

Service Inspection Report

July 2006



# Planning Service

North Devon District 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 (KLOEs) to inform our judgements. The KLOEs can be found on the Audit Commission's website at [www.audit-commission.gov.uk](http://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

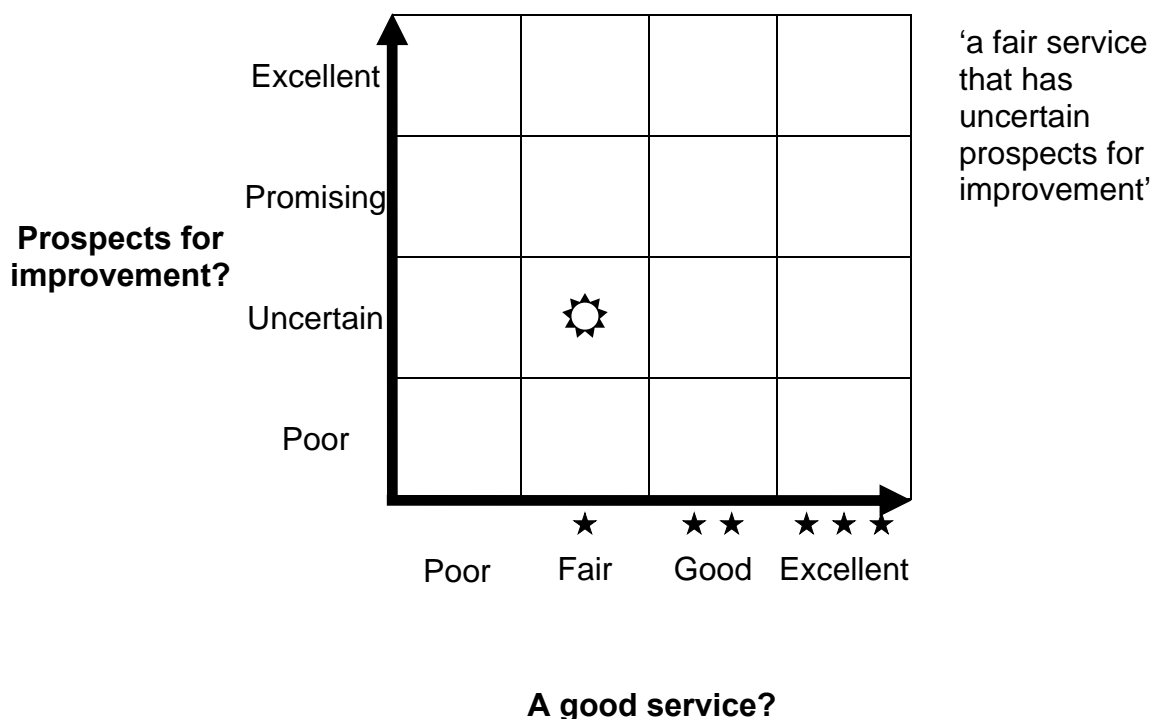
- 1 North Devon District Council provides a fair planning service that has uncertain prospects for improvement.
- 2 The Council recognises that the planning service is central to the delivery of its corporate priorities and systems are in place to translate this into actions. But, to date, the Council's approach to tackling long standing weaknesses in the service and leading change have lacked urgency or cohesive direction.
- 3 Recent efforts have successfully improved the speed of deciding planning applications, some aspects of customer focus and the local policy framework. However, this has not been matched by consistent, fundamental change to ensure that the service meets the needs of all users and responds to rising customer expectations. In particular, the development control (DC) service does not place users at the heart of delivery. It focuses primarily on the speed of deciding planning applications - a situation that is reinforced by current staff shortages.
- 4 User satisfaction is low. The Civic Centre is unwelcoming to visitors, with restricted opening hours. Users are not consistently involved in setting service standards or identifying areas for improvement. Within DC, few mechanisms exist for feedback or ongoing dialogue with all user groups to understand their needs. There is limited awareness of diversity and equalities issues. As a result, it can be difficult for some users to access the service and the experience of others can be poor.
- 5 Through negotiation and a clear policy framework, the service achieves good quality outcomes for local people. The use of tougher policies and a more co-ordinated approach to identifying and releasing sites is improving delivery of affordable housing. Until recently, performance on major applications was slow which limited the service's effectiveness in supporting the local economy. However, this has now improved in line with national targets. Linked to current staff shortages, enforcement is primarily reactive and is not used to support the wider aims of the service.
- 6 Decision-making is transparent and local people are encouraged to become involved in this process. The local policy framework is up to date, based on extensive consultation and a broad understanding of local needs. Challenging policies are in place to support sustainability and other local, regional and national priorities. Policies and decisions are well supported on appeal.
- 7 Systems to effectively manage application workloads are in place but performance management is not embedded or used to drive wider improvement. A sustained focus on faster decision-making has contributed to improved cost effectiveness. Opportunities are taken to identify efficiency savings and reduce costs. However, a systematic approach to value for money is not in place.

- 8 The service is keen to improve and has skilled, dedicated and well motivated staff. A number of actions and other initiatives are in the pipeline but are not consolidated within a comprehensive plan to ensure they will be realised. New posts within the service have been agreed, but cannot be filled until accommodation is available. Future sources of additional funding to support ongoing improvement have not been confirmed. Overall, the Council has not provided coherent leadership or clear direction to the service in supporting corporate ambitions. As a result, its ability to sustain change and improvement are in doubt.

## Scoring the service

- 9 We have assessed North Devon District Council as providing a fair one-star service that has uncertain prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

**Figure 1 Scoring chart<sup>1</sup>**



Source: Audit Commission

- 10 The service is a fair, one-star service because:
- users are not placed at the heart of service delivery and it is not tailored to meet their needs;
  - when last surveyed in 2004, user satisfaction with the service was low - among the worst performance nationally;
  - the approach to equalities and diversity is underdeveloped, leading to poor understanding of the needs of all users and difficulties for some users in accessing the service;
  - enforcement is not used effectively to support the service or monitor compliance;

<sup>1</sup> 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.

## 8 Planning Service | Scoring the service

- despite improvements in the cost effectiveness of deciding planning applications, a systematic approach to value for money is lacking;
- the current re-structuring of the service is missing opportunities to support fundamental change or flexibility in the way staff resources are used; and
- current gaps in staff capacity are limiting the service's effectiveness in meeting all of its stated aims.

11 However, particular strengths with the service are as follows.

- The local planning policy framework is up to date and responsive to local, regional and national needs.
- The service decides planning applications quickly - in line with national targets.
- Planning decisions are made in a fair, transparent way - and are supported on appeal.
- Good use is made of e-planning to improve the accessibility of the service to the dispersed, rural population.
- The service has improved delivery of affordable housing - a key issue locally and a corporate priority for the Council.
- It negotiates with applicants to raise the quality of design and secure community benefits through developer contributions.

12 The service has uncertain prospects for improvement because:

- council-wide and service re-structuring has not yet provided clear direction and leadership to the service in supporting corporate ambitions;
- the Council has failed to tackle long standing issues within the service of customer care, accommodation and user focus;
- performance management is not embedded or used to drive wide-ranging improvement;
- the service has focused on improving performance indicators rather than sustainable and fundamental change;
- proposed improvements are not consolidated within an updated service improvement plan that identifies actions, resources, timescales, targets and responsibilities; and
- the capacity to sustain ongoing improvement is uncertain.

However:

- there has been a sustained focus on improving the speed of planning decisions and the planning policy framework to meet local needs;
- planning is identified as key to delivering a number of corporate priorities;
- systems to report performance information are improving; and
- planned increases to staff capacity are in the pipeline, funded by Planning Delivery Grant and fee income.

## Recommendations

- 13 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 costs<sup>2</sup> 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 Achieve a culture change that improves the service's accessibility to all service users by:*

- *establishing mechanisms to regularly engage with all users and potential users of the service and involving them in setting standards and identifying areas for improvement (for example through exploiting existing community networks through work on the LDF);*
- *developing the service to embrace diversity and equalities issues;*
- *improving the experience of visitors to the Civic Centre, including reviewing opening hours and times of committee meetings to ensure they are convenient to current and potential users;*
- *using complaints, feedback and other available sources of information to understand any differences in the quality of service received by different groups;*
- *reviewing all documents and correspondence (using non-planning specialist expertise) to ensure they are written in plain language and fit for purpose; and*
- *reviewing staff structures and practices to ensure that both operational needs and those of customers are met in the most cost effective way.*

The expected benefits of this recommendation are:

- a better 'fit' between users needs and preference and the service provided;
- improved user satisfaction with the service; and
- better value for money in the way that the service is provided and perceived by local people.

The implementation of this recommendation will have high impact with low costs.

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

Details, including actions, targets, outcomes, timescales, resources, responsibilities and arrangements for monitoring progress should be incorporated within an improvement plan to be drawn up in accordance with Recommendation 3. In any event implementation of Recommendation 1 should be no later than December 2006.

**Recommendation**

- R2 Establish a systematic approach to managing performance and improving value for money (VFM) by:*
- establishing clear longer-term aims for the service and - in consultation with stakeholders - developing a range of performance indicators and supporting targets to monitor performance;*
  - in consultation with stakeholders, establishing mechanisms to identify opportunities to improve cost effectiveness, for example through stakeholder forums, VFM champions and staff input;*
  - establishing VFM indicators for different elements of the service and targets for performance;*
  - raising awareness of VFM issues by jointly reporting information on costs (including comparisons with other councils) and performance;*
  - using existing time recording information to analyse the costs of different activities and challenge cost effectiveness;*
  - raising awareness and ownership of performance issues through wider reporting of performance (in accessible graphical format) to staff, councillors and other stakeholders; and*
  - delegating responsibilities within the service to the lowest level compatible with efficiency.*

The expected benefits of this recommendation are:

- improved cost effectiveness of the service;
- raised awareness within the services and externally of issues other than national performance indicators;
- enhanced capacity to target priorities and deliver benefit for users; and
- development opportunities and improved job satisfaction for staff.

The implementation of this recommendation will have high impact with low costs.

Details, including actions, targets, outcomes, timescales, resources, responsibilities and arrangements for monitoring progress should be incorporated within an improvement plan to be drawn up to a timescale in accordance with Recommendation 3. In any event, implementation of Recommendation 2 should be no later than December 2006.

**Recommendation**

*R3 Ensure that the Council successfully delivers the improvement it wants for the service by:*

- *providing strong leadership and direction to support the service in managing change;*
- *consolidating all planned actions within a comprehensive improvement plan that identifies actions, targets, outcomes, timescales, resources and responsibilities;*
- *linking this to the annual service plan and budgetary planning process;*
- *identifying and addressing potential blockages and risks to non achievement; and*
- *ensuring that the necessary financial and other resources are available to support identified actions.*

The expected benefit of this recommendation is:

- sustained improvement in the quality of the service delivered to local people and other stakeholders.

The implementation of this recommendation will have high impact with medium costs.

The improvement plan to incorporate all actions should be produced no later than 30 September 2006. This plan should clearly distinguish between short and medium-term actions and establish appropriate timescales accordingly, including those capable of implementation with immediate effect.

# Report

## Context

### The locality

- 14 North Devon is a large rural district in the south west of England, with a population of around 90,000 people spread across an area of 850 square miles. The two main concentrations of people are Barnstaple in the west and Ilfracombe in the north. The rest of the population is scattered in small towns and villages, none of which exceed 5,000. The Council is the local planning authority for 80 per cent of the area and 95 per cent of the population, the remainder being covered by Exmoor National Park.
- 15 The area's fine countryside and coastline are recognised by national designations that include two Heritage Coasts, an Area of Outstanding Natural Beauty and a National Park. Historic assets include 39 conservation areas, 77 Scheduled Ancient Monuments and over 3,000 listed buildings. The area is a popular tourist destination, attracting around 180,000 visitors each year. This adds significantly to the local economy but imposes strain on the relatively poor transport system.
- 16 North Devon is a popular retirement area. The district has a third more older people than the national average. Around 20 per cent of the population is over 65 years and nearly 10 per cent is over 75. In-migration of relatively affluent older people has added to a significant housing affordability gap that puts home ownership beyond the means of most local people. Nearly 84 per cent of working households cannot afford to get on the housing ladder, making North Devon the sixth least affordable council area in England. The area also has the tenth highest proportion nationally of second or holiday homes, accounting for one in every four homes in some parts of the district.
- 17 Around 2.4 per cent of the population describe themselves as 'other than white British', compared with 4.6 per cent for the region and 13 per cent nationally. Overall deprivation levels are a little above average. The district is ranked 133 out of 354 (where 354 is least deprived). About 12 per cent of the population live in some of the most deprived areas in England, including parts of Ilfracombe and Barnstaple. Exclusion is an important issue in rural areas. The district receives European Union assistance and a large part of the district is also a Rural Priority Area.
- 18 Compared with the national picture, a significantly higher proportion of people are employed in agriculture, manufacturing and distribution. Average earnings are around 15 per cent below the average for the UK. Unemployment at 2.1 per cent is above both the regional and national averages.

## The Council

- 19 The Liberal Democrat party leads the Council with 22 of the 43 councillors. There are ten Conservative councillors, four Ilfracombe independent councillors, three North Devon independent councillors and three Independents. A Leader and a politically balanced Cabinet (Executive) of eight councillors direct the business of the Council. Decisions are also made by three Area Committees, an Overview and Scrutiny Committee and four other committees including one for planning.
- 20 The Council employs 379 full-time equivalent staff under a chief executive and recently restructured senior management team. The former 21 business units are now consolidated into two directorates, with seven heads of service. Two assistant chief executive posts manage the council's internal business and improvement. The planning service is part of a group of services that includes environmental health, housing, property and technical services and community and leisure.
- 21 The Council delivers its services from a number of offices in Barnstaple. The planning service is based in the main Civic Centre. This building is owned by Devon County Council and is part of a complex of wider functions including a magistrates court and police service. There are two area offices in South Molton and Ilfracombe. The Council plans to spend £12.3 million on all services in 2006/07 - a 10 per cent increase on the previous year.
- 22 The Audit Commission carried out a Comprehensive Performance Assessment of the Council in October 2003, when it was rated as 'weak'. A progress assessment in March of this year concluded that the Council is making 'strong progress' in addressing weaknesses.

## The Council's planning service

- 23 Through regulating the use of land, the planning system aims to deliver new homes, jobs, better transport, lively town centres and a quality built and natural environment. A key government objective for planning is to create sustainable communities that minimise their impact on the environment and use of non-renewable resources. North Devon is a local planning authority, with district level functions within a two tier system of local government.
- 24 The planning service in North Devon is known as 'Planning and Development' and carries out the following functions that are covered by this inspection:
- planning policy - preparing development plans and associated documents, including policies to regulate development;
  - development control (known in North Devon as 'Planning') - deciding planning and other applications and dealing with any subsequent appeals;
  - enforcement of planning regulations, including monitoring of compliance;
  - conservation of the built and natural environment; and
  - providing planning advice to developers, local people and to the Council on corporate projects.

- 25 The planning service is also responsible for building control and street naming but these are not included within this inspection. Any subsequent reference to 'the service' in this report, explicitly excludes building control and street naming.
- 26 The Council decides just over 2,000 applications each year and employs 43 full-time equivalent staff. In 2006/07 the service cost £2.1 million to deliver. However, this figure is off-set by fee and other income, which amounted to £591,000 in 2005/06.
- 27 The Council was formerly a 'Standards Authority'<sup>3</sup> for major applications but since 2004, performance has improved in this area and this designation no longer applies. The Audit Commission inspected the service in October 2001, when it assessed it to be a 'fair service that would not improve'. A further desktop inspection (not scored) in January 2003 concluded that despite some remaining weaknesses, the service had improved both its performance and customer care.
- 28 Over recent months a council-wide re-structuring has brought together development control, planning policy, building control and conservation under a single head of service. A further re-structuring within the planning service is under way. A combination of factors including recruitment difficulties, planned delays in filling vacancies, a lack of suitable accommodation and long-term staff sickness have put the service under considerable pressure recently, with up to a fifth of posts vacant. Pending the outcome of this inspection, decisions are still to be made about the most effective organisational structure within development control to sustain improved performance and better focus on customer care.

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<sup>3</sup> The government identifies poorly performing Planning Standards Authorities, based on performance indicators, sets targets lower than those that apply nationally and offers a programme of support to guide progress.

## How good is the service?

### What has the service aimed to achieve?

- 29 The Council is working with the local community to develop longer-term aims and ambitions in conjunction with the local strategic partnership (LSP). The current Community Strategy, *North Devon First* (2002), sets out a broad vision for the future of the area and six objectives to be met by partner organisations and community alliances. This in turn supports three key aims of:
- 'safe and healthy communities;
  - learning and working communities; and
  - living and thriving communities'.
- 30 The short to medium-term aims of both the Council and the service are kept under review. The *Corporate Business Plan* (CBP) for 2006/07 establishes four priorities for the short to medium-term. These are:
- 'providing good efficient services;
  - tackling the housing problem;
  - improving the environment; and
  - economy and regeneration.'

The contribution of the planning service to each of these priorities is identified and backed by aims, actions and targets.

- 31 The broad aim of the planning service is: *'to provide an effective planning and development service to the community to aid the social and economic development of the district and the protection of its built and natural landscape'*. Service priorities<sup>4</sup> to support this are to:
- 'provide a courteous, efficient and prompt service, with clear statements about the level of service its customers can expect and transparency in the work it does;
  - promote the concept of *Stepping Up!* (corporate improvement plan);
  - meet the stringent timetable laid down in the Local Development Statement (LDS);
  - promote a quality service, in terms of design and accessibility of the service to all customers;
  - maximise 'planning gain' in terms of developer contributions, particularly for affordable housing;
  - actively promote affordable housing schemes where these are consistent with the local plan and Local Development Framework (LDF);

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<sup>4</sup> Service Plan 2006/07 to 2008/09

- significantly improve on the service currently provided in terms of built heritage;
  - meet all government targets and maximise planning delivery grant (PDG); and
  - better integrate the working practices of the three combined planning units'.
- 32 In recent weeks - in response to revised corporate priorities - the service revisited its aims for 2006/07 to 2008/09. These now include a new objective of delivering value for money and a stronger focus on customer needs that aims to exceed the standards set corporately.
- 33 The Local Plan provides a policy framework for planning decisions to 2011. The plan is up to date and adoption is imminent. Its overall objective is to promote sustainable development, underpinned by a vision to *'enhance the quality of life for residents, workers and visitors by protecting the environment, creating a vibrant and diverse economy, tackling social exclusion and improving health and accessibility'*. The Council is also progressing its Local Development Framework concurrently with the Local Plan.

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

### Access, customer care and user/community focus

- 34 The Council's forward planning function is responsive to the needs of the local community. Despite limited staff capacity in the planning policy team, the Council has prioritised both the review of the Local Plan and preparation of the Local Development Framework (LDF) which will replace it. Extensive consultation and pro-active negotiation of around one third of the objections has reduced delays in this process. The Local Plan is now nearing adoption, five years from first deposit. This is timely progress, compared with other councils.
- 35 The Council has strengthened its policy framework to deliver affordable housing and sustainable development. Lower and variable thresholds for affordable housing, together with challenging targets aim to tackle local need, including 'one for one' (50 per cent) provision in rural settlements. High densities are promoted. Challenging sustainability targets are set, including the need to comply with a sustainability checklist that promotes sustainable construction. A good range of supplementary guidance (SPG) and development briefs for key sites supports this policy framework. As a result, there is a sound basis for the Council to respond to development proposals in a way that meets local needs.
- 36 Preparation of the LDF is on track, based on extensive engagement with the local community. There are close and active linkages with parish councils, partner agencies, the LSP and community alliances. The planning policy service works closely with the Council's community development team, exploiting existing networks to establish two-way communication with local people. This ensures that the LDF will be fully aligned with the new Community Strategy.

- 37 Partnership working with other councils is informing collective planning for the future of the area. For example, the Council is contributing to the regional spatial strategy for the south west through its work on the Barnstaple and Bideford sub-regional study (BABES) and jointly working with neighbouring councils on a retail study and housing market assessment. As a result, the LDF is well placed to give spatial expression to local needs.
- 38 The service performs well in terms of e-planning. Applications can be submitted electronically and a tracker arrangement allows a full online arrangement for viewing progress of applications, plans and supporting documents. The Council meets the national standards for planning websites based on the Pendleton review. The website is easy to navigate and provides access to a wide range of information, including the local plan and progress on the LDF. The Council's achievement has been rewarded by the third highest award nationally of Planning Delivery Grant for e-planning in 2004/05. Electronic access to information enhances the service's accessibility to many users including the district's rural and dispersed population.
- 39 Planning decisions are made in a fair and transparent way. Users have open access to application files and can speak at planning committee. Councillors involved in planning decisions receive compulsory training and are guided by codes of conduct and protocols to avoid conflicts of interest. The business of the committee is conducted fairly, with clear officer reports and presentations, assisted by visual projections of plans and photographs.
- 40 The Council has taken steps to improve the accessibility and responsiveness of the development control (DC) service in recent years. It has carried out a self-assessment of customer care, based on the Planning Officers Society's *'Excellence Matrix'* and obtained feedback from users to inform a number of changes. These include:
- reviewing processes to improve registration times, assisted by a detailed staff protocol;
  - providing a duty planning officer during office hours, with a limited outreach service in the two area offices to deal with general enquiries;
  - producing a wide range of leaflets, guidance notes, simplified application forms, protocols and charters, including those for major applications, parish councils and enforcement;
  - setting up effective mechanisms for engagement with parish councils and community alliances;
  - establishing standards of service in a customer charter, issuing feedback forms to all applicants and providing written feedback to people commenting on applications; and
  - re-designing the website and introducing online planning supported by guidance notes.

These measures have made the service easier to reach for many users and have contributed to speedier decision-making.

- 41 However, despite these many improvements, DC is not fully placing users at the heart of service delivery or tailoring the service to meet their rising expectations. Through selective engagement with specific user groups, to date the service has mainly focused on aspects of customer care that support the efficient processing of applications, including faster decision-making. The Council has only recently established a regular forum with agents, but so far this has been used mainly to give information rather than listen and learn. Feedback forms are issued only to applicants and not to all users involved in the decision-making process. No mechanisms are in place to allow all stakeholders to contribute to service aims and standards, challenge methods of delivery or identify areas for improvement. As a result, the service cannot be sure that it is meeting the needs of all of its customers or matching rising user expectations.
- 42 The Civic Centre is unwelcoming to visitors. It is poorly signed and no public car parking is provided on site. Service staff are helpful and deal courteously and politely with enquiries, but planning reception on the fourth floor is cramped and can only be accessed through operational areas. It closes at lunchtime, but at different times from Building Control. It does not provide access to online planning information. Reception staff also receive in-coming calls, interrupting the service given to visitors. The experience of visitors to the planning committee is equally poor. The meeting is held in a room with poor acoustics and no hearing loop is provided. The seating arrangements mean that the public cannot clearly follow the debate, identify who is speaking or see how councillors are voting. No leaflets are provided to explain complex committee procedures, although the chairman's personal welcome goes some way to address this. The Council has sought to address some of these issues in discussion with the owners of the Civic Centre but without success. These poor standards reflect badly on the Council's stated commitment to customer care.
- 43 Users focus is currently secondary to the service's operational needs - particularly its focus on the speed of deciding planning applications. Voicemail is used to manage the large volume of in-coming telephone calls to planning officers, guided by detailed staff protocols. Response times are monitored but at present callers receive a message that because of staff shortages, this may take up to two to three days. The Planning Committee meets at times convenient for staff and councillors (and when car parking charges apply to visiting members of the public). Protocols for major applications and section 106 agreements contribute to certainty and speedy decision-making. But they are not contractual and do not commit the Council to timely actions as part of a partnership approach that incorporates a user perspective. They are also written in technical language that is not targeted at external customers, making some issues unclear. Users are not placed at the heart of delivery.

- 44 Users do not experience consistently high standards of service. When last surveyed in 2004, only 64 per cent of applicants and agents were satisfied with the service. This was among the worst performance nationally. Although a more recent survey indicates significant improvement to 85 per cent, feedback to the inspection team from a range of stakeholders indicates that their experience of the service is mixed, with most reporting delays in arranging pre-application meetings and difficulties in accessing planning officers. These difficulties may be linked to current staff shortages, but variable service can leave a lasting impression for many users as they may only use the service rarely.

## **Diversity**

- 45 The Council has not developed effective measures to ensure that all users have fair and equal access to the service. Its approach to diversity and equalities is at an early stage of development. The Council has achieved level one of the equalities standard for local government (which uses a scale of one to five - five being the highest). A corporate policy on diversity and a racial equality scheme was only recently adopted in December 2005. Staff are yet to be trained in equalities and no formal impact assessments have been carried out. The Council is not specifically monitoring the impact of its policies and decisions on minority groups, for example through analysing complaints or trends in enquiries or feedback information. As a result, some users may be unintentionally disadvantaged.
- 46 The Council is not aware of the needs of potential or occasional users of the service or how it can improve accessibility for them. The service seeks feedback only from a limited range of existing user groups. Opportunities for engagement with potential users are growing through the community alliances and other networks involved in the LDF and community strategy. However, these valuable linkages are yet to be exploited by the DC service.
- 47 The service is not systematically tailored to meet the needs of all users. The Civic Centre complies with the Disability Discrimination Act, but access to planning reception requires assistance in opening doors and negotiating any obstructions within operational areas. Handwritten delegated reports - that account for 96 per cent of all decisions - are not easy to read and exclude people with impaired vision. Documents, application forms and internal protocols use a variety of font sizes and the use of plain language is variable, further limiting their impact for customers. Staff in the planning service recently carried out an audit of customer access issues and made several recommendations to improve this. However, to date, these have not been taken up. The service is not consistently accessible and welcoming to all.
- 48 The service responds to requests for information through its outreach service in the two area offices. Documents in other formats and large print are available on request. Home visits are arranged on request, although this is not publicised in the customer charter. Human rights issues are routinely addressed in committee reports and decision-making. These measures contribute to an inclusive approach.

- 49 The Council is improving its understanding of the nature of its minority communities through its work on the statement of community involvement and LDF. Measures are in place to engage with some of these groups, for example by improving links with the business community and with young people through visits to schools and planning for real exercises. Liaison with the gypsy community is working to identify suitable sites to meet their needs. Regular contacts are maintained with access groups. However, it is too soon to say how effective these initiatives will be. In addition, the Council has limited understanding of the specific needs of harder to reach minorities, such as ethnic workers in the tourist trade, people suffering from rural exclusion, homeless people and those on low incomes. To date it is unclear how the Council intends to establish contact with these groups or use feedback to inform service improvement.

### **Service outcomes for users and the community**

- 50 The Council successfully negotiates community benefits from the development process using section 106 agreements.<sup>5</sup> Contributions are received towards a range of infrastructure, including open space, highway works, sustainable transport and increasingly, affordable housing. This is supported by a best practice note and codes of practice that include model agreements. In response to delays in the Council's legal section, the drafting of some agreements is now externalised, funded by Planning Delivery Grant. A new post of monitoring officer aims to ensure that benefits are delivered in accordance with the terms of agreements. These processes help the Council meet community needs and contribute to sustainable communities.
- 51 A stronger policy framework and more effective cross-service and partnership working is allowing the Council to improve its focus on affordable housing. The recent re-structuring has allowed closer working between planning and housing, supported by protocols and regular processes for consultation and engagement. Together with better linkages with community groups and parish councils, this process is identifying local needs and constraints at an early stage. A co-ordinated approach to the identification and release of rural exception sites is now in place. The Council is not yet meeting its annual target of 150 new affordable dwellings each year although the delivery rate is improving. For example, it secured 91 homes in 2005/06. This is helping to provide the right mix of housing types and locations to meet local need.

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<sup>5</sup> A legal agreement between a local planning authority and developers to secure infrastructure and other benefits for local communities as part of the planning process.

- 52** The service contributes to positive outcomes that support many corporate priorities. The service has highly regarded, skilled and experienced staff who negotiate effectively to improve the quality of outcomes. A trained councillor acts as 'design champion', promoting awareness of good design and encouraging innovation. The use of development and design briefs helps secure high standards of design and allows community involvement at an early stage. The award winning scheme of 35 energy efficient affordable homes at Livarot Walk is a good example of both innovative design and sustainable construction. A project team approach to major proposals and effective partnership working supports co-ordinated action on key sites such as the revitalisation of historic Ilfracombe harbour. Overall, the Council achieves a good balance between protecting the landscape quality of the area and enhancing the built environment. This is recognised by stakeholders.
- 53** According to many performance indicators, the planning service performs well. The Council has taken steps to improve the speed of deciding planning applications. Using audited data for 2004/05, performance in minor and other applications was above average but below average for majors. Unaudited data for the year ending June 2006 indicates that the Council decided 70 per cent of minor applications in eight weeks - exceeding the national target of 60 per cent - and 80 per cent of other applications in eight weeks - in line with the national target. With recent improvement, the Council now decides 62 per cent of major applications in 13 weeks - exceeding the national target of 60 per cent. The service scores well against a national quality of service checklist, matching the performance of the best councils. However, as previously stated, user satisfaction in 2004 was low (64 per cent), placing it in the worst quartile nationally at that time.
- 54** The Council makes sound decisions that it can defend on appeal. Twenty-five per cent of appeals were allowed in 2004/05, representing best quartile performance nationally. There have been no findings of maladministration over the past three years in response to Ombudsman complaints. This provides assurance to the public that decision-making is robust and exercised responsibly.
- 55** However, the service is not consistently working effectively to maximise delivery of all corporate priorities. Although processes are now in place to improve delivery of affordable housing, this is not consistently the case for supporting the local economy, for example by proactive engagement and closer working with partnership bodies and faster decision-making on key proposals. Processes to ensure that the Council maximises open space contributions through planning decisions are not consistently applied, resulting in some opportunities being missed. In addition, the Council is not systematically using its enforcement powers to deliver corporate aims. Enforcement is primarily reactive and although an enforcement charter is in place, action is prioritised according to risks that do not relate to the wider aims of the service. Current gaps in staff capacity have created a large backlog of enforcement cases and limited the amount of compliance monitoring. This currently reduces the overall effectiveness of the planning service.

### **Is the service delivering value for money?**

- 56** A systematic approach to value for money is not in place. VFM is a corporate cross-cutting theme and a series of VFM reviews is under way. But the service's current approach focuses on costs and does not consistently balance this with quality. Through delays in filling posts, the service successfully contributed to corporate budgetary savings during the last financial year. However, the impact on service quality has not been assessed. Cost and performance information are not reported together and no targets are set to improve VFM over time. As a result, senior managers and councillors are not able to systematically challenge cost effectiveness or identify how this could be improved.
- 57** The Council is not making use of available information to improve the service's cost effectiveness. A well established time recording system allows managers to understand the costs of different activities. To date this has highlighted the true cost of central recharges. But, linked to an absence of performance indicators, it has not been used to challenge the cost effectiveness of different elements of the service or keep them under review. This is a missed opportunity to continuously improve value for money.
- 58** The Council is also missing opportunities to maximise efficiency in the way staff are used. The currently emerging staff structure within the DC service is traditionally hierarchical. A number of reporting and supervisory layers and an operational split between specialist planning and technical support staff discourage flexibility in how staff are used. It also reinforces some duplication of current practices such as the checking and countersigning of decisions and correspondence.
- 59** Value for money (VFM) is improving in terms of application handling. Service costs have improved from the worst quartile in 2001/02 to close to the median for similar councils in 2004/05. Over this period, despite a growth in the number of applications, the Council also significantly improved the speed of decisions, indicating better VFM in this area. High delegation rates of up to 96 per cent support efficient handling of applications. Although the Council has not fully analysed the reasons for changes in its comparative costs, the trend in relation to this aspect of performance is positive.
- 60** Value for money is kept under review. Service costs are managed effectively. Sound budgetary processes identify potential overspends and allocate resources in line with priorities. Staff structures and processes are reviewed as vacancies arise. A business case must be made to fill vacant posts. Temporary appointments are used to assess the need for posts on a permanent basis. Efficiency savings are sought, for example through joint procurement and the use of consultation protocols with adjoining councils and Exmoor National Park. Costs of legal agreements are recouped although not all opportunities to recover costs are exploited. Over the past four years, just over £1.0 million from Planning Delivery Grant and £186,000 surplus fee income has funded service improvements and additional posts. These mechanisms contribute to cost effective delivery.

## What are the prospects for improvement to the service?

### What is the service track record in delivering improvement?

- 61** The Council has a strong track record of addressing weaknesses identified from corporate and service inspections. Following its assessment as 'weak' in the Comprehensive Performance Assessment (CPA) of 2003, the Council has developed a sound improvement plan and, with one exception, all projects are on track. The recent Audit Commission Progress Assessment recognised the Council's 'strong progress' in addressing CPA weaknesses. The Council has also responded to the findings of the CPA balancing housing markets diagnostic to drive improvement. For example, it has improved cross service working between housing and planning and improved poor performance in major applications. This shows that the Council is open to challenge and willing to learn.
- 62** The planning service also has a track record of delivering incremental improvement in recent years. Following a long period of under performance the Council is now making good progress towards its annual target of 150 new affordable dwellings each year. Through section 106 agreements, it has secured 91 homes in 2005/06, an increase of 24 units from the previous year, with none requiring public subsidy. It expects to secure a further 147 in 2006/07. Despite the constraints of a rural area, the service has also improved the use of brownfield land to meet the national target of 60 per cent. As already mentioned, the service also has some track record of responding to mystery shopping and customer feedback, including the introduction of customer care standards and initiatives to improve the accessibility of the service to users. This track record provides some assurance that the service can deliver improvement.
- 63** A key achievement is improved performance in the speed of all types of planning application. For example, between 2001/02 and 2004/05 performance in major applications improved from 38.5 per cent in 13 weeks to 55 per cent; minors from 54.5 per cent to 71 per cent and others from 70 per cent to 80 per cent. Unaudited data for the year ending June 2006 indicates further improvement in all categories, with performance in major and other applications now exceeding government targets. This improvement has resulted in the Council no longer being designated as Standards Authority for major applications and is acknowledged by increasing awards of Planning Delivery Grant over this period. This progress has been achieved without creating a backlog<sup>6</sup> of applications or increasing the number awaiting decision. Currently, however, 52 per cent of all current applications have exceeded their target date. Although this figure is declining, it will impact on future performance.

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<sup>6</sup> A 'backlog' exists when the number of applications awaiting decision exceeds the number determined over a set period by 10 per cent or more.

- 64 The Council does not have a strong corporate track record of promptly addressing problems within the planning service that are capping its ability to improve. Service Plans for 2005/06 identified the lack of space to accommodate staff recruited to new and vacant posts as a major barrier to improvement. A short-term solution - which relies on a sequence of office moves around the Council - is shortly to start, allowing around five officers to join the planning service. Longer-term measures have yet to be confirmed. The re-structuring of the Council has taken longer than anticipated and as a result, senior managers have had to retain operational duties. When new posts were approved in November 2005, the development of job descriptions for these posts took a further five months. There have been significant delays in evaluating newly created posts, further delaying advertising and recruitment. The lack of co-ordinated corporate actions has delayed recruitment and reduced the service's ability to improve.
- 65 The planning service has been slow to address some areas of identified weakness or learn from them. Process mapping has identified areas of efficiency savings but some inefficient practices remain. The approach to diversity and equalities is still underdeveloped, despite being recognised earlier. The inspection of planning carried out in October 2001 identified that customer focus needed to be improved. The subsequent desktop review also highlighted this area. Yet despite a wide range of measures to improve customer service, key weaknesses remain and the Council accepts that customer focus is still a key area of concern. These failures to fully address areas of known weakness raise doubts about the service's commitment to improve.

### **How well does the service manage performance?**

- 66 A performance management culture is not embedded within the service. Effective systems are in place to manage and report on processing times for planning applications and other aspects of DC performance. However, performance information is not consistently used to drive wider improvement. It is not graphically displayed in public areas or shared with stakeholders to promote awareness of performance issues and demonstrate whether service standards are being met. Basic information is not readily to hand for all staff, for example trends in the number of applications awaiting decision and the proportion of each type of application. Detailed management reports are produced on many other aspects of performance but this information is not consistently used to guide policy development or improve service quality. Value for money information is not used routinely to challenge service delivery or question the appropriateness of the level of service compared with its cost. As a result, the service is missing opportunities to identify opportunities to drive wide-ranging improvement.

- 67** The service planning process is only partially successful in translating corporate targets into actions for the service. The new service plan lifts targets from the Corporate Business Plan and details how they will be delivered by the service. Staff have individual and team targets which reflect what the service plan is seeking to achieve. However, the service plan does not consistently provide focus on the outcomes it wants to achieve. Some actions lack targets, for example, the stated 'output' of reducing the number of complaints received is viewed as a measure of success, but there is no corresponding target for this. There are no measures to monitor the success or otherwise of protecting the built or natural environment, although the Council is currently working on this. In addition, there are some omissions or errors within service plan. For example, reports on performance for the four quarterly periods of 2005/06 lack targets against which performance can be judged. Also there is a lack of clarity within the document about whether the service is aiming for 69 per cent user satisfaction by 2006/07 or 70 per cent. Whichever value is correct, the target is low and not challenging if the service genuinely wants to improve its user focus.
- 68** The approach to setting service standards is not challenging. Currently the service follows the corporate standard for responding to correspondence of ten working days. However, the planning service has not sought to vary the standard according to the type of enquiry received, for example, by lowering it for simple enquiries, but extending the deadline for more complicated issues. This would provide customers with a clearer view of when they could expect a reply and allow the service to deal more effectively with areas of under performance. The service is not currently meeting the target set and this in part may be due to the approach being adopted. There is also limited involvement of users in setting service standards. The service has relied on corporate consultation and has not sought user views on whether the standards applied are appropriate. The service can not be certain that the standards used reflect customers' needs.
- 69** The staffing situation within the service has led to a short-term focus rather than a sustainable long-term approach. Despite the eight stated priorities for the service, its focus has largely been on meeting government targets for applications and the local policy framework. While these have been areas of some success, especially in relation to the LDF, this has been at the expense of other areas, in particular customer service. Success in meeting targets for applications has relied on managers retaining an operational workload. To meet all corporate objectives, a more sustainable long-term approach is needed.
- 70** The political structure of the Council supports a strong focus on the Council's priorities. A political portfolio is aligned to each priority and this allows councillors to keep up to date on delivery against each area. Because of its relevance to many different areas, planning does not have its own portfolio holder but the relevant councillors work together as appropriate to provide a common direction.

- 71 The Council recognises the strategic importance of the planning service in delivering corporate priorities. The Corporate Business Plan outlines the role played by planning in the delivery of all four corporate priorities. For example, it highlights the role of e-government within planning in improving customer access to services and supporting delivery of affordable housing through tougher planning policies and more effective use of section 106 agreements. Councillors and staff have a clear understanding of the role that the service plays in wider Council business. However, as outlined previously, the translation of this recognition into tangible commitment to the service remains in doubt.
- 72 Effective systems are in place for monitoring and reporting performance information. A new electronic system allows performance management reports to be produced easily. The Executive and the senior management team receive quarterly reports on performance which are easy to read and provide clear information on performance across the Council. The amount of information relating to planning is limited but exception reporting is used to ensure that important messages are included.

### **Does the service have the capacity to improve?**

- 73 The Council has not shown coherent leadership of the process of managing change within the planning service. For example, there is confusion about how far the planning service's work on customer care fits into the wider corporate approach. While the Council recognises the corporate importance of planning, it has not addressed the lack of accommodation available to the service and this has delayed its ability to recruit to new posts. In turn, this has impacted on the current quality of the service and its ability to support corporate aims. To date, the recent corporate restructuring - designed to provide a closer link between services and the Council as a whole - has not brought about the improvement envisaged. As a result, the service is not receiving strong and consistent direction in managing change.
- 74 Council-wide and service re-structuring have not yet provided clear direction and leadership to the service in driving change and improvement. To date, partly as a result of ongoing gaps in staff resources and planned delays - pending the outcome of this inspection - the restructuring has not added capacity to support improvement. In addition, there is no evidence to show how inefficiencies will be addressed or how the service will become more flexible and outward looking as a result of the changes made. Additional posts will add capacity but the continuing uncertainties over accommodation also make it unclear whether the restructuring can be completed. The Council now plans to review the effectiveness of the service structure and finalise this in response to our inspection findings. This demonstrates responsiveness and a willingness to learn. However, to date, the Council has not achieved what it wants for the service. As a result, there is currently some doubt over its ability to sustain fundamental change and improvement.

- 75 The Council's approach to improving the planning service lacks co-ordination. Over recent years, the Council has received a number of inspections and reviews to inform service development. A number of further initiatives are in the pipeline. These include the corporate review of customer access and the related proposed contact centre, planning inspections, ideas from senior managers and the work of the customer care officer. However, these have not been pulled together into a coherent plan which sets out what the service intends to do, who is responsible and how progress will be monitored. The service lacks a clear vision of the nature and level of improvement it is aiming for to provide a clear focus on all emerging issues. And, corporately, the Council has not ensured that all issues are being addressed. This is a major weakness.
- 76 External funding has allowed the service to increase staff capacity in some areas. Planning Delivery Grant - ring-fenced within the service - and surplus fee income have funded the creation of new posts for technical support, development control, planning policy and conservation. A programme of filling vacant posts is now under way. However, funding sources to sustain ongoing improvement for the service - in the face of future uncertainties over the availability of PDG and future levels of fee income - are yet to be confirmed. The Council has identified potential budget surpluses to support the planning service in the future but firm decisions have not been made whether this would be available in the face of competing demands from other services. This adds uncertainty over the service's ability to sustain improvement.
- 77 Investment has been made at a corporate level to increase capacity. The Council has Investors in People (IIP) accreditation which demonstrates the commitment to business improvement and people development. Information technology and e-government have been used to enhance capacity. The Council also has a councillor development programme of seminars on planning to which parish councils are invited. These all help to facilitate improvement.
- 78 Staff remain committed and motivated. Despite the heavy workload placed on them from vacant posts and long-term illness, staff are willing and keen to improve. They are also eager to take up development opportunities, and this is helping to ease pressure, for example, through training an enforcement officer to become a planning officer and training some support staff to deal with regular enquiries. This will help to maintain the momentum of change.
- 79 The Council is also trying to increase capacity through joint working, procurement and partnership. It is exploring opportunities to share skills and staff with other local authorities and also seeking to provide joint services where appropriate. It is also developing stronger mechanisms to promote joint working with other services within the Council. This should ease workloads and enable the service to focus more on improvement across the board.