other Tyne and Wear Councils to produce conservation and listed building advice. It also produces development briefs for appropriate developments and urban design advice is offered. The success of this approach has been shown by a number of design awards including the RTPI Town Regeneration award 2005 for Tynemouth Heritage Scheme, for work with residents, businesses, English Heritage and amenity groups to produce a community led village character statement for the Tynemouth Conservation Area.
- 42 The development control process is transparent and involves local people. The Council has a code of practice for councillors and officers and there is evidence that this is followed when planning decisions are reached. For example, councillors on the Planning Committee declare any interests at the start of meeting; and do not discuss planning applications with third parties or applicants prior to formal determination. Probity and planning training is mandatory for all councillors before they can sit on Planning Committees and they display a good understanding of planning and probity issues when debating planning decisions. All planning application decisions are accompanied by clear reasons and include information provided by local people.
- 43 The Council has appropriate arrangements for consulting, engaging and communicating with users and non-users. Planning meetings, held early evening, are convenient for local people and users have the opportunity to address planning committees. The Council uses a range of different consultation approaches. Services work with the corporate communications team, and the service's Area Regeneration Officers have a key role in maintaining contact with communities and businesses through daily contact and four regeneration focus groups, established to focus on specific issues. The Council is also gaining the views of non service users through a planning application neighbour consultation survey.
- 44 Community strategy consultation by Area Regeneration Officers in non neighbourhood renewal areas is reaching those at risk of exclusion. The Percy Main strategy was produced and the village forum produced a draft delivery plan as part of a community action day initiative, which included Age Concern.

The work changed the Council's priorities for the area and helped to break down barriers between young and older people who both expressed concerns about feeling safe. Issues were referred to the community safety group for actions to be taken.

- 45 The Council is making good efforts to engage with young people to provide facilities that meet their needs. It is working with Planning Aid NE and the Education Business Partnership, to develop 'Community Planning Forums for Young People' and raise awareness of local neighbourhood issues. The Council contributed to an education pack for conservation planning which was aligned with primary education curriculum. Following an initial meeting with the Whitley Bay High school Council about getting information across to young people the service has held an event for two representatives from 15 schools for them to feedback to their own school.
- 46 The Council is making slow progress to address diversity issues throughout the organisation. It has approved a Corporate Equality Policy and a Race Equality Scheme and is on programme to achieve Level 2 Equality Standard by March 2007. Policy documents have been informed by consultation with diversity groups and an Equalities Task Group includes diversity champions from each service area. Equality Impact Assessments (EIAs) are programmed across the Council. Within the planning and regeneration services diversity champions have been appointed, staff awareness sessions have started and programmes for EIAs are being agreed. Interpreters, hearing loops, accessible facilities and sign language interpretation are all available for Council meetings if required. All these were used at the recent Whitley Bay EIA two day consultation event, to increase involvement of all members of the community.
- 47 The planning service addresses diversity issues through its policy documents and comprehensive engagement. The UDP includes policies on affordable and special needs housing and access for all is promoted in a specific pre application advice note to focus development in areas where those members of the community without their own means of transport can easily access services.

Service outcomes

- 48 The Council is delivering most of what it has promised. Within the framework of the corporate and LSP priorities and the requirements of the UDP, the planning and regeneration services have a clear focus on what they are required to achieve. The UDP identified various targets such as provision of employment land and increased housing to satisfy the requirements of the local community and the Council has completed most of these in accordance with its proposals and is expecting to achieve the remainder within the stated timescales.
- 49 The Council is achieving its target for the provision of employment land. All but two of the identified allocations in the UDP are being developed and the Council is working with partners to address the constraints that will enable the development of these two sites to progress. The developments provide a wide range of facilities and cater for a wide range of commercial, retail, recreational and service businesses.

The Council has managed the development and take up of the employment land allocations to provide facilities that mostly match the local skill base.

- 50** The Council has worked well with some local businesses to relocate them in more appropriate locations, such as moving riverside businesses at North Shields to more appropriate and easily accessible industrial estates. This has freed up land for more appropriate tourist related businesses and attractions.
- 51** The Council and its partners have been successful in developing the A19 corridor which is the largest development in the borough and has already generated over 15,000 jobs since 1996. It has received over £1.5 billion private sector investment and the Council has contributed to its development in a number of ways including various funding mechanisms such as SRB and working with the businesses and developers to secure land. It contributed £1.5 million towards the development of the Route 19 bus service to serve the area and connect it to a new metro station. The Council also refurbished former wagonways to provide pedestrian and cycling access for workers. These initiatives are evidence of the Council's effectiveness in working with others to improve employment prospects for local people.
- 52** Third quarter 2005/06 reports show business and employment year end targets are being exceeded. An example is 363 learning and employment opportunities against a target of 240 for the year. The Council's consultation with local businesses is helping to identify and address skills shortages. Using support funding such as SRB the Council has introduced training programmes for traditional trades for the building industry and has worked with incoming businesses to provide bespoke training to satisfy the demand for new skills such as call centres. A new curriculum for 14 to 19 year olds now includes vocational training for 60 students and a local business has guaranteed ten places from those who successfully complete the course.
- 53** The Council has been successful in providing housing to suit local needs in a number of different ways.
- Housing development is provided as part of wider redevelopment to regenerate areas such as Killingworth town centre, which has seen comprehensive improvement to social, leisure, retail and a customer service centre with improved transport facilities. The high density housing associated with the development suits local demand and residents are well served with a wide range of facilities.
 - Housing supplements existing provision in villages such as Backworth and Shiremoor as part of the reclamation of former mining dereliction.
 - Following consultation with local businesses and residents at Battle Hill the Council has approved a redevelopment proposal to swap the position of houses and retail facilities to improve the viability of the area and improve services for local people.

- With the aid of SRB funding the Council has been able to redevelop areas that were experiencing social deprivation such as Longbenton, where it has refurbished difficult to let housing and demolished others as part of a comprehensive programme to improve housing and the wider social wellbeing of local people. The project addressed sustainability issues such as improving employment prospects of local people, including young people.
- As part of the regeneration of town centres such as Wallsend and North Shields the Council has encouraged and approved the redevelopment of many run down buildings as well as appropriate in-fill developments. These developments have improved the overall appearance of the areas.

- 54 The Council is not meeting affordable housing needs in the borough. The planning committee consider affordable housing in reaching decisions and the Elected Mayor has introduced a target of 10 per cent across the borough. However, a recent Housing Needs Survey has identified local requirements in more detail and targets for affordable housing are emerging based on these findings.
- 55 The Council is generally delivering to its targets for key performance indicators. The time taken to determine planning applications is good, being less than average for major applications (59 per cent) and performance for both minor applications (81 per cent) and other applications (89 per cent) is in the best 25 per cent when compared with other councils. However, in 2004/05 only 88 per cent of standard searches were carried out within ten days and although this was an improvement, performance remained in the lowest 25 per cent in comparison with other councils. This has improved to 99 per cent in the third quarter of 2005/06.
- 56 The number of appeals against planning decisions is high and the number allowed was above average in 2004/05. The number and percentage of appeals rose in 2004/05 from 39 (2.07 per cent) to 52 (2.73 per cent) for only a small increase in the number of applications determined. The number of appeals upheld also increased from 0.96 per cent of all decisions to 1.21 per cent. Over the past three years there have been no findings of maladministration.
- 57 Planning enforcement investigations are priority risk based and proportionate. Action is based on an agreed set of criteria and is triggered by a complaint or building control check. In 2005/06 the total number of cases increased, but the backlog is reducing, the number of cases closed within the 53 day target rose from 80 per cent to 88 per cent. The service is developing a protocol to close low priority cases where an application is not forthcoming.
- 58 The Council ensures that development is carried out in full consideration of the local natural environment and is protecting and enhancing the natural environment and built heritage. It adopted the North Tyneside Biodiversity Action Plan in 2005 to establish a clear framework within which development and enhancements are introduced. This includes a conservation grant scheme for smaller projects, the creation of two new country parks, the enhancement of the Rising Sun Country Park and the declaration of four local nature reserves.

- 59 Satisfaction with the planning service has improved to generally good levels of satisfaction. Overall service satisfaction is 71 per cent and local residents now consider that the planning service provides a good helpful service for small applications, such as home extensions, and that it keeps people informed of proposals and applications in their area. The 2006 Planning Neighbour Consultation Survey showed satisfaction ranging from 77 per cent for 'friendliness' and 58 per cent for 'ease of making representations'.
- 60 There are good working relationships with colleagues from other departments of the Council who see planning and regeneration staff as knowledgeable officers who meet deadlines, are supportive and particularly good at providing links, contacts and assistance to attract external funding.

Is the service delivering value for money?

- 61 The service is providing good value for money compared to other similar Councils. It is performing well against key planning and regeneration indicators and the service has low net costs when compared other single tier comparative councils. The Council is in the lowest 25 per cent for net spending in 2004/05 on planning and there is above average spend per head on economic and community development, reflecting the major regeneration work within the borough. There is a focus on regeneration project delivery to demonstrate value for money, however, the Council has not reviewed the cost effectiveness of the services to achieve efficiency savings.
- 62 The Council has used investment in the service, including planning delivery grant, effectively to improve the performance of the planning service. It has only recently started to provide a high quality service for all users. It scored 61 per cent, worst 25 per cent of performance, for its quality of service checklist in 2004/05 and satisfaction with the planning service remained at below average 69 per cent in the 2003/04 Best Value survey. However, the Council responded to these low levels of performance and, following improvements to electronic access and information provided, it scored 100 per cent for the quality checklist in 2005/06.
- 63 Management arrangements are underpinned by robust mechanisms to monitor progress of capital projects. All capital schemes are required by the capital plan management group to show value for money, assessing whole life costs and revenue commitment implications. External funding applications, mostly single programme, are subject to a two stage appraisal. They are appraised by staff not involved with the scheme and include supply chain option appraisals and whole life costing. They are then considered by the Tyne & Wear partnership before submission to One North East for approval. The directorate has implemented new procedures during 2005/06 to ensure compliance with the Council's procurement strategy. Improvements through the contract gateway process and financial regulations now enable the selection of the most economically advantageous option on quality, cost and life cycle grounds.

- 64 The Council is looking to make effective and sustainable use of its Planning Delivery Grant. It is funding two graduates as part of the planning team, has appointed the Civic Trust for conservation appraisals, funded equality training and the production of equality impact assessment and is helping to fund the implementation of the Statement of Community Involvement through work with hard to reach groups.
- 65 The Council makes good use of external expertise to strengthen its capacity. The business and employment development team has reduced from 42 in 2003 to 23 in 2005, but maintained a similar output through developing strategic partnerships with organisations such as Business Link, Working Links and others for the joint provision of services. The Council's approach to working with partners is recognised as best practice. The Council recently received a Constructing Excellence Best Practice Award for the Fish Quay partnering approach.

What are the prospects for improvement to the service?

What is the service track record in delivering improvement?

- 66** The Council was identified as the fastest improving Council in December 2004 CPA assessments and there has been significant improvement in regeneration and planning performance. The services have responded to external challenges and moved from being a planning Standards Authority in 2004/05, with particular improvement in the quality of information through increased electronic access and faster determining of applications.
- 67** The service is responding to the changed emphasis required by PPS1 towards a more proactive approach to design and is engaging developers at an early stage of its regeneration proposals. There is now stability and greater clarity about direction. This is leading to raising aspirations of residents and giving them greater environmental awareness and civic pride. Standards of service and quality of developments are being raised through partnerships with other councils, One North East, developers and private organisations on major regeneration works such as at the Fish Quay and the A19 corridor. This is extending to design of the Smiths Dock development, one of the most ambitious housing schemes on the Tyne.
- 68** Investment in IT has delivered improvements to the planning service. The service is now more accessible, visits to the planning website increased from 3,491 in May 2005 to 28,494 in January 2006. This is from 1.48 per cent to 9.3 per cent of the total Council website traffic.
- 69** Changes to Planning Committee arrangements have contributed to improving the speed of determining planning applications. These include: fact finding ahead rather than delaying decisions for a site visit; speaking rights streamlined after 12-month review so one objector represents all; and improved analysis of objections, so that not so many objections to delegated decisions are referred to Committee, with these considered at the Committee briefing session which is attended by representatives of the three political parties.
- 70** There has been measured improvement in key regeneration performance indicators. These include the following.
- The Council is on target to achieve its housing completion target in the UDP with 12,757 of the 13,300 houses targeted by December 2006 already complete. Only 4 of the original 23 allocated housing sites in UDP remain to be taken up.
 - Over 80 per cent of land identified for employment in the UDP has been allocated and the two remaining sites are expected to meet the 2006 target date.

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- The claimant rate in the borough has reduced from 8.6 per cent in 1997 to 2.9 per cent (December 2005) closer to the national rate of 2.4 per cent (5.7 per cent in 1997).
 - Jobs have increased from 58,826 to 62,768 between 2002 and 2005.
 - Businesses have increased from 4,327 to 5,090 between 2002 and 2005.
 - The green belt has extended to 20 per cent of borough and no 'safeguarded land' has been lost to development.
- 71** The planning service is improving in response to challenge from residents and external organisations and is now performing well in comparison to other authorities. The Council has improved satisfaction by responding to areas of dissatisfaction with the planning service identified in the 2003/04 Best Value survey. The Council's own survey shows user satisfaction improving from 60 per cent in 2004 to 71 per cent in 2005. There has been continuous improvement since 2002/03 in the time to determine planning applications, with performance in 2004/05 moving to above average and meeting government targets.
- Major applications in 2004/05 improved from 42 per cent (below average) to 59 per cent (above average), just outside the government 60 per cent target.
 - Minor applications in 2004/05 improved from 39 per cent (worst 25 per cent) to 81 per cent (best 25 per cent) well above the government 65 per cent target.
 - Other applications in 2004/05 improved from 46 per cent (worst 25 per cent) to 89 per cent (best 25 per cent), above the government target of 80 per cent.
- 72** The number of standard searches carried out within ten days continued to improve, from 79 per cent in 2002/03 to 88 per cent in 2004/05, but remained worst 25 per cent. Improvement has continued during 2005/06: third quarter performance is recorded as 99 per cent within ten days.
- 73** More effective use is made of Section 106 contributions from developers for the benefit of communities, following a Scrutiny review. The Council has recently introduced a Section 106 Agreements Procedure and Monitoring Practice document which gives clear details of how each agreement will be implemented in the future. It includes an explanation of how monies will be held and allocated for the terms of the respective agreements to enable monies to be monitored accurately. The contributions obtained in the last five years amounts to £8.8 million and have helped to fund a wide range of initiatives including education and culture facilities and significant improvements to the transport infrastructure, such as bypasses and A19 corridor public transport improvements.
- 74** The Council is delivering generally good services at a reasonable cost demonstrating good value for money compared with similar Councils. The service has increased capacity to understand the needs of communities better: four Area Regeneration Officers have been added to the team to facilitate area planning and local engagement.

- 75 The Council is improving its approach to assessing value for money. Reviews of all Council services are looking to save £46 million over the next four years with efficiency targets 3 per cent of budgets in 2005/06. However planning is a priority area so there are no budget restrictions for 2006/07. Planning Delivery Grant is ring fenced for planning services and funding for the service improvement programme over the next two years is included in the approved Medium Term Financial Plan.

How well does the service manage performance?

- 76 There is a clear long term vision for the Council. It has developed a 2020 vision for the borough with partners for the Community Strategy, following a recent review including additional consultation in the last six months. It aims to close the gap in areas such as employment opportunities and levels, workforce skills, life expectancy of elderly people and educational attainment of young people. The Council is agreeing quality of life indicators for the strategy and a Sustainable Development Strategy which identifies the role of different partners and departments of the Council to deliver the vision in a co-ordinated way by linking regeneration and planning to transport, housing, sustainable and economic development and climate change.
- 77 The Council is not delivering the Local Development Framework (LDF) to the original LDS programme. The Community Strategy review additional consultation delayed development of the LDF. Initial consultation targeted for October 2005 has been delayed to April 2006. The LDS is currently being revised for resubmission because of the consultation delays. The delay will ensure that the final document fits in the strategic framework for the regeneration of the borough.
- 78 The Council has made clear links between plans at each level within the organisation and the alignment of service plans to corporate priorities is improving. Service plans for 2006/07 align to the four-year draft corporate plan which contains annual quality of life indicators, which will be developed further to match Community Strategy indicators. It has developed a hierarchy of plans and strategies at community, Council, directorate, service and personal action plan levels that link the objectives, priorities, and performance expectations to outputs and performance indicators and impacts to outcomes.
- 79 The aims and future plans for the service are clear, robust and deliverable. The UDP and emerging LDF are both aligned to national, regional and sub regional policies and the Council is in general agreement with the proposals of the draft Regional Spatial Strategy and accepts its housing allocation. Priorities for the service are also clear. There are programmes in place to deliver the three key area action plans for Wallsend, North Shields and Whitley Bay. There are however many strategies to be developed with communities contributing to the regeneration of the borough. These include: the three town centre area action plans; four Area Regeneration Plans; three Local Neighbourhood Plans for Battle Hill, Longbenton and Dudley; and also strategies for the West Chirton Industrial Estate and the Tyne Tunnel Trading Estate.

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- 80 The UDP was consistent with government guidance on affordable housing available when the plan was adopted in 2002, but policies are not adequate in the current context. The corporate plan identifies a target of 100 houses for 2006/07 and 200 for 2007/08 and the Mayor has made a statement that there will be a 10 per cent provision for all housing development. A housing needs assessment has recently been completed and the findings will refine targets and reflect varying needs of communities across the borough.
- 81 The draft Economic Regeneration Strategy (ERS) for North Tyneside 'Pathways to Prosperity' has been aligned to other corporate strategic documents including the Council Plan 2005/06, the Local Transport Plan and the Community Plan shared priorities. It addresses the main thematic issues highlighted by local, sub-regional, regional and national policies such as worklessness, skill gaps, connectivity and entrepreneurship. The Council expects it to be a catalyst for socio-economic regeneration and growth of North Tyneside. These linkages provide a clear focus for the regeneration on the borough to address the needs of local communities.
- 82 The draft ERS Delivery Plan sets out the next steps to raise standards and contains targets to move forward. Council activities are under four themes partnerships, people, business and place. It has a two tier system of targets for the next four years which are to be developed using baseline 2005/06 PI information. High level are those that cannot be achieved by the Council alone, they include outcome measures such as employment or business rate and will be monitored through the relevant LSP theme partnership. Lower level PIs measure the impact of the Council's own regeneration services such as employment through specific initiatives or businesses through the business support service. These are monitored through the Council's service plan.
- 83 The Council has plans against which performance can be measured. The Directorate (ERH) Plan and service plans have action plans with timescales, performance milestones (delivery profile), responsibility and resource requirements and identify funding source of either existing staff, PDG or named other external funding. They include targets for jobs, businesses and learning and employment opportunities. The 2006/07 Regeneration service plan relates to the priority of completing and starting to implement the ERS Delivery Plan and the delivery of specific projects and initiatives which contribute to regeneration targets. The Planning and development control service plan has actions to: progress the LDF three-year programme; improve information and guidance; progress specific development briefs and character statements; improve performance management; and an assessment of planning processes by an external consultant aimed at efficiency improvements.
- 84 There is strong performance management in the directorate through links to strategies within the department, the corporate plan and the community strategy. There is a clear hierarchy of performance management information provided on a regular basis, based on monthly meetings and quarterly monitoring reports. A variance and follow up report on remedial actions was introduced in the directorate for quarter three of 2005/06 This helps services focus on those areas that require improvement.

- 85 The Council is streamlining performance indicators and reporting in response to development of Local Area Agreements, increased emphasis on equality targets for neighbourhood renewal and the introduction of guidance on economic regeneration and quality of life indicators. This involves establishing a set of key 'partnership' PIs in the Community Strategy linked to related PIs in the Council Plan, the Economic Regeneration Strategy and service area plans. The economic regeneration targets will feed the LDF, area action plans and funding strategies. The service is involved in developing corporate processes, specifically developing inequality indicators to measure 'closing the gap'. Indicators and targets are to be included in the Economic Regeneration Strategy. These targets aim to ensure that the services have a clear focus for future service delivery.
- 86 The planning service has responded positively to customer feedback and external reviews identifying poor performance. It has improved its speed of decision-making by appointing new staff, introduced e-planning procedures and improved its web site to give better access to planning and regeneration information. Consultation will be extended to different groups of service users to monitor the development of improved information.
- 87 Budgeting and financial control is improving within the services. The 2004 staff survey identified budgets as a problem area. Since then capacity for financial management has built up in the directorate, strengthened through appointment of qualified personnel for technical capacity, a training programme for service managers and the 'contract gateway' process that brings more rigour and value to contracts. There is a monthly finance print out of budget/actual and trend data and whether the budget is on target. However, there have still been some significant variances from budgets. In 2004/05 the Planning & Regulatory service underspent by £400,000 and in 2005/06 the 'management and support' element actual expenditure of £828,000 significantly exceeded the £525,000 budget. Both are due to increased income from development control and higher than expected Planning Delivery Grant (PDG); the 'management and support' budget being used to include additional PDG income. These issues show that external factors affect the planning service's ability to predict and spend its annual budgets.
- 88 The Council actively seeks to learn from other authorities. It benchmarks development control with other Tyne and Wear councils and four excellent councils. The Council is working with partners to improve their information on customers. It is developing, in partnership with Newcastle City Council, a Customer Relationship Management (CRM) System. It has identified the need to improve Section 106 work and is using good practice from Basingstoke and Deane Councils to produce sustainable design guidance and produce formula based costing for Section 106 agreements. It is also working with Manchester City Council to develop improved 'designing out crime' information. These initiatives will contribute to improved customer services.

Does the service have the capacity to improve?

- 89 The service is improving its performance and there is a clear commitment by the Council to continue to provide adequate planning resources. There are more development control service staff and better training is available. The planning team has been expanded from 35 in September 2003 to 44 in November 2005 to provide improved development control performance and deliver the LDS. The service has also refocused resources to achieve the corporate priority of 'regenerating the borough'. Staffing has been realigned to strengthen core skills in relation to physical and area based regeneration initiatives, by appointing a new Head of Regeneration (architecture and design experience); a Renaissance Manager (landscape architecture and design experience) and a Strategy and Implementation Manager (planning experience).
- 90 The culture in the Council is changing and the Human Resources Department is putting a framework in place to improve management of staff. There is a culture aimed at improvement in the service. The service involves staff in developing improvements and staff are confident that the Council will address their issues and are generally positive about management and the overall approach of the Council. The ERH directorate set up nine change management groups in 2004/05 to tackle specific key themes that required improvement such as: communications; capacity; modernising work practices; and budgeting. The involvement of staff to identify issues and plan improvements ensures that the right issues are identified and staff support changes.
- 91 The service does not have the resources to meet all its commitments and this has resulted in fluctuations in performance in recent years. It is not meeting key milestones of the LDS to deliver the Core Strategy and the Annual Monitoring Report identifies a lack of staff resource, being diverted to other priority tasks as the main reason, though this is also linked to delays in production of the Community Strategy for increased consultation.
- 92 The Council is however addressing areas of under-performance that are influenced by inadequate resources. For example it has re-designated an enforcement post to increase capacity and performance has improved. It appointed additional planning staff to improve planning response times and it retrained staff to address poor performance in dealing with searches.
- 93 The Council is committed to meeting national Planning & Regulatory Services on Line (PARSOL) standards. The Council has contracted with CAPS Solutions Ltd to deliver a fully integrated planning administration, public access and document management system to be implemented in 2006 to streamline processes and increase efficiency.
- 94 There is strong clear leadership from the Mayor and the Chief Executive which has set a clear vision and aims for the Council and the service to contribute to the regeneration of the borough. The new administration has placed regeneration as a high priority, sending a clear message to staff and the public. It is also making difficult decisions such as approval and implementation of the transformation plan involving budget cuts. There is now a clearer understanding of councillors' roles and scrutiny has been strengthened.

- 95** The Council is building leadership capacity of councillors and officers through various modules of the IDeA funded national leadership centre. The formal training of councillors for planning is satisfactory and the annual tour of the planning committee is optional, but well attended. This identifies outcomes of decisions and impact on wards and contributes to a more informed committee. Training for councillors has improved, however optional training on issues such as Gershon, e-govt and budget setting are not well attended. A residents' focus group identified that the actions of some councillors, such as letters from councillors in the local Whitley Bay newspaper, do not always assist the Council's efforts to deliver what residents expect.
- 96** There are good relationships between planning service officers and councillors. Staff are committed and well motivated and there is a good mix of experience to deliver planning and regeneration services. Officer support to the Planning Committee is good. The Chair has no issues with officers who provide comprehensive reports, deliver good quality presentations and respond in a professional manner to questions.
- 97** The Council is responding to staff areas of concern: staff confirmed that the Council is being open and keeping them informed of changes at an early date. These concerns include poor accommodation at different locations (hub and spoke proposal), lack of resources (investment in regeneration and planning to improve), approach to equality (actions include equality champions and increased effort to reach those at risk of exclusion).
- 98** The Council is addressing high sickness levels. Regeneration service sickness levels are low at 6 per cent but some areas of planning are high. Sickness management is on monthly meeting agendas and more support is available to staff with additional training for management. Neighbourhood and home care services are piloting a 'health solutions' approach involving more contact with a nurse rather than line managers to discuss health issues.
- 99** Financial planning systems are in place. A four stage service and financial planning process was approved in July 2005 linking resource planning to performance planning. A Medium Term Financial Plan (MTFP) was produced for 2005/06 which covers finance, capital and corporate plans. As part of the rationalising of services and addressing financial deficit, the Council is looking to save £46 million over four years to be reinvested in priority areas. This includes having new headquarters by 2007 and joint service centres with other providers such as the police and PCT at Whitley Bay.
- 100** The Council has responded to weaknesses in contract procedures. New procedures to ensure compliance were introduced in the directorate during 2004/05 and the Council is improving its approach to procurement. The Council is also currently establishing improved project management arrangements incorporating risk management.
- 101** The Council is involved with neighbouring authorities such as Newcastle, Blyth, Wansbeck and South Tyneside to develop regeneration initiatives. It has a street lighting PFI with Newcastle and is looking to learn from Blyth expertise in delivering the 'Respect' agenda to assist with developing community involvement.

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- 102** The Council is continuing to invest in improvements to the planning service. The 2006/07 PDG provisional first allocation of £233,000 will be used to retain additional staff & further develop e-planning capability. Additional resources have been invested in planning including plans to assess the approach to planning applications to improve efficiency. A consultant has been commissioned to undertake a business process study in respect of major planning applications processing aimed at improving development control performance, e-planning and customer guidance.
- 103** The Council is effective in attracting external funds to regenerate the borough. Funding strategies are in place for the regeneration of main towns. The capital programme contains Tyne and Wear Partnership funding (Single Programme and Neighbourhood Renewal) provision for Wallsend £350,000/ year and East Howden £500,000/ year for the next three years. The Whitley Bay plan is to be funded through sale of land, which has been ring fenced for the Whitley Bay Strategy.