

6 June 2019

Archwilydd Cyffredinol Cymru  
Auditor General for Wales

# The Effectiveness of Local Planning Authorities in Wales



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU





This report has been prepared for presentation to the National Assembly under the Government of Wales Act 2006 and the Public Audit (Wales) Act 2004

The Wales Audit Office study team was project managed by Nick Selwyn and comprised Steve Frank, Euros Lake, Matt Brushett, Philippa Dixon and Sara Leahy under the direction of Jane Holownia.

**Wales Audit Office  
24 Cathedral Road  
Cardiff  
CF11 9LJ**

The Auditor General is independent of the National Assembly and government. He examines and certifies the accounts of the Welsh Government and its sponsored and related public bodies, including NHS bodies. He also has the power to report to the National Assembly on the economy, efficiency and effectiveness with which those organisations have used, and may improve the use of, their resources in discharging their functions.

The Auditor General also audits local government bodies in Wales, conducts local government value for money studies and inspects for compliance with the requirements of the Local Government (Wales) Measure 2009.

The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General.

© Auditor General for Wales 2019

You may re-use this publication (not including logos) free of charge in any format or medium. If you re-use it, your re-use must be accurate and must not be in a misleading context. The material must be acknowledged as Auditor General for Wales copyright and you must give the title of this publication. Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned before re-use.

For further information, or if you require any of our publications in an alternative format and/or language, please contact us by telephone on 029 2032 0500, or email [info@audit.wales](mailto:info@audit.wales). We welcome telephone calls in Welsh and English. You can also write to us in either Welsh or English and we will respond in the language you have used. Corresponding in Welsh will not lead to a delay.

**Mae'r ddogfen hon hefyd ar gael yn Gymraeg.**

# Contents

|          |  |           |
|----------|--|-----------|
|          | <b>Summary report</b>  | <b>6</b>  |
|          | Our findings   | 9         |
|          | Recommendations  | 12        |
| <b>1</b> | <b>Planning authorities find it challenging to balance competing demands because of the complexities of the planning system</b>                          | <b>14</b> |
|          | Local planning authorities must work within an intricate and multi-layered planning framework  | 15        |
|          | Managing competing influences and expectations when setting land use priorities and deciding upon applications can be difficult for planning authorities | 17        |
|          | Stakeholders value planning services but are concerned that authorities are not good at engaging with and involving them, and that they lack ambition    | 21        |
| <b>2</b> | <b>Insufficient capacity and reducing resources are eroding planning authorities' resilience</b>   | <b>25</b> |
|          | Planning authorities have seen a significant reduction in resources  | 26        |
|          | There are opportunities to increase income and reduce subsidisation of planning services   | 27        |
|          | Capacity is stretched, and planning authorities are struggling to deliver key functions, but there has been limited progress on improving resilience     | 32        |

|   |   |    |
|---|---|----|
| 3 | Timeliness and quality of decision making varies widely and performance on managing applications is poor                                    | 36 |
|   | The focus and quality of planning committees decision making varies widely and the level of officer recommendations overturned remains high | 37 |
|   | Performance in determining planning applications is poor  | 39 |
| 4 | Further work is required to deliver the wellbeing aspects of the Planning (Wales) Act and Planning Policy Wales                             | 43 |

#### Appendices

|  |  |    |
|--|--|----|
|  | Appendix 1 – study methodology   | 49 |
|  | Appendix 2 – the planning framework in Wales                                     | 50 |
|  | Appendix 3 – net cost of local authority development control services in 2017-18 | 53 |
|  | Appendix 4 – net cost of local authority building control services in 2017-18    | 54 |
|  | Appendix 5 – survey findings   | 55 |

# Summary report

- 1 The planning system controls the use of land and what is built on it, and is enforced by planning authorities, which are responsible for deciding whether a proposed development should be allowed to go ahead by granting or refusing planning permission. Planning applications must be decided in line with the Local Development Plan<sup>1</sup> unless there is a very good reason not to do so. Planning therefore ensures that the right development happens in the right place at the right time.
- 2 The local planning authority plays the critical role in identifying what development is needed and where; what areas need to be protected or enhanced; and in assessing whether a proposed development is suitable. There are 25 local planning authorities in Wales: the 22 unitary authorities and the three National Park Authorities. Local planning authorities have three key roles: Planning Policy, Development Control and Building Control – [Exhibit 1](#).

## Exhibit 1 – the role of local planning authorities

The local planning authority plays a key role in supporting and managing development that benefits everyone living in and visiting Wales

### Local Planning Authority Services

#### Planning Policy

the Local Development Plan sets out local planning policies and identifies how land is used, determining what will be built where. Adopted local plans provide the framework for development across Wales and are developed and managed by the local planning authority.

#### Development Control

most new buildings or major changes to existing buildings or to the local environment need consent before they go ahead, and it is the local planning authority that decides on the majority of planning applications.

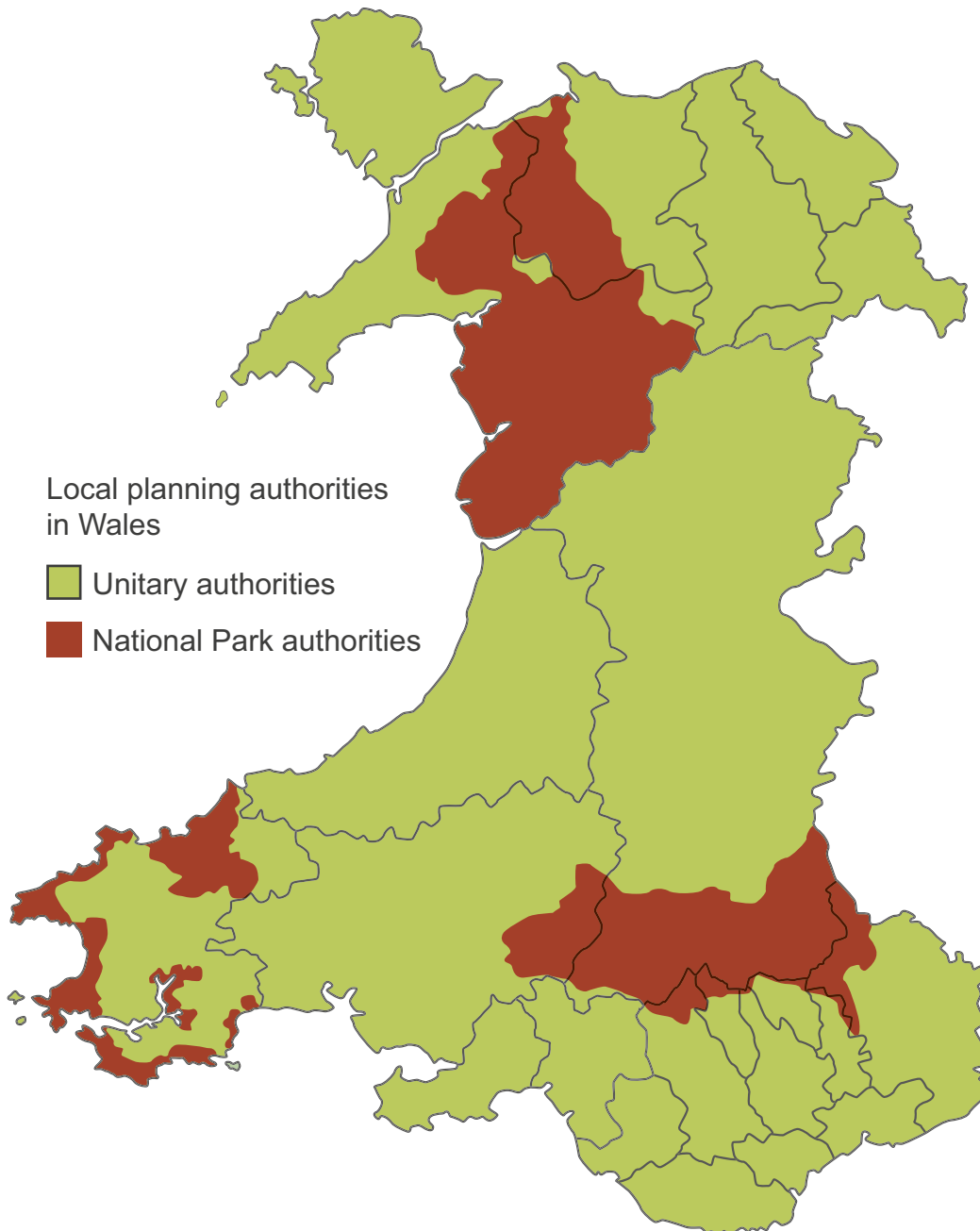
#### Building Control

building regulations are the minimum standards for design, construction and alterations to virtually every building in Wales. Building control oversees much of this work but these services are not provided by National Park Authorities.

Source: Wales Audit Office

<sup>1</sup> Adopted Local Development Plan sets out local planning policies and identifies how land is used, determining what will be built where. Adopted local plans provide the framework for development across Wales.

## Exhibit 2 – The 25 Local Planning Authorities in Wales



Source: Wales Audit Office



- 3 Local planning authorities make a major contribution to supporting the development of new homes, conserving natural assets, creating employment opportunities, enforcing high design standards and improving local infrastructure. The decisions taken by local planning authorities therefore directly impact on all of us, our wellbeing and our quality of life.
- 4 The National Assembly for Wales adopted a new **Planning (Wales) Act** (the 'Act') in 2015 which seeks to ensure the planning system is 'fair, resilient and enables development' against five key objectives:
  - a a modernised framework for the delivery of planning services – the Act introduces powers to allow planning applications to be made directly to Welsh ministers in limited circumstances;
  - b strengthening the plan led approach – the Act introduces a legal basis for the preparation of a national framework and strategic development plans;
  - c improving resilience – allows Welsh ministers to direct local planning authorities to work together and to merge;
  - d improving the development management system – the Act introduces statutory pre-application procedures for defined categories of application; and
  - e enabling effective enforcement and appeals – secure prompt, meaningful action against breaches of planning control and increase the transparency and efficiency of the appeal system.
- 5 Our report considers the progress of local planning authorities in delivering their new responsibilities and the extent to which they are acting in accordance with the sustainable development principle contained within the Wellbeing of Future Generations (Wales) Act 2015. We also consider how efficient and effective the 'local planning system' is, focussing on their performance, income and expenditure to determine how resilient services are. Finally, we also look at decision making and stakeholder engagement. Our review methods are set out in **Appendix 1**.



## Our findings

- 6 The planning system has experienced substantial reform in recent years, culminating in the Planning (Wales) Act 2015 and a revised [Planning Policy Wales](#)<sup>2</sup>. The driver for these changes has been the Welsh Government's aim to help planners respond to the changing circumstances in which land use regulation is operating, and to address longstanding concerns about the efficiency of the complex planning system – including tackling delays to plan-making and decision-making and increasing transparency. But land use planning is complex, and there are inherent tensions in the system. Decisions on land use and development are made with reference to plans of up to 15 to 20 years' duration, updated every five years or so, but these can quickly become out of step with the reality of rapid economic and social change.
- 7 Citizens we surveyed and spoke to told us that they do not believe that their planning authorities are ambitious enough to help deliver the improvements needed in their community. People we spoke to are frustrated by planners focussing too much on individual applications and not enough on encouraging and supporting the creation of a more vibrant and sustainable community. As well as wanting to see local planning authorities upping their game and becoming more innovative, citizens are concerned that they are not effectively engaged or involved in discussions on the priorities for development in their area, nor in decision making on local applications. Some citizens noted that developers have the resources to 'play the system', and overall the system is disproportionately delivering greater benefits for developers than communities.
- 8 The negative perception of citizens is not helped by the poor-quality information often provided by local planning authorities to help explain what they are doing, where and when. Repeatedly, our survey respondents told us they considered information to be inaccessible and not useful. Over half of those responding to our survey stated that it is not easy to access information on planning, and 70% stated that local planning authorities are not good at engaging with stakeholders about

2 [Planning Policy Wales](#) sets out the land use planning policies of the Welsh Government. The current version, published in December 2018, is intended to 'help to ensure that the planning decisions taken in Wales, no matter how big, or how small, are going to improve the lives of both our current and future generations. It will support changing the way we live and work, and the buildings and environment of Wales, today, building a better environment to accommodate current and future needs'.

planning proposals and their potential implications. Overall, many citizens we surveyed see local planning as a system which results in things happening in communities which they are unable to influence or control. There is a growing disconnect between what people want from their planning authority and what their planning authority is delivering.

- 9 Despite the new legislation and heightened expectation on the contribution planning can make to delivering the aspirations of the Wellbeing of Future Generations Act, local planning authorities have seen a significant reduction in capacity and struggle to deliver their statutory responsibilities. Our analysis shows that all planning services – policy, development and building control – have, since 2008-09, seen significant cuts in expenditure with budgets having fallen by 50% in real terms, considering inflation. Net expenditure has fallen from £45 million in 2008-09 to £22.8 million in 2017-18. The biggest cut has been to development control budgets where spend has reduced by 59%.
- 10 With less money to fund services, planning officer capacity is stretched and skills are decreasing in key areas of work. The number of trainees entering planning has fallen in recent years which raises concerns over the long-term sustainability of services. Despite these reductions in funding, authorities continue to subsidise services because the charges made by local planning authorities for administering and approving planning applications and building works does not reflect the cost of providing these services.
- 11 In the last four years the number of planning applications made to local planning authorities has remained stable at around 24,000 per annum, but fewer planning applications are being processed on time. Also, the length of time taken to investigate complaints about development varies widely across Wales. The best performing planning authorities deal with enforcement issues very quickly, often within a week. The worst performers can take over a year. On average it takes authorities over 37 weeks to investigate and deal with an enforcement case.

- 12 Planning committees take responsibility for determining larger applications that are not delegated to officers. Decisions are based on officer recommendations that committee members need to consider in arriving at their decision. The proportion of decisions made by members against officer advice remains high, with just under 9% of recommendations overturned in 2017-18. Where an authority has refused a planning application then the applicant has the right to appeal the decision. We found that just over 37% of appeals made by planning applicants are upheld, with the original authority decision being overturned.
- 13 It is not surprising to encounter concerns from all sides about planning decisions. In many cases there will be losers who suffer adverse effects, and it is often difficult for planning committees, even with hindsight, to judge if the 'right' decision has been made. Some of the factors that need to be considered are inevitably subjective; planning will always be more than a simple tick-box exercise, often demanding both judgement and imagination. An effective local planning authority will therefore need to have a clear vision of how they will work in the medium-to-long-term to improve their communities. Having a clear vision of the future possibilities can inspire and motivate people to want the best.
- 14 We found that most local planning authorities have not clearly defined how their planning services contribute to the wellbeing of people and communities. Our review concludes that planning services are key to helping to deliver the aspirations of the Wellbeing of Future Generations Act but currently, due to the complexity of the planning system, reducing capacity and variable decision making, authorities have some way to go make the step change needed.
- 15 Based on the findings of this audit, the Auditor General has concluded that **Planning Authorities are not resilient enough to deliver long-term improvements because of their limited capacity and the challenge of managing a complex system.**

## Recommendations

Our recommendations are set out in the table below.

| Recommendations |   |
|-----------------|---|
| <b>R1</b>       | <p><b>Part 1</b> of the report sets out the complexities of the planning system showing how challenging it is for local planning authorities to effectively engage with and involve stakeholders in choices and decisions. To improve involvement with stakeholders and ownership of decisions we recommend that:</p> <ul style="list-style-type: none"><li>• local planning authorities:<ul style="list-style-type: none"><li>– test current engagement and involvement practices and consider the full range of other options available to ensure involvement activities are fit for purpose;</li><li>– use ‘Place Plans’ as a vehicle to engage and involve communities and citizens in planning choices and decision making; and</li><li>– improve transparency and accountability by holding planning meetings at appropriate times, rotating meetings to take place in areas which are subject to proposed development, webcasting meetings and providing opportunities for stakeholders to address committee meetings.</li></ul></li><li>• Welsh Government:<ul style="list-style-type: none"><li>– review the Development Management Procedure Order 2012 and update the engagement and involvement standards for local planning authorities.</li></ul></li></ul> |
| <b>R2</b>       | <p><b>Part 2</b> of the report highlights that local planning authorities have been subject to significant reductions in funding and struggle to deliver their statutory responsibilities. To improve resilience, we recommend that local planning authorities:</p> <ul style="list-style-type: none"><li>• review their building control fee regimes to ensure the levels set, better reflect the actual cost of providing these services and make the service self-funding; and</li><li>• improve capacity by working regionally to:<ul style="list-style-type: none"><li>– integrate services to address specialism gaps;</li><li>– develop joint supplementary planning guidance; and</li><li>– develop future local development plans regionally and in partnership with other local planning authorities.</li></ul></li></ul>   |

## Recommendations

**R3** **Part 2** of the report highlights that the cost of development control services is not reflected in the charges set for these services and progress in developing regional responses to strengthen resilience has been slow. We recommend that the Welsh Government:

- reviews development control fees to ensure the levels set, better reflect the actual cost of providing these services; and
- consider how to use the powers in the Planning (Wales) Act to support and improve local planning authority capacity and resilience.

**R4** **Part 3** of the report summarises the effectiveness and impact of local planning authorities decision making and how well they are performing against national measures. We recommend that local planning authorities improve the effectiveness of planning committees by:

- reviewing their scheme of delegation to ensure planning committees are focussed on the most important strategic issues relevant to their authority;
- revising reporting templates to ensure they are clear and unambiguous to help guide decision making and reduce the level of officer recommendations overturned; and
- enforcing the local planning authorities' standards of conduct for meetings.

**R5** **Part 4** of the report identifies the central role of planning to delivering the ambitions of the Wellbeing of Future Generations Act. We recommend that local planning authorities:

- set a clear ambitious vision that shows how planning contributes to improving wellbeing;
- provide planning committee members with regular and appropriate wellbeing training and support to help deliver their wider responsibilities;
- set appropriate measures for their administration of the planning system and the impact of their planning decisions on wellbeing; and
- annually publish these performance measures to judge planning authorities impact on wellbeing.

We have also published a **summary report** and an **open data set** that summarises our analysis of performance data and some of our survey findings.



## Part 1

Planning authorities find it challenging to balance competing demands because of the complexities of the planning system



- 1.1 In this section of the report we outline the complexities of the planning system. We consider the national planning policy framework and how this is implemented at a local level setting out the different responsibilities of local planning authorities, and the challenges of engaging with and involving citizens and stakeholders more effectively. Finally, we outline one of the strongest messages from our review – that planning authorities need to be more ambitious and visionary.

## Local planning authorities must work within an intricate and multi-layered planning framework

- 1.2 Planning Policy Wales defines the planning system as responsible for managing the ‘development and use of land in the public interest, prioritising long term collective benefit, contributing to improving the economic, social, environmental and cultural wellbeing of Wales’. A well-functioning planning system is fundamental for sustainable development and achieving sustainable places. However, the planning system is very complex because it is based on an interconnected system of national, regional and local plans, policies, priorities and decision making to govern the use of land.
- 1.3 **Exhibit 3** outlines the key aspects of this interconnected and complex system (the fuller detail is set out in **Appendix 2**). In summary the Planning Framework in Wales covers:
- a **National** – at a national level, legislation is drafted by the Welsh Government, and scrutinised and adopted by the National Assembly for Wales. The most recent planning legislation is the Planning (Wales) Act 2015. Planning Policy Wales make the link between legislation<sup>3</sup> and the priorities of the Welsh Government. Planning Policy Wales - supplemented by technical advice notes, circulars and ministerial letters - sets the policy for local planning authorities to comply with.
  - b **Regional** – Strategic Development Plans are recent introductions and allow for local planning authorities to develop regional plans that cover several local authority areas. Progress in developing regional plans has, to date, been slow.

3 The other key pieces of legislation are the Town and Country Planning Act 1990 and the Planning and Compulsory Purchase Act 2004. These were introduced by the UK Government.



- c **Local** – below the new regional framework sit Local Development Plans. These set the context for future priorities and development control activity in a local planning authority’s area. Local Development Plans are supported by Development Control policies, supplementary planning guidance and sub-area local plans, often referred to as ‘Place Plans’. Taken together, these provide the local policy framework for deciding on planning applications.

### Exhibit 3 – the planning framework in Wales

Planning in Wales is complex because it is based on an interconnected system of national, regional and local plans, policies, priorities and decision making



Source: Wales Audit Office

- 1.4 Navigating a potential development or application through these different layers can be complicated. Identifying what plans govern the development, which guidance applies and where authority should be sought from is not easy because decision making rests with many organisations and each of these has different layers of responsibility. Local planning authorities must work within this planning policy framework, complying with the guidance and directives set by the Welsh Government.

## Managing competing influences and expectations when setting land use priorities and deciding upon applications can be difficult for planning authorities

- 1.5 The multi-layered and complex nature of this system increasingly impacts upon local planning authorities in several important ways. Adopting a Local Development Plan can be a costly process. In 2015 Welsh Government estimated the costs of producing a Local Development Plan was between £1.1 and £2.2 million<sup>4</sup>. Adopting a plan can be time-consuming. For instance, one planning policy manager told us that his authority had to complete 872 separate actions over the various development agreement stages to get the Local Development Plan approved<sup>5</sup>. Consequently, it is not unusual for the adoption of a plan to take many years<sup>6</sup>.
- 1.6 The process of adopting a development plan, and by extension establishing the policies and decision-making arrangements to oversee development control activity, can also be contentious. Because planning policy decides on what type of development is permitted to happen, where and when, it generates criticism and competing views. In setting local policies, planning authorities need to balance conflicting pressures from applicants, communities, interest groups, businesses, lobby groups and residents. They also must consider the needs of current and future generations.

4 See summary of research evidence **Welsh Assembly research for the Planning Act (Wales) Bill 2015**.

5 See an example of Local Development Plan stages of the preparation process in Cardiff **Local Development Plan production process**.

6 For instance, Wrexham County Borough Council first Local Development Plan was withdrawn at examination in 2012 and the Council submitted the second draft deposit Plan for public consultation in April 2018.

- 1.7 In addition, developers want consistent, timely and professional development control services that reduce delays and proactively support their activity. An effective development control service is critical for them as they often borrow significant sums of money to fund developments, and therefore want local planning authorities to resolve issues quickly and conclusively to reduce their potential losses and increase profits. Also, the tensions brought about by multiple owners of land, the various interests in development and the pressures on local planning authorities to open-up new opportunities for development can be considerable. The value of land that has received planning permission can increase enormously and therefore the pressures on local planning authorities to grant planning permission are considerable.
- 1.8 In an era of growing demand for development land, there are often questions over the influence of developers, especially those with large resources, who are perceived as seeking to influence planning decisions. The development industry is well organised and expert, as are an increasing number of conservation and interest groups who are becoming ever more skilful and persuasive in getting their point across. And, whilst the public understand the importance of, and need for, new developments, they also value conservation and protection of the natural environment.
- 1.9 Consequently, it is not unusual to see communities and lobby groups opposing new housing or largescale infrastructure projects. This is borne out by the findings of our surveys. **Exhibit 4** summarises the different priorities for planning committee members, planning officers and the public. Whilst there is some correlation between each group of respondents, citizens gave greater preference to conservation and protection than new development.

**Exhibit 4 – the main development priorities for senior planning officers, committee members and citizens**

There are differences between local planning authorities and the public on future priorities

| <b>Heads of planning 5 main priorities</b>                          | <b>Planning committee member 5 main priorities</b>                  | <b>Members of the public 5 main priorities</b>                           |
|---|---|--|
| 1 Increasing the availability of housing                            | 1 Improving infrastructure - road, rail, cycling, broadband, energy | 1 Improving infrastructure - road, rail, cycling, broadband, energy      |
| 2 Creating new and safeguarding existing jobs                       | 2 Increasing the availability of housing                            | 2 Conserving and protecting the natural environment                      |
| 3 Regenerating and improving existing towns and villages            | 3 Regenerating and improving existing towns and villages            | 3 Creating new and safeguarding existing jobs                            |
| 4 Improving infrastructure - road, rail, cycling, broadband, energy | 4 Conserving and protecting the natural environment                 | 4 Protecting and conserving our existing homes, villages and communities |
| 5 Conserving and protecting the natural environment                 | 5 Creating new and safeguarding existing jobs                       | 5 Improving education provision  |

Source: Wales Audit Office, Planning committee, senior planning officer, and citizens survey, January 2019.

- 1.10 Our fieldwork and surveys highlight a growing public perception of the continuing shift in the balance of influence (and power) between planners and developers. The influence of developers is partly fuelled by local planning authorities needing to support delivery of the national targets (such as the Welsh Governments 20,000 affordable homes<sup>7</sup> between May 2016 and May 2021) and by the potential of planning to generate economic growth, create new jobs and protect existing ones.
- 1.11 Senior planning officers and planning committee members told us about the pressure on them not to impose too many restrictions on developers. We found there is also a perception of developers ‘buying’ planning permission through Section 106 agreements<sup>8</sup> and paying the Community Infrastructure Levy<sup>9</sup>. This is not new and is a symptom of the supposed influence of professional lobbying and powerful interests. Comments in our public survey confirm this: ‘In my experience developers generally get their way and money talks, that’s not to say the process is corrupt merely that developers usually have the resources to badger the authority into approving their schemes sometimes in the face of under resourced local opposition.’

**7 [www.assembly.wales/en/bus-home/pages/rop.aspx?meetingid=4000&assembly=5&c=Record%20of%20Proceedings#C433962](http://www.assembly.wales/en/bus-home/pages/rop.aspx?meetingid=4000&assembly=5&c=Record%20of%20Proceedings#C433962)**

**8** A local planning authority and a developer may enter into a legal agreement to provide infrastructure and services on or off the development site where this is not possible through planning conditions. This agreement, also known as a Section 106 agreement, is a delivery mechanism for the matters that are necessary to make a development acceptable in planning terms. Planning agreements have become increasingly important to the provision of public services including highways, recreational facilities, education, health and affordable housing.

**9** The Community Infrastructure Levy is a planning charge, introduced by the Planning Act 2008 in England and Wales to help deliver infrastructure to support the development of an area. Development may be liable for a charge under the Community Infrastructure Levy if the local planning authority has chosen to set a charge in its area. Most new development which creates net additional floor space of 100 square metres or more, or create a new dwelling, is potentially liable for the levy. Currently only three local planning authorities are using the Community Infrastructure Levy.

## Stakeholders value planning services but are concerned that authorities are not good at engaging with and involving them, and that they lack ambition

- 1.12 To ensure fairness, it is important that local planning authorities communicate how and why planning decisions are taken, and how the public can get involved in the process. But we found that the wider public are often less aware of where to access information and how the 'system' works. This is partly a reflection of the complexity of the planning policy and development control processes. But it is also a reflection of how well local planning authorities communicate, inform and involve the public.
- 1.13 Planning authorities are increasingly aware of the need to strengthen engagement and involvement, especially in the work of planning committees. Positively, twenty-three authorities provide online information on planning applications (only Blaenau Gwent and Isle of Anglesey do not) and 22 have an officer on duty to provide advice to applicants (Bridgend, Ceredigion and Gwynedd are the exceptions)<sup>10</sup>.
- 1.14 We found that planning authorities are also encouraging public speaking and webcasting of planning committee meetings. However, whilst 24 of the 25 planning committees allow members of the public to address the committee (only Merthyr Tydfil County Borough Council does not), only 11 of the 25 planning committees webcast meetings<sup>11</sup>. Public access to many planning committee meetings is also still limited to those who are free to attend during the day and few hold meetings in the locations where the planning applications relate. This can result in limited public attendance and interest in the work of local planning authorities.
- 1.15 For instance, one citizen responding to our survey noted that 'public confidence in the local planning authority is severely undermined by a lack of transparency and consultation. There is next to no community involvement in future planning and the matter is becoming increasingly politicised'. Another concluded that 'whatever the planning department is doing it is not resulting in making my town a more beautiful or happier place. I've never known a time when my local community seems more polarised, more insular and more ill at ease with itself, and the way that our living spaces are designed is not soothing things'.

<sup>10</sup> <https://gov.wales/sites/default/files/publications/2018-12/planning-performance-framework-table-oct-2017-sep-2018.xlsx>

<sup>11</sup> <https://gov.wales/sites/default/files/publications/2018-12/planning-performance-framework-table-oct-2017-sep-2018.xlsx>

- 1.16 Understandably, those who use planning and development control services have a better understanding of how the system works. But even here our findings highlight concerns over engagement and involvement. Both citizens and organisations we surveyed and interviewed, who regularly use planning services, commented on local planning authorities' difficulties in engaging with stakeholders about planning proposals and their potential implications. Communication is often based on traditional approaches such as adverts in the local press, letter drops and appending notices to lampposts, which are often proscribed in guidance<sup>12</sup>. These are not necessarily in step with how many citizens and stakeholders consume information in the digital and smartphone age.
- 1.17 Over half of citizens responding to our survey noted dissatisfaction with their local planning authority when dealing with comments they submitted as part of the development plan adoption, and a third were unhappy with how authorities dealt with their comments on other planning applications that impacted on their local environment, community or home. For example, one respondent to our public survey noted that 'by their nature, planners are not good communicators. Most older people don't own computers, so they can't check on how planning applications that affect them are progressing... Planners need to upskill their communications efforts.' Similarly, another noted that 'I knocked on 27 houses and not one householder was aware of the candidate areas, aware of the proposed change of use or aware they could object'. We acknowledge the challenge local planning authorities face in communicating with and involving citizens. There is no one right way of doing this and local planning authorities need to consider the full range of involvement options that are available to them.

<sup>12</sup> The Development Management Procedure Order 2012 sets out the minimum engagement requirement that a local planning authority must undertake.



- 1.18 Planning Policy Wales introduces the concept of Place Plans as a key element to determine land use, conservation and development at very local levels. In Wales, Place Plans differ from England where their equivalent - Neighbourhood Plans – are material considerations and form part of the wider Local Plan framework. Place Plans are slowly being introduced with good examples in existence in Brecon<sup>13</sup>, Mold<sup>14</sup> and Snowdonia<sup>15</sup>. Good quality guidance has been developed for Place Planning by the Brecon Beacons National Park Authority<sup>16</sup> on how to involve stakeholders to both develop the plans and agree future priorities. There is good evidence of how this has been effectively used in completing their first two Place Plans in Crickhowell and Hay-on-Wye, with good progress also being made on emerging Place Plans in Brecon and Talgarth.
- 1.19 Despite local planning authorities needing to balance competing demands and influences, our fieldwork and surveys found some consistent messages on where planning choices and decisions should rest. Importantly, citizens and bodies who regularly work within the planning system recognise the need for planning to maintain a local focus, and this is best delivered by local planning authorities.
- 1.20 Whilst local accountability is valued, our survey findings also show that there is support for the Welsh Government rather than local planning authorities and the UK Government to have a greater influence and control over larger nationally significant development projects. This approach is consistent with the 2015 Act which introduces a new consenting process for developments of national significance<sup>17</sup>.
- 1.21 Despite wanting to see planning decisions taken primarily at the lowest possible level of government, feedback also consistently shows that users and beneficiaries of the planning system do not believe that local planning authorities are ambitious enough to help deliver the improvements needed in their community. Citizens are frustrated by planners focussing too much on individual applications and not enough on encouraging and supporting the creation of a more vibrant and sustainable community – **Exhibit 5**.

**13 See Brecon Place Plans**

**14 See Mold Town Plan**

**15 See Snowdon Partnership Place Plan**

**16 See [beacons-npa.gov.uk/strategy-and-policy/place-plans](https://beacons-npa.gov.uk/strategy-and-policy/place-plans)**

**17 Developments of National Significance are usually large-scale developments relating to energy, transport, water, or waste which Welsh ministers decide upon.**

## Exhibit 5 – citizen feedback on the ‘vision’ and ‘ambition’ of local planning authorities

Citizens recognise the important contribution planning can make to their wellbeing but are concerned that local planning authorities lack vision and ambition.

The current planning system is structurally flawed and ‘transactional’ in approach, it needs to be more creative, innovative and dynamic in its approach and more organic. If we have any chance of planning for future generations and wellbeing of Wales, make sure that WFG principles become reality.

Planning should be more than just using lots of words to talk about land use. There is an opportunity here to inspire people to improve their environment, incentivise good design, and promote examples of good schemes. The planning system in Wales is driven by a fear of failure rather than a shared vision of what the future could look like.

Clearer and stronger vision needed... Fortune favours the brave.

I think planning in particular doesn’t consider the long-term infrastructure implications of its planning decisions - with major large housing developments being agreed without clear, well thought through plans for roads, schools etc in the area. Traffic and parking in the city is already a huge issue and it seems like planning decisions are made in isolation.

... planners just focus on the technocratic elements of land use planning, not how the place will look and feel like in the long term. Design and spatial technology, social media, and virtual reality is not used to show people what is possible.

Source: Wales Audit Office, Public survey 2018-19.

1.22 Survey comments show that citizens want to see local planning authorities upping their game and becoming more bold, ambitious and visionary. However, our review shows that local planning authorities do not have the capacity to meet these growing aspirations and in the proceeding section of this report we outline some of these difficulties.

## Part 2

Insufficient capacity and reducing resources are eroding planning authorities' resilience



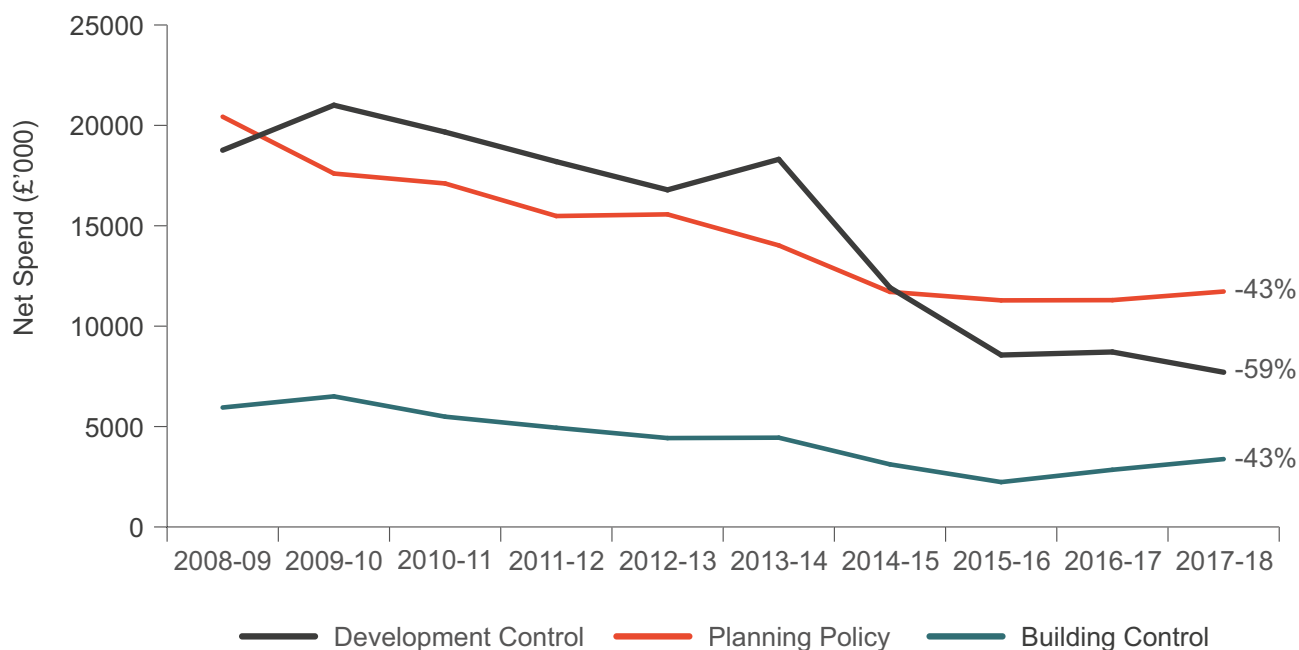
2.1 In this section of the report we assess the resilience of planning services, looking at changes in funding, income and expenditure. We examine the reduction in budgets over the last decade and the impact of these changes on staff numbers and roles. We also consider how authorities are responding to this challenge to ensure they have enough capacity to deliver their statutory responsibilities. Finally, we consider how they are collaborating and working together to strengthen their resilience.

## Planning authorities have seen a significant reduction in resources

2.2 Local planning authority expenditure has reduced significantly in the last decade. In real terms, net expenditure has fallen by 50% from £45 million in 2008-09 to £22.8 million in 2017-18 – **Exhibit 6**. The largest reduction has been in development control where funding has reduced by 59%.

**Exhibit 6 – net expenditure by local authorities on planning services in real terms in Wales between 2008-09 and 2017-18.**

There has been a significant reduction in expenditure on planning in the last decade



Source: Revenue outturn (RO) data, StatsWales. Analysis by Wales Audit Office using 2009 deflators.

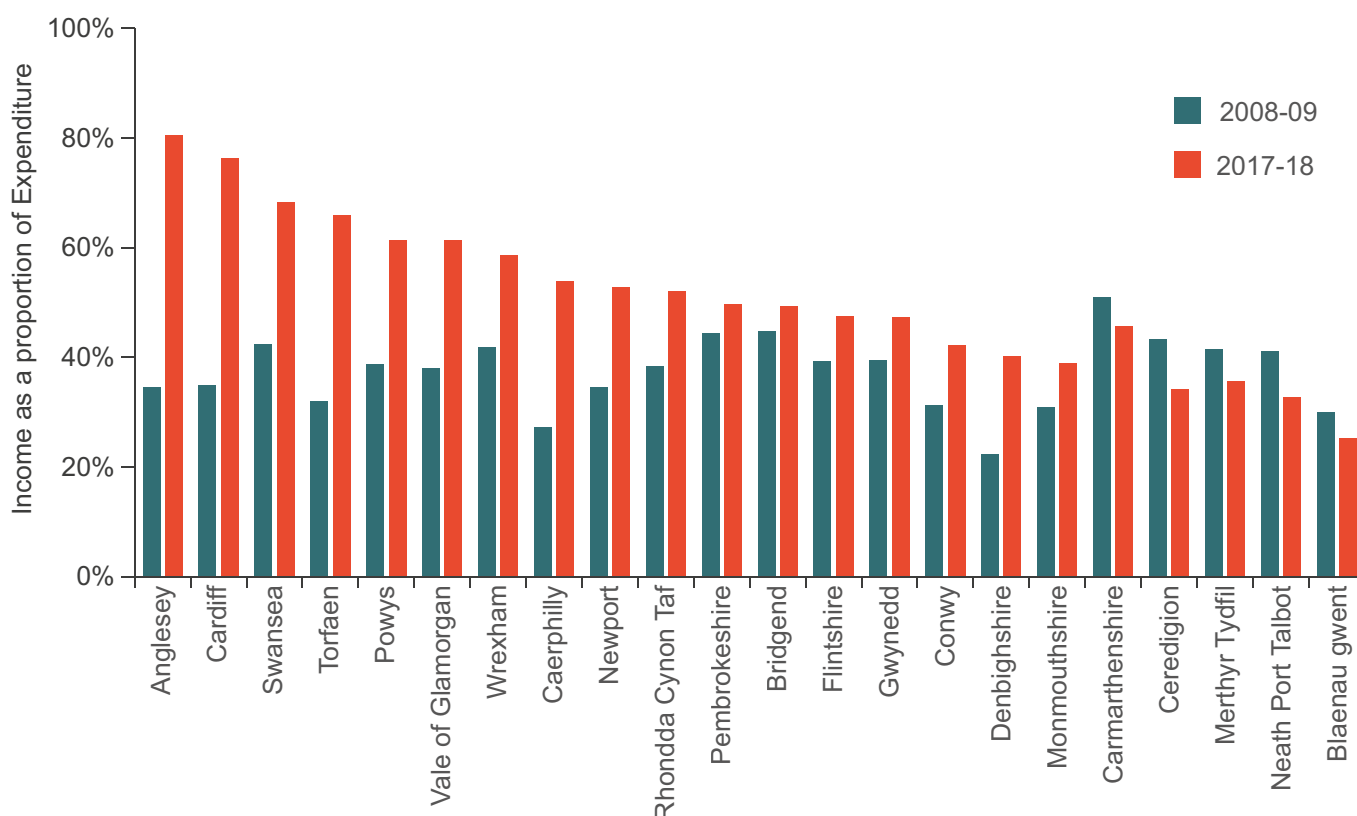
- 2.3 The Regulatory Impact Assessment (RIA) considered by the National Assembly for Wales when scrutinising the Act, outlined that the estimated total additional cost over the first five years of delivering the entire the Act would be around £6.1 million. This cost would be offset by total savings of £7.9 million, leaving a net balance of savings of £1.8 million. The RIA concluded that implementing the Act would result in a £0.5 million increase in Welsh Government expenditure, just over £1 million increase in expenditure by the 25 local planning authorities, and savings of just over £3.5 million for the development industry and others<sup>18</sup>. Our analysis shows that since 2014-15, local planning authorities have seen their net expenditure reduce by £3.9 million, not increase by £0.9 million.

## There are opportunities to increase income and reduce subsidisation of planning services

- 2.4 Given the need for local authorities to reduce their net expenditure in line with cuts in central funding, many authorities are reviewing services to ensure that, where appropriate, they are making the most of opportunities to maximise income. Whilst all local planning authorities continue to require subsidy, between 2008-09 and 2017-18, 17 of the 22 authorities had an improving subsidy position with the level of expenditure on planning services falling and the level of income now covering a greater proportion of cost – [Exhibit 7](#).

Exhibit 7 – income as a proportion of expenditure for all planning services by local authority in 2008-09 and 2017-18

Most local authority planning services have an improving subsidy position



Source: Revenue outturn (RO) data, StatsWales. Analysis by Wales Audit Office<sup>19</sup>.

2.5 There are two main areas of activity where local planning authorities charge for the services they provide – development control and building control. Welsh Government sets the development control fees. These are the same for all Welsh planning authorities and the last revision to fees was in 2015<sup>20</sup>.

19 There is no national data published for the three National Park Authorities.

20 Town and Country Planning Fees for Applications, Deemed Applications and Site Visits (Wales) Regulations 2015 [www.legislation.gov.uk/wsi/2015/1522/contents/made](http://www.legislation.gov.uk/wsi/2015/1522/contents/made)



- 2.6 Our analysis shows that in 2017-18, real terms income as a proportion of expenditure has significantly increased for development control work and now accounts for 70% of the total cost of these services. However, whilst income is increasing, there is a wide variation in performance. Two local authorities – Isle of Anglesey and Cardiff – collect more income from development control activity than it costs to provide this service. The remaining 20 authorities are all operating with varying levels of subsidy, ranging from 6.7% to 65.7% of the cost of the service (see [Appendix 3](#)).
- 2.7 Unlike development control, fees for building control services are set by each local authority. Our examination of income and expenditure shows that whilst income now covers 68% of the cost of building control services, this has remained static in recent years and no authority is recovering the full cost of their building control service. Subsidisation ranges from 0.2% to 76.2% of the services cost (see [Appendix 4](#) for our detailed analysis).
- 2.8 Subsidising services is often driven by a desire to maximise take-up and to support delivery of the wider strategic priorities. Building control services are also in competition with the private sector and consequently need to ensure services are competitively priced. However, authorities also need to consider their operating environment and identify how they can reduce the level of subsidy they provide to services to improve financial sustainability and strengthen resilience.
- 2.9 Using public data gathered from authority websites, we set out in [Exhibit 8](#) the array of charges for the cost of building control services for the erection of a single dwelling<sup>21</sup>. The range in price between the cheapest and most expensive building control charge varies significantly. Even when considering local factors and the possible differences in provision and quality of service, the scale and range of costs is very broad.

21 Most authorities have on-line fee schemes and provide detailed guidance to support applicants. However, not every authority publishes a fee scheme for their building control services. Our analysis is based on information collated from 12 local authority websites.



## Exhibit 8 – example of local authority building regulation charges in 2018-19

There is a wide variation in how much Building Control services charge for the same activity.

| Item  | Lowest charge | Highest charge | Differential |
|---|---------------|----------------|--------------|
| New Full Plans - Plan fee for single dwelling (A)       | £140.74       | £241.20        | +71.4%       |
| New Full Plans – Inspection for single dwelling (B)     | £225.72       | £532.00        | +135.7%      |
| New Building Notice fee for single dwelling (C)         | £383.04       | £785.22        | +105.0%      |
| Composite charge for A, B and C for single dwelling     | £732.00       | £1,098.00      | +50.0%       |
| Regularisation <sup>22</sup> charge for single dwelling | £510.72       | £948.75        | +85.8%       |

Source: Wales Audit Office analysis of on-line Building Control Fee schemes.

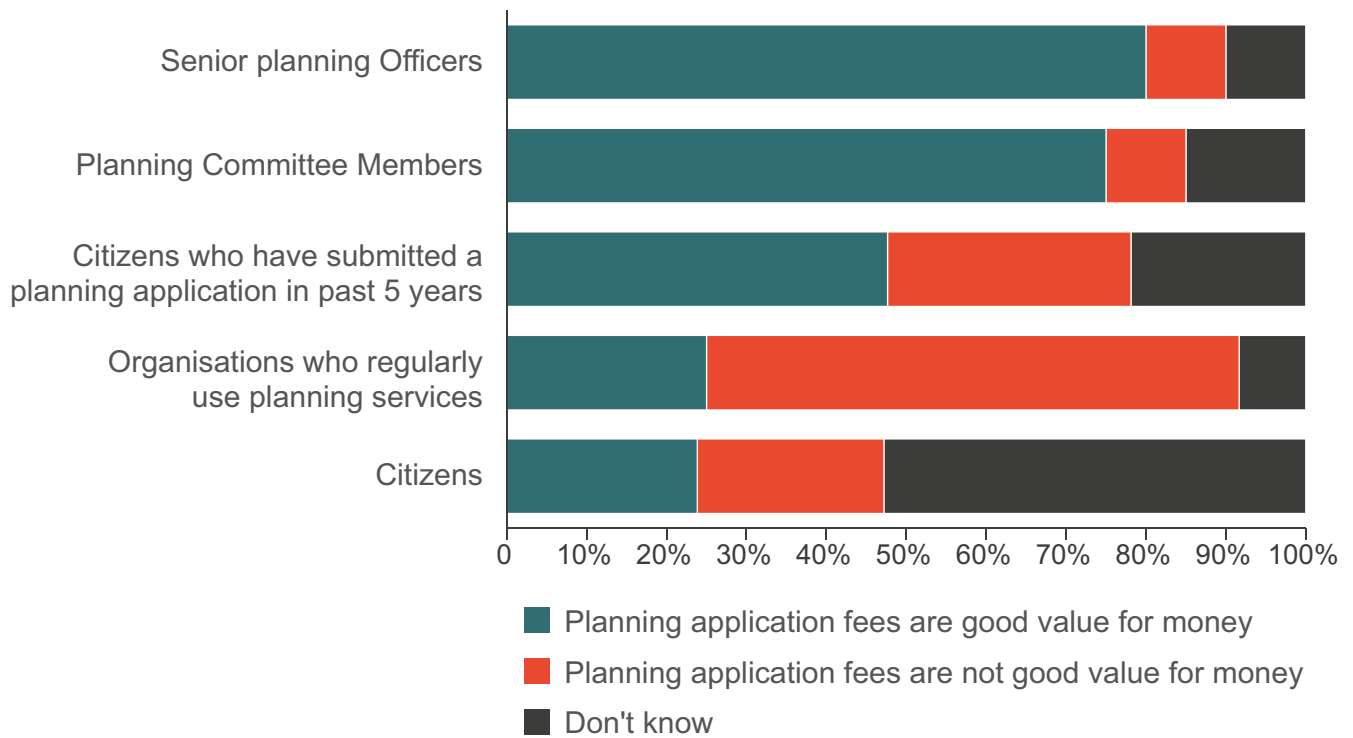
2.10 At the end of 2017-18, the combined deficit on development and building control income to expenditure stood at £11.1 million. The findings in [Exhibit 7](#), and our more detailed analysis set out in [Appendices 3 and 4](#) highlight that there is scope for Welsh Government and local authorities to review current fee schemes to ensure they better reflect the cost of providing these services, and we have made recommendations to this effect<sup>23</sup>. However, increasing fees needs to be balanced with ensuring that any rise is reflected by a better-quality service. This is especially salient as the findings of our survey work highlight that many who use planning services do not feel that current fees represent good ‘Value for Money’ – [Exhibit 9](#).

22 Building Control services can be provided in advance of work or applied retrospectively after work has taken place. Work approved after it has been completed is called ‘Regularisation’.

23 If all local planning authorities and Welsh Government enact our recommendation in full, the potential savings will be in the region of £11.1 million. If the Welsh Government increases Development Control charges to cover cost, then this will result in £7.7 million savings. If all local authorities address their Building Control deficit it will result in £3.4 million savings.

### Exhibit 9 – survey findings on whether local authority planning fees represent 'Value for Money'

There is a difference of opinion between those who administer and use planning services on whether fees represent good 'Value for Money'



Source: Wales Audit Office, Planning committee, senior planning officer, stakeholder and citizens surveys, January 2019.

## Capacity is stretched, and planning authorities are struggling to deliver key functions, but there has been limited progress on improving resilience

- 2.11 An authority's workforce is one of its greatest assets and a significant proportion of expenditure is on staffing. However, in the current period of prolonged austerity, authorities are often balancing budgets by reducing staff. The findings of our surveys with senior planning officers, planning committee members and organisations who regularly use planning services all note that in the last decade there has been a significant reduction in staff. As a result, local planning authorities struggle to deliver their responsibilities, are having to manage capacity from week to week, and are just about coping. In addition, over time the more experienced planning staff are retiring and not being replaced which is leading to a deficit in skills, experience and 'know how'.
- 2.12 Whilst authorities have sought to protect and retain skills and capacity in key areas, most notably planning policy, there have been significant reductions in others. There is also a high degree of consistency on where gaps in resources are most acutely felt – design specialists, data analysts, research officers, infrastructure specialists and trainee planning officers (see [Appendix 5](#) for the detailed survey results). This trend reflects the desire of authorities to protect front-line staff and service delivery as much as possible, but the reduction in the number of trainees is concerning. Representative bodies, academic institutions and local authorities we interviewed all highlighted that investment in planning trainees has fallen, and several fear that 'planning' is no longer considered an attractive career.
- 2.13 Research by the Royal Town Planning Institute (RTPI)<sup>24</sup> also highlights that chief planning officers no longer have a prominent or strategic position within local authorities, and the perceived value and influence of the profession continues to reduce. Corporate management teams provide leadership, vision and priority setting for areas setting the strategic direction and investment decisions of local authorities. The implications of corporate decisions on new investment, infrastructure, development activity, local services and policy delivery are significant, and an effective and influential chief planning officer can play a critical role in delivering these and wider policy goals. However, the RTPI found that the most senior planning officer is usually third tier and 60% manage a range of other services. Despite its importance, planning services have less resources, prominence and influence.

24 [www.rtpi.org.uk/media/3164426/chiefplanningofficers.pdf](http://www.rtpi.org.uk/media/3164426/chiefplanningofficers.pdf)

2.14 Our analysis also suggests that local planning authorities are only coping because the number of planning applications they are dealing with has remained stable with no significant increase in numbers – **Exhibit 10**.

**Exhibit 10 – number of planning applications decided on: total for Wales and range across the 25 local planning authorities**

The number of planning applications decided on has remained broadly stable but there is a wide variation in the range of applications individual planning authorities deal with.

| Year    | Wales total | Lowest number | Highest number |
|---------|-------------|---------------|----------------|
| 2014-15 | 24,203      | 308           | 2,596          |
| 2015-16 | 25,247      | 362           | 3,053          |
| 2016-17 | 25,008      | 326           | 2,819          |
| 2017-18 | 24,098      | 307           | 2,636          |

Source: Welsh Government, [gov.wales/planning-services-performance-reports](http://gov.wales/planning-services-performance-reports)

2.15 Stakeholders also noted issues about the skills of planners, in particular the skills needed to negotiate complex agreements. Planning officers and planning committee members we spoke to noted that the lack of capacity is discouraging them from taking too many risks because of the fear of the cost of losing appeals against planning decisions. The reduction in resources also means that local planning authorities are often not able to compete with the level of legal expertise deployed by developers when pursuing appeals.

- 2.16 The nature of planning as a profession is also changing and it's no longer just about land use. As noted in Section 1, planning makes an important contribution to the wellbeing of future generations agenda and there are greater expectations of wider and more effective stakeholder, citizen and community involvement, not just engagement. The evidence from our review highlights that with less resource, growing expectations and reducing capacity, local planning authorities alone cannot respond to the demand placed on them. A collaborative and integrated approach working with others and doing things differently is required. However, despite senior officers and members of planning committee responding to our survey highlighting that they are collaborating and integrating services to reduce costs and build capacity, we found only limited evidence of this taking place. Rather, most planning authorities are trying to do everything but with less resources.
- 2.17 Our review identified some positive approaches to improving efficiency and performance and reduce cost. For example, Newport City Council's registration process and pre-application advice and guidance service is helping the authority to better manage applications and free up capacity. Ceredigion County Council has a single 'Development Team', integrating planning policy with development and building control services to find the most efficient and convenient way of delivering planning services for citizens. The development team approach also helps developers and architects through the planning and building regulation process. A development team ethos can give certainty as to the level of service that can be expected and give guidance and advice on the information required prior to and during the planning and building regulatory process. However, only three local planning authorities advertise this service on their website and reference it in planning guidance.
- 2.18 The Local Plan process in England is similar to Wales, and there are some good examples of how authorities have sought to develop their resilience by working collaboratively. For example, Plymouth City Council, South Hams District Council and West Devon Borough Council have developed, and recently adopted, the Plymouth and South West Devon Joint Local Plan. Working with the Dartmoor National Park Authority and the South West Peninsula City Deal has also enabled the three local authorities to realise savings of over £1.5 million and employ three trainee planning officers. Similar approaches have been developed between the county and borough councils in Suffolk which has resulted in estimated net savings of £2.2 million and reduction in supplementary planning guidance from 52 guides to 12.

- 2.19 To date, only Isle of Anglesey County Council and Gwynedd County Council have developed a joint Local Development Plan and have a joint planning policy team, although this does not cover or include Snowdonia National Park Authority who elected not to work with them. Despite Welsh Government ministers having the powers to mandate collaboration and merge local planning authorities, and/or require the production of joint Local Development Plans under the Act, these powers have yet to be used.
- 2.20 Citizens we surveyed acknowledge the challenges authorities face and many felt that planners try to do their best with the resources they have. However, the weight of our evidence shows that reducing staff numbers, the loss of experience, less training and trainees and a less prominent role for planning in strategic decision-making structures, raises some real concerns over the future resilience of the service. Indeed, many survey respondents felt that the level of expertise in planning authorities has eroded in recent years and the service is neither 'fit for the future' or able to deliver what is needed. This raises some important questions about how sustainable planning services are, and whether they can play the role expected by many in shaping the future of Wales.



## Part 3

Timeliness and quality of decision making varies widely and performance on managing applications is poor





- 3.1 In this section of the report we summarise the effectiveness and impact of local planning authority's decision making and how well they are performing against national measures.

## The focus and quality of planning committees' decision making varies widely and the level of officer recommendations overturned remains high

- 3.2 Whilst local planning authorities have established clear governance arrangements and policies for managing planning services, we found that there are significant opportunities to improve the effectiveness of committees. Our viewing of a sample of planning committees found that the quality and administration of meetings contrasts widely. The size of planning committees also varies with four having more than 20 members. This can make meetings hard to manage. Whilst some meetings are well chaired with clear and effective management of business, others focus too much on parochial and minor issues that should have been delegated to officers.
- 3.3 We also witnessed some local authority planning officers being subjected to inappropriate behaviour and pressure by planning committee members. Frequently, senior planning and legal officers need to intervene to ensure the planning committee remains on point and understands the limits and extent of their responsibilities to avoid poor decision making. Despite this, it is also not uncommon for decisions to be deferred or delayed, often for long periods of time.
- 3.4 Whilst the majority of planning committee members and senior officers responding to our surveys believe their planning committee understands its role and responsibilities and receive appropriate and clear recommendations, a third noted that from their experience they felt their committee is ineffective. Just over a fifth of planning committee members and senior officers who responded to our surveys acknowledged weaknesses in ICT systems and felt their support systems for planning committees are not as efficient and effective as they should be. Several also noted concerns with the quality of committee reports often being too detailed and written in jargon. Organisations we surveyed and interviewed, who regularly use planning services, similarly flagged concerns with decision making and the effectiveness of planning committees.

- 3.5 Planning applications for minor development, those that have no significant impact on the public interest, or those which do not attract objections, are generally decided by officers under delegated powers. In 2013-14, less than 0.25% of planning applications considered by the 25 local planning authorities were decided on by planning committees with the remainder delegated to officers. By 2017-18, applications considered by planning committees had risen to 7% of all decisions<sup>25</sup>. The total number of committee decisions taken in 2017-18 ranged from 13 in the Brecon Beacons National Park Authority to 282 in Wrexham County Borough Council.
- 3.6 However, the proportion of officer recommendations overturned remains high. In 2017-18 the percentage of planning committee member-made decisions against officer advice stood at 8.6% with performance ranging from no officer decisions being overturned in several local planning authorities to one authority – Ceredigion County Council – recording over 60% of officer recommendations being overturned (**Exhibit 11**). Overturning and making decisions contrary to officer advice results in planning committee members moving away from their adopted policies, and potentially undermines the integrity of the plan-led system.

25 See figure 27 on page 40: [gov.wales/sites/default/files/publications/2018-12/planning-services-annual-performance-report-2017-to-2018.pdf](https://gov.wales/sites/default/files/publications/2018-12/planning-services-annual-performance-report-2017-to-2018.pdf)

### Exhibit 11 – percentage of member-made decisions against officer advice – Wales average and range across the 25 local planning authorities

There is a wide range of performance by planning committees in deciding on the advice of officers when determining planning applications.

| Year    | Wales average | Lowest % | Highest % |
|---------|---------------|----------|-----------|
| 2014-15 | 10.5%         | 0%       | 81.8%     |
| 2015-16 | 7.1%          | 0%       | 39.5%     |
| 2016-17 | 10.9%         | 0%       | 59.2%     |
| 2017-18 | 8.6%          | 0%       | 60.7%     |

Source: Welsh Government, [gov.wales/planning-services-performance-reports](http://gov.wales/planning-services-performance-reports)

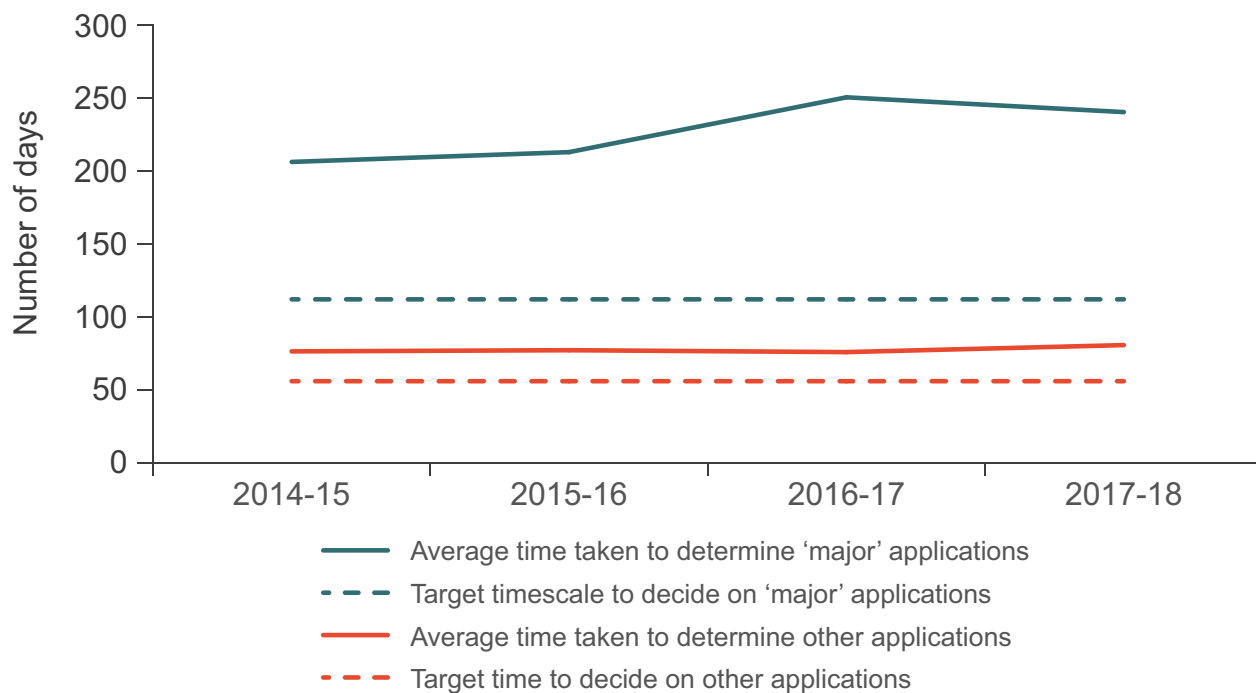
## Performance in determining planning applications is poor

3.7 Our analysis of national data shows that whilst demand and numbers of planning applications remains stable, local planning authority capacity is stretched, and authorities will not be able to cope with a surge in demand, particularly for major planning applications. For example, whilst the time taken to decide all planning applications is stable, for major ones the time taken is getting longer and is significantly below the statutory targets for speed of decisions<sup>26</sup>. In 2017-18, only 20% of major planning decisions were ‘on time’ and within the statutory timescale – **Exhibit 12**. This is important because the larger major planning applications are those that can make the biggest and most immediate impact on communities’ wellbeing, and poor planning performance can influence investment decisions where developers have a choice of where to build.

26 Planning applications should be determined in 8 weeks. Major planning applications, where there is an Environmental Impact Assessment, are given 16 weeks because they are more complex and usually require a greater level of consultation and negotiation. ‘Large scale major developments’ is defined as a development of 200 or more houses, or 10,000 square metres or more floor space, or where the site area is 2 hectares and above. A ‘Small scale major development’ are those of between 10 and 199 houses, or between 1,000 and 9,999 square metres floorspace or where the site area is between 1 and 2 hectares.

**Exhibit 12 – the average time taken to decide on planning applications by local planning authorities between 2014-15 and 2017-18**

The average time taken to decide on applications is increasing for major applications and well above the Welsh Government’s targets.



Source: Welsh Government, [gov.wales/planning-services-performance-reports](http://gov.wales/planning-services-performance-reports)

- 3.8 Almost any decision made by a local planning authority is subject to a right of appeal in the event of refusal of planning permission, the taking of enforcement action, imposition of an onerous or improper condition on a granted planning permission, or the failure of the planning authority to determine the application within a timely period ('non-determination').
- 3.9 **Exhibit 13** summarises the range of performance across the 25 local planning authorities against the Welsh average. Just under two-thirds of appeals are dismissed, with the poorest performance in Monmouthshire where 64.3% of appeals were upheld. Welsh Government has compared the number of planning decisions where permission was refused contrary to officer advice, with the overall success rate at appeal. Whilst there are some local planning authorities which buck the trend (such as Powys County Council), typically local planning authorities that refuse consent contrary to officer advice have lower levels of appeals dismissed<sup>27</sup>.

<sup>27</sup> [gov.wales/planning-services-annual-performance-report-2017-2018](http://gov.wales/planning-services-annual-performance-report-2017-2018)

**Exhibit 13 – percentage of appeals dismissed – Wales average and range across the 25 local planning authorities**

There is a wide range of performance by local planning authorities successfully dismissing an appeal against its planning decision.

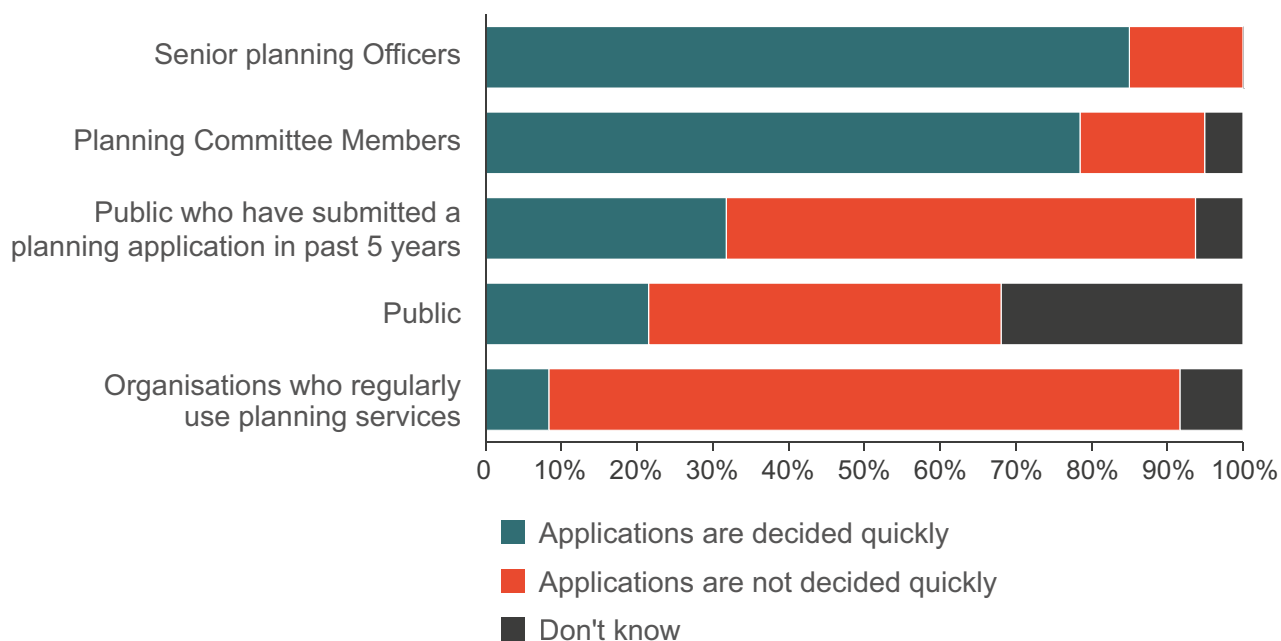
| Year    | Wales average | Authority with the lowest % dismissed | Authority with the highest % dismissed |
|---------|---------------|---------------------------------------|--|
| 2013-14 | 65.3%         | 47.6%                                 | 100%                                   |
| 2014-15 | 65.6%         | 46.2%                                 | 83.3%                                  |
| 2015-16 | 66.5%         | 6.0%                                  | 90.5%                                  |
| 2016-17 | 60.9%         | 40.0%                                 | 83.3%                                  |
| 2017-18 | 62.6%         | 35.7%                                 | 100.0%                                 |

Source: Welsh Government, [gov.wales/planning-services-performance-reports](http://gov.wales/planning-services-performance-reports)

- 3.10 Taking enforcement action quickly, decisively and fairly is a key aspect of preventing poor development and deterring wrongdoing. Our analysis of data published by the Welsh Government shows that whilst the time taken to carry out enforcement investigations has remained static, the range of performance across Wales is widely variable, and positive action following investigation is poor. In 2017-18, the average time taken to investigate enforcement cases was 78.8 days. However, performance ranged from 4.3 days in the best authority to 468 days in the poorest performer. The average time to take positive enforcement action following investigation was 184.6 days. The best performer followed up on enforcement action within 8 days whilst the worse authority took 468 days.
- 3.11 There is also a significant difference of opinion between those who use the planning system and those who administer it, on speed and effectiveness of decision making – [Exhibit 14](#).

### Exhibit 14 – survey findings on how quickly the local planning authority decides on planning applications

There is a difference of opinion between those who administer and use planning services on how quickly planning authorities make decisions on applications



Source: Wales Audit Office, Planning committee, senior planning officer, stakeholder and citizens surveys, January 2019.

3.12 Local planning authority staff we interviewed see national measures as too blunt and overly focused on speed and outputs, rather than on quality outcomes. Most Local Development Plans and Annual Monitoring Reports<sup>28</sup> report a high number of performance indicators, and local planning authorities report numerous other indicators in various plans, workplans, and strategies. For example, Newport has 83 Local Development Plan performance indicators, 22 local planning policy indicators and 20 national planning indicators. And because performance reporting remains focussed on judging how well planning authorities manage applications, demonstrating the impact on wellbeing can be difficult. Consequently, local planning authorities need to do more to ensure they make the case for planning.

28 Annual Monitoring Reports (AMR) provide the basis for monitoring the implementation and effectiveness of the Local Development Plan and determine whether any revisions to the plan are necessary. The AMR assesses the extent to which the Local Development Plan objectives are being achieved and whether the Plan's policies are functioning effectively. It also identifies any necessary actions.



## Part 4

Further work is required to deliver the wellbeing aspects of the Planning (Wales) Act and Planning Policy Wales



- 4.1 The Planning (Wales) Act 2015 introduces a statutory purpose for the planning system and importantly requires local planning authorities to exercise their functions in accordance with the principles of sustainable development as defined in the Wellbeing of Future Generations Act. This is reinforced in Planning Policy Wales and the contribution of planning to improving people's wellbeing is clearly set out in the most recent update in December 2018<sup>29</sup>. Officers, members and stakeholders we spoke to see the shift in focus of Planning Policy Wales to align with the future generations agenda as a positive step and a more effective way of presenting planning policy.
- 4.2 The planning system provides the legislative and policy framework to manage the use and development of land and can therefore contribute positively to the achievement of the seven national wellbeing goals. Planning is a key lever for economic growth and wellbeing and allows for a medium-to-long term consideration of the supply and demand for land to support new development. The planning system is also key to making conservation a reality as it plays an important role in protecting and enhancing the natural environment.
- 4.3 Planning Policy Wales also states that public bodies (including local planning authorities) need to consider and demonstrate how they are using the five ways of working to underpin their work because a 'plan-led approach is the most effective way to secure sustainable development through the planning system'. It also makes clear that it is for each decision-making body to consider, and demonstrate, how they can deliver these ambitions.
- 4.4 The quality of the planning process starts with the setting of objectives for the planning service. Objectives must be driven by identifying communities' land use needs and then serving them, and should integrate both development objectives, as contained in a Local Development Plan, with wider corporate objectives. Published guidance, setting and monitoring of service standards, pre-application discussions and effective communication can improve the quality of the process, if they are well managed.

**29** [gov.wales/sites/default/files/publications/2019-02/planning-policy-wales-edition-10.pdf](https://gov.wales/sites/default/files/publications/2019-02/planning-policy-wales-edition-10.pdf)



- 4.5 We found that most local planning authorities have not clearly defined how their planning services contribute to the wellbeing of people and communities and our findings highlight that further work is required to realise these aspirations. For instance, we found that local planning authorities' vision for the future is often unclear and not integrated with other key plans. Few Public Services Boards make the link between wellbeing and planning. For example, only four Wellbeing Assessments cross reference and integrate data with their Local Development Plan. Few adopted Local Development Plans share or have a similar vision statement that reflects the Wellbeing Plan of the local authority.
- 4.6 Likewise, our review of a sample of annual monitoring reports<sup>30</sup> finds that whilst the reports present a reasonable understanding of environmental impacts from planning policies, in general, economic, social, and cultural wellbeing is not as well considered. The results of engagement and involvement in the planning process are consistently weaker areas in annual monitoring reports. As a result, local planning authorities struggle to demonstrate the wider impact of their policies systematically and consistently across Wales.
- 4.7 Whilst planning and wellbeing of future generations acts are the key drivers for future land use and development in Wales, their introduction placed huge demands on local planning authorities. It is fair to say that there has been a 'lukewarm' reception from local planning authority staff and planning committee members we engaged with to the Wellbeing of Future Generations Act. Senior planning officers note the challenges of implementing the two pieces of legislation at the same time which placed additional demand, overburdening a service that struggles with capacity.
- 4.8 Given the recent legislative changes we found many local planning authorities are reviewing governance arrangements to ensure both their decision making and support arrangements reflect the expectations of the Planning (Wales) Act and are better aligned to with their wider wellbeing responsibilities. For instance, the quality, accessibility and coverage of member training on planning issues is increasingly aligned with the implications of the Wellbeing of Future Generations Act. We also identified some good examples of how planning committees consider wellbeing issues; most notably in the three national park authorities, Newport City Council and Flintshire County Council.

30 Annual monitoring reports assess if policies are achieving their objectives, and if sustainable development is being delivered.

- 4.9 The positive impact of planning can be demonstrated and felt in several ways. Given the limitations of the national performance reporting framework which judges inputs, outputs and timeliness, it is important that local planning authorities focus on and demonstrate how their work contributes to delivery of wellbeing outcomes. We identified some good examples of local planning authorities who demonstrate a better understanding of the wider impact of their decisions. For instance, the work of Swansea City Council to identify and quantify economic wellbeing measures, and the environmental wellbeing measures adopted by Flintshire County Council.
- 4.10 There are also some national tools available to quantify the wider benefit and impact of planning decisions. The RTPI Cymru has published a toolkit<sup>31</sup> which measures the value generated by planning. The RTPI tool concludes that because of granting planning permission and enabling the completion of development in 2016-17, land values increased by more than £2.2 billion and just over £125 million of developer contributions were secured to improve local infrastructure and amenities. However, we found that to date only three local authorities have introduced Community Infrastructure Levy schemes – Caerphilly, Merthyr Tydfil and Rhondda Cynon Taf County Borough Councils – and the amount raised in 2017-18 was relatively small, less than £0.5 million. Nonetheless, quantifying the financial value of planning using the RTPI approach locally can help to demonstrate the impact and benefit of good planning decisions.
- 4.11 Research shows that designing good quality buildings and green spaces is good for health, can enhance wellbeing and helps to lay the foundation for more vibrant and inclusive communities<sup>32</sup>. From our review we found that design guidance is often quite limited and does not encourage innovation or experimentation. Only five planning authorities have published local design guidance online and planning committee reports we reviewed did not consistently refer to local design standards, despite some helpful national design guidance<sup>33</sup>. Good guidance we reviewed include Rhondda Cynon Taf County Borough Council<sup>34</sup> and Pembrokeshire Coast and Snowdonia National Park Authorities. Outside of Wales, we also found good quality design guidance in Sheffield<sup>35</sup>, Dartmoor National Park Authority<sup>36</sup>, and the Isles of Scilly<sup>37</sup>.

31 See [RTPI the-value-of-planning-in-wales](#)

32 City Health Check: How design can save lives and money, RIBA, 2017; and Design Matters: Promoting Good Design Through the Planning System, RIBA, 2019.

33 See [Technical Advice Note 12-Design 2016](#)

34 See [RCT Design Guidance and Information](#)

35 See [Sheffield design guidance](#)

36 See [Dartmoor Design Guide](#)

37 See [Isles of Scilly Design Guide](#)

- 4.12 Picturing the outcome of planning decisions can also be a good way to judge and demonstrate the positive impact of decisions. Newport City Council and Snowdonia National Park Authority undertake annual planning committee tours to view new developments to judge the impact of their decisions and to help identify what works well and what could be improved in design, layout and integration with existing buildings, landscape and infrastructure.
- 4.13 The outcome of planning decisions on citizens and how development contributes to improving and enhancing their wellbeing is perhaps the best measure of how well planning authorities are responding to the Future Generations agenda. Our survey shows that whilst most heads of planning and planning committee members think the local planning authority permits only good quality developments, less than a third of citizens (29%) think the same, and just over a fifth (22%) that their local planning authority can develop and support what their community needs in the future.
- 4.14 This contrasts with the work of some English planning authorities who recognise that their planning services are a means by which they can work with the private sector to generate income and create opportunities for citizens. For example, Newcastle City Council has prioritised the creation of a more sustainable city leveraging over £1 billion investment through its partnership with Legal and General at the Helix site, and its Accelerated Development Zones is allowing the Council to regenerate the city centre and tackle poverty.
- 4.15 The conclusions of our citizens survey highlight the key challenge facing local planning authorities – on the one hand they must balance managing the flow of planning applications, and the day-to-day work of development and building control services, with setting a more ambitious and longer-term vision that enhances and improves wellbeing for their communities. Our review has highlighted that planning services are key to helping to deliver the aspirations of the future generations agenda, but at this time due to the complexity of the planning system, reducing capacity and variable decision making, it has some way to go make the step change needed.

# Appendices

Appendix 1 – study methodology

Appendix 2 – the planning framework in Wales

Appendix 3 – net cost of local authority  
development control services  
in 2017-18

Appendix 4 – net cost of local authority  
building control services in  
2017-18

Appendix 5 – survey findings





# Appendix 1 – study methodology

## Review of literature

We have reviewed a wide range of documents and media, including Welsh Government policy and guidance documents; local authority plans and strategies; and other relevant research and guidance from government, local authorities, the Royal Town Planning Institute, and research bodies.

## Data and statistical analysis

We have collated and analysed a wide range of performance indicator returns and budget data available online at the Office for National Statistics, StatsWales and planning service performance reports published by the Welsh Government.

## National fieldwork

We interviewed representatives from the Future Generations Commissioners (FGC) Office, the Welsh Government Planning Directorate, Planning Officers Society for Wales (POSW), the Director for the Royal Town Planning Institute (RTPI) for Wales, the Royal Institute for Chartered Surveyors and the Welsh Local Government Association. We also discussed our survey and emerging findings with FGC Office, Welsh Government, POSW and Community Housing Cymru Development Forum.

## Local fieldwork

We visited eight local authority planning authorities in 2018-19. The authorities selected represented a mix of city, urban, rural and valleys authorities. These were Bridgend County Borough Council, Ceredigion County Council, Gwynedd Council, Newport City Council and Torfaen County Borough Council. We also undertook fieldwork with Brecon Beacons, Pembrokeshire Coast and Snowdonia National Park Authorities. During the visits, we interviewed a range of local planning authority staff and Members. We also visited Newcastle City Council for contrast and to learn how they deliver wellbeing through their planning services.

## Surveys

We undertook a range of online surveys with chief planning officers, planning committee members and professional bodies who regularly use planning services.

We also held a series of public engagement events to hear about planning issues from members of the public at the Royal Welsh Show and the National Eisteddfod and supplemented this direct engagement work with an online public survey. We received 627 completed surveys and responses from residents living in every local planning authority area.

# Appendix 2 – the planning framework in Wales

## National Planning Policy

### Planning Policy Wales

Planning Policy Wales (PPW) provides the land use planning policy for Wales. The primary objective of PPW is to ensure that the planning system contributes towards the delivery of sustainable development and improves the social, economic, environmental and cultural wellbeing of Wales. PPW is supplemented by 21 topic based Technical Advice Notes (TANs) which provide detailed planning advice and must be considered by local planning authorities when preparing development plans. TANs are supplemented by procedural guidance in circulars and policy clarification letters. Over the last five years Welsh Government has annually produced one circular and one policy clarification letter every month.

### National Development Framework

The National Development Framework sets out how the planning system at a national, regional and local level can assist in delivering these requirements through Strategic Development Plans and Local Development Plans. The consultation on the first draft of the new National Development Framework is due for completion in the summer of 2019. The NDF will set out a 20-year land use framework for the whole of Wales and will direct the development plans that sit below it – Strategic Development Plans and Local Development Plans. It will also support decisions on large scale infrastructure projects through the Developments of National Significance process.

## Regional Planning Policy

### Strategic Planning Areas and Strategic Development Plans

The Act includes powers for Welsh ministers to identify ‘strategic planning areas’ that are larger than individual local planning authorities and for ‘strategic planning panels’ to be established for these areas. These panels will comprise elected members from the constituent local planning authorities. A panel, if established for an area, will then produce a Strategic Development Plan that will form part of the formal development plan for that area. A Strategic Development Plan will cover cross-boundary issues such as housing and transport. Strategic Development Plans and regional development planning is still in its infancy with south-east Wales being the furthest advanced in progressing towards a regional Strategic Development Plan.

## Local Planning Policy

### Local Development Plans

Every local planning authority has a statutory duty to prepare a Local Development Plan in line with Planning Policy Wales. They must prepare a local plan which sets planning policies in their area. These are very important when deciding planning applications. Once the local planning authority has prepared the Local Development Plan, there is an examination by an independent planning inspector to consider the 'soundness' of the plan, with hearings held in public. Community engagement is vital to the plan making process. Local planning authorities publish a Delivery Agreement at the start of the process setting out the key stages and when people can get involved. Planning applications must be decided in accordance with the adopted Local Development Plan unless material considerations indicate otherwise. There are 24 Local Development Plans at various stages. Gwynedd and Anglesey have a joint Development Plan and two authorities are in the process of adopting their plan.

### Development management

The local planning authority is also responsible for deciding whether a proposed development should be allowed to go ahead. This is called planning permission. Most new buildings, major alterations to existing buildings and significant changes to the use of a building or piece of land need this permission. These services are called Development Management. Most minor and uncontroversial planning applications are dealt with by local planning authority officers under delegated decision-making powers. Larger and more controversial developments are often decided by planning committee, informed by officers' recommendations. Larger development proposals of more than local importance are 'called in' to be decided by the Welsh Government instead of the local planning authority. In some circumstances the UK Government can also call in development proposals as well. Charges are set nationally by Welsh Government. However, local planning authorities can also charge for pre-submission advice and the cost of this service is left to local discretion.



## Local Planning Policy (cont.)

### Building control

The 22 local authorities provide building control services to check that building works comply with the building regulations. This is an important service that to ensure the health and safety of persons in and about a building. The regulations also promote energy efficiency in buildings and contribute to meeting the needs of disabled people. Building control services are also responsible for dealing with dangerous structures, contraventions and demolition sites. Most building work requires building regulation approval. This includes new buildings, loft-conversions, extensions and alterations. Since 1985 local authority building control services have been in competition with 'Approved Inspectors' who operate on a profit-making basis and work nationally across authority boundaries. Building control charges are set by each local authority who must adopt a scheme of fees. The range and complexity of fees varies widely. National park authorities do not provide building control services.

### Planning enforcement

Planning enforcement deals with breaches of planning controls, including where building work requiring planning permission is undertaken without such permission, where conditions attached to a planning condition are not complied with, or where the use of a building or site is changed without planning permission. Their core duties of planning enforcement are:

- investigating allegations and enquiries;
- writing to complaints and offenders;
- negotiating remedial action;
- liaising with other council departments to ensure consistency of approach;
- making recommendations as to the expediency of taking enforcement action;
- checking compliance with enforcement notices and prosecuting for non-compliance; and
- appearing as a local planning authority witness in a magistrates' court.

Source: Wales Audit Office

## Appendix 3 – net cost of local authority development control services in 2017-18

| Local authority   | Expenditure (£'000) | Income (£'000) | Net cost £'000 (negative sum means surplus) | Proportion of subsidy (higher positive % is better) |
|-------------------|---------------------|----------------|---|---|
| Isle of Anglesey  | 767                 | 812            | -45   | 5.9%  |
| Gwynedd           | 1,097               | 528            | 569   | -51.9%  |
| Conwy             | 884                 | 503            | 381   | -43.1%  |
| Denbighshire      | 952                 | 457            | 495   | -52.0%  |
| Flintshire        | 1,177               | 905            | 273   | -23.1%  |
| Wrexham           | 687                 | 583            | 104   | -15.1%  |
| Powys             | 1,702               | 1,372          | 330   | -19.4%  |
| Ceredigion        | 793                 | 375            | 418   | -52.7%  |
| Pembrokeshire     | 1,105               | 648            | 457   | -41.4%  |
| Carmarthenshire   | 2,272               | 1,150          | 1,122                                       | -49.4%  |
| Swansea           | 2,897               | 2,370          | 527   | -18.2%  |
| Neath Port Talbot | 1,277               | 438            | 839   | -65.7%  |
| Bridgend          | 659                 | 464            | 195   | -29.6%  |
| Vale of Glamorgan | 1,311               | 864            | 447   | -34.1%  |
| Rhondda Cynon Taf | 1,682               | 936            | 746   | -44.4%  |
| Merthyr Tydfil    | 409                 | 263            | 146   | -35.7%  |
| Caerphilly        | 987                 | 653            | 334   | -33.8%  |
| Blaenau Gwent     | 683                 | 240            | 444   | -64.9%  |
| Torfaen           | 629                 | 587            | 42  | -6.7%   |
| Monmouthshire     | 1,079               | 430            | 649   | -60.1%  |
| Newport           | 936                 | 600            | 336   | -35.9%  |
| Cardiff           | 1,209               | 2,312          | -1,102                                      | 91.2%   |

Source: Revenue outturn (RO) data, StatsWales. Analysis by Wales Audit Office

## Appendix 4 – net cost of local authority building control services in 2017-18

| Local authority   | Expenditure (£'000) | Income (£'000) | Net cost £'000 (negative sum means surplus) | Proportion of subsidy (higher positive % is better) |
|-------------------|---------------------|----------------|---|---|
| Isle of Anglesey  | 455                 | 454            | 1   | -0.2%   |
| Gwynedd           | 642                 | 403            | 239   | -37.2%  |
| Conwy             | 332                 | 173            | 159   | -47.9%  |
| Denbighshire      | 328                 | 165            | 163   | -49.7%  |
| Flintshire        | 524                 | 238            | 286   | -54.6%  |
| Wrexham           | 392                 | 347            | 45  | -11.5%  |
| Powys             | 673                 | 622            | 51  | -7.6%   |
| Ceredigion        | 437                 | 229            | 208   | -47.6%  |
| Pembrokeshire     | 463                 | 333            | 130   | -28.1%  |
| Carmarthenshire   | 751                 | 456            | 295   | -39.3%  |
| Swansea           | 626                 | 516            | 110   | -17.6%  |
| Neath Port Talbot | 630                 | 298            | 332   | -52.7%  |
| Bridgend          | 326                 | 238            | 88  | -27.0%  |
| Vale of Glamorgan | 494                 | 468            | 26  | -5.3%   |
| Rhondda Cynon Taf | 490                 | 292            | 198   | -40.4%  |
| Merthyr Tydfil    | 218                 | 141            | 77  | -35.3%  |
| Caerphilly        | 297                 | 187            | 110   | -37.0%  |
| Blaenau Gwent     | 441                 | 105            | 336   | -76.2%  |
| Torfaen           | 245                 | 185            | 60  | -24.5%  |
| Monmouthshire     | 543                 | 388            | 155   | -28.5%  |
| Newport           | 345                 | 201            | 144   | -41.7%  |
| Cardiff           | 843                 | 678            | 165   | -19.6%  |

Source: Revenue outturn (RO) data, StatsWales. Analysis by Wales Audit Office

# Appendix 5 – survey findings

Exhibit 14 – planning committee members’ views on whether their planning authority makes enough resources available for the following:

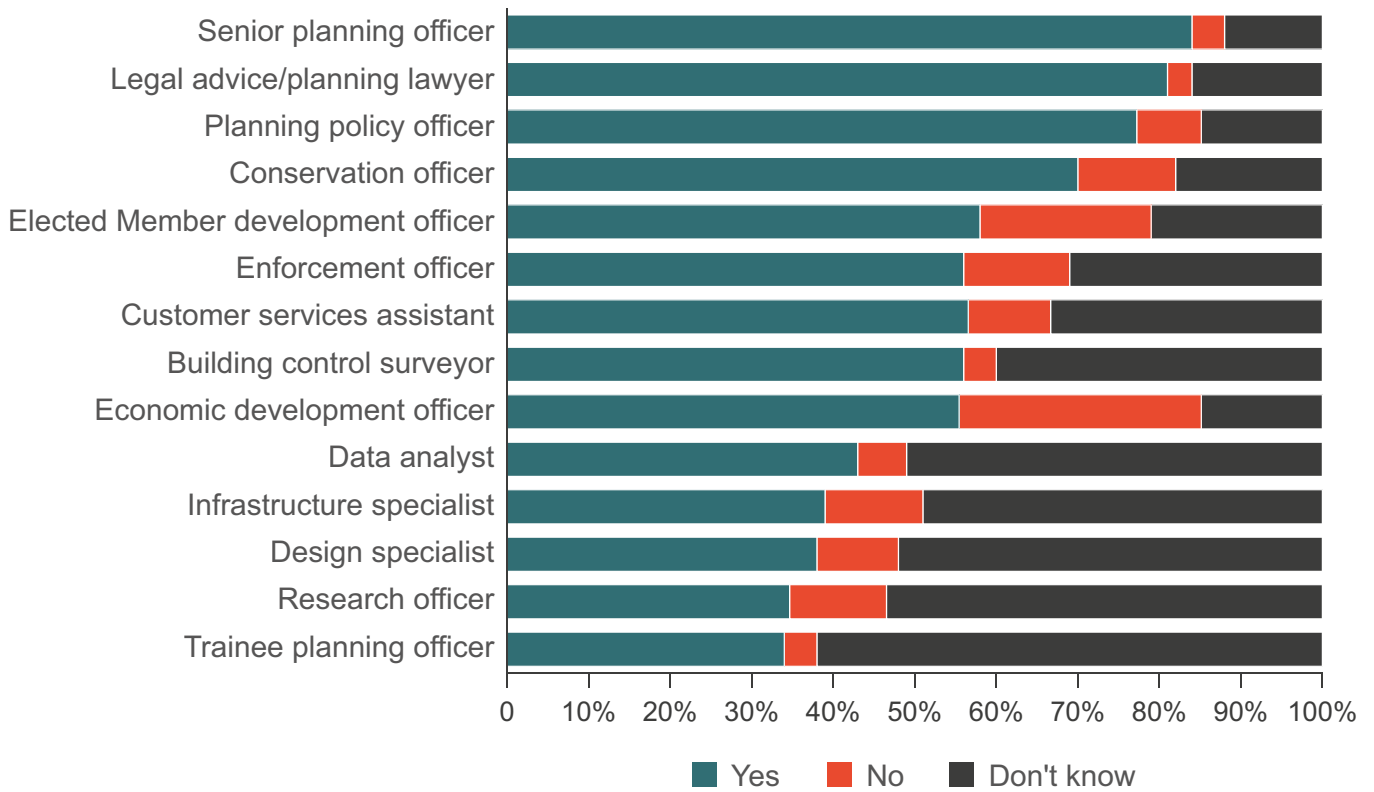
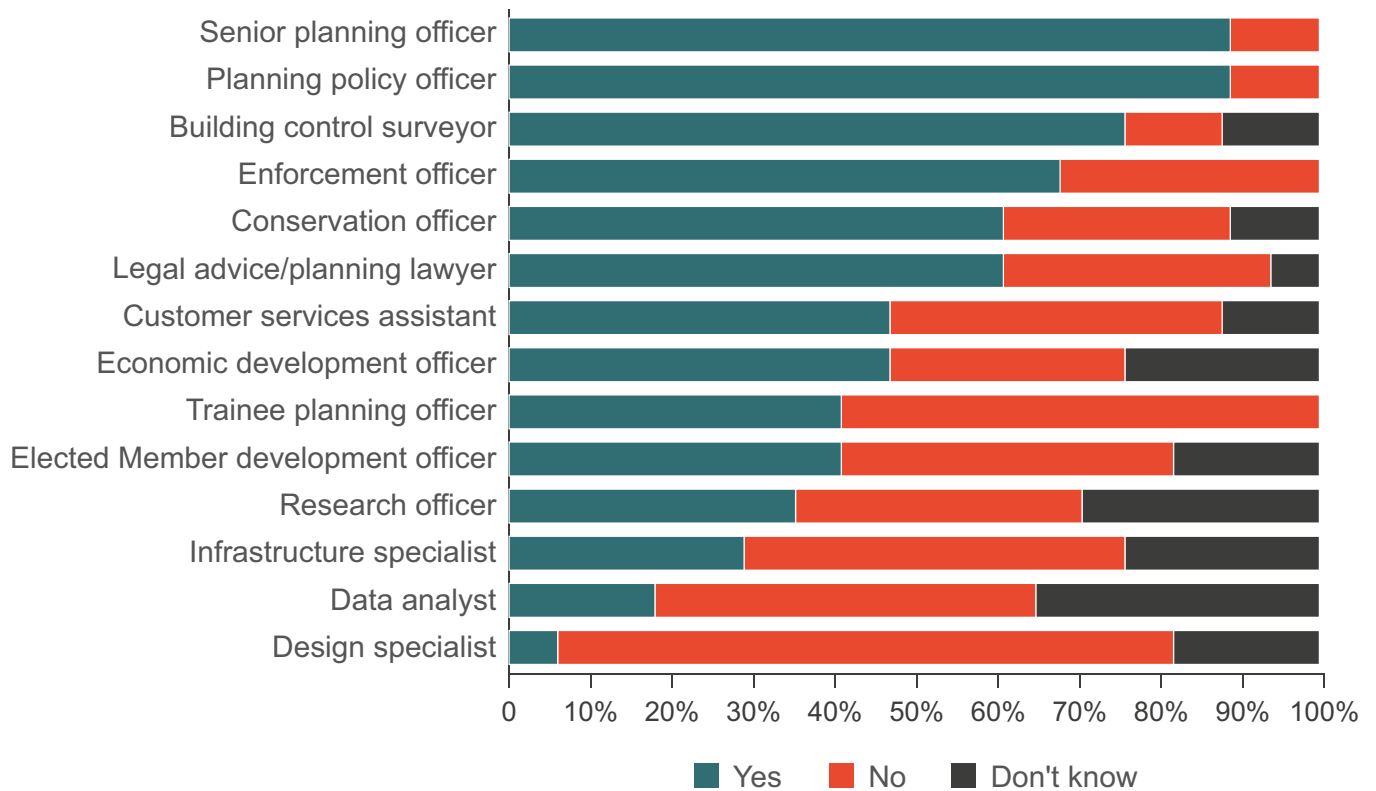


Exhibit 15 – senior planning officers views on whether their planning authority makes enough resources available for the following:



Source: Wales Audit Office Surveys, January 2019.



Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

We welcome telephone calls in  
Welsh and English.

E-mail: [info@audit.wales](mailto:info@audit.wales)

Website: [www.audit.wales](http://www.audit.wales)

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

Rydym yn croesawu galwadau  
ffôn yn Gymraeg a Saesneg.

E-bost: [post@archwilio.cymru](mailto:post@archwilio.cymru)

Gwefan: [www.archwilio.cymru](http://www.archwilio.cymru)