



Internal Audit

FINAL

Dacorum Borough Council


Assurance Review of Planning

2020/21

June 2021

Executive Summary



OVERALL ASSESSMENT




ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

TBA

KEY STRATEGIC FINDINGS

-  The Planning department faced numerous operational issues with regards to processing applications, dealing with customers and stakeholders. Mondrem were commissioned in December 2019 by the Council to aid the department in becoming effective, efficient and focused. A year on, the Planning department have significantly improved their systems and processes and departmental direction is transparent.
-  The re-modelling of the Planning department, in particular the focus on staff, has aided in creating a better working environment has led to increased staff wellbeing.

GOOD PRACTICE IDENTIFIED

-  The adoption of PowerBi, a software reporting tool, provides monitoring and reporting data, essential to drive efficiency and effectiveness.

SCOPE

The audit focused on:

- the changes implemented against what was agreed with Mondrem;
- weaknesses, how these have been addressed in the new processes implemented;
- any weaknesses identified in the new process; and
- how the new processes/ procedures are measured and reported.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	0	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
There are no recommendations raised during the audit.							

PRIORITY GRADINGS

1 **URGENT** Fundamental control issue on which action should be taken immediately.

2 **IMPORTANT** Control issue on which action should be taken at the earliest opportunity.

3 **ROUTINE** Control issue on which action should be taken.

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No Operational Effectiveness Matters were identified.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	-	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-

Other Findings




Prior to Mondrem being appointed to review and work with the Planning Department, to achieve a number of improvements, the main issues and concerns that existed were as follows:

- Staff were working under pressure and staff morale was very low;
- There were large caseloads which did not represent a fair allocation across the team;
- Managers were spending time signing off cases with no capacity for leading their team; and
- Communication across the leadership team was poor.

Mondrem was appointed in December 2019 through to December 2020, to assist in improving processes and work flow, for example:

- bring about a fairer distribution of work for all staff;
- a clearer vision on the department's direction with improved processes; and
- managers being able to communicate better with each other and to work as a team.


Other Findings

 Mondrem assessed how the Planning department could operate more efficiently and effectively, having due regard to the wellbeing of staff and staff caseloads.


The key weakness, Mondrem were tasked to address, related to applications which were taking more than 8 weeks to process. The Planning department were utilising the 'extensions of time', under the planning legislation. It was permitted for Planning Officers to extend the time period under which an application should be processed, which would protect the authorities' ability to complete applications within this extended time period.

If this element was removed, the department would be underperforming in relation to the national statistics. Going forward the need to use 'extensions of time' will reduce, turnaround time of planning applications should be quicker and customer satisfaction greatly improved.

(Appendix C - lists the key weaknesses identified both internally and externally by the Planning department.)

 The Planning department has made excellent progress by implementing the outcomes from Mondrem's work and the effect of these improvements has been translated into the following key achievements:

- A more structured way of working;
- An understanding of staff and wellbeing issues;
- Improved management of the Planning case load;
- Identification of peaks and troughs; and
- Improved customer focus and service efficiency.

 The remodelling of the Planning department, has focused on how staff manage case load and how they would plan, prepare and assess the planning process to include applications and liaison with developers. Fee recovery would be an important consideration to financially support the team.

The key events flowing from the Mondrem work include:

- Set up, develop and sustain effective operational management;
- Prepare weekly performance data and present focused weekly performance reports;
- Support the management team to prepare a business case for additional resources, to support a new Planning, Performance Agreement (PPA) approach;
- Support the Service to re-frame the 'open for business approach';
- Share and implement capacity-based allocation approach ideas and 'expectations' ideas with the team – and begin to understand how much capacity is devoted to work not included in the WiP model;
- Implemented team-centred support with allocation and managing caseload;
- Implement management team-centred support with managing projects;

Other Findings

- Agree performance measures (KPIs) that matter and support implementing a performance management framework to report on these;
- Record 'as is' best current practice (as part of the allocations approach);
- Support managing major applications as a project;
- Improve speed of consultee comments;
- Agree a fast track approach for applications for smaller schemes and the implications for other scheme types; and
- Supported work to; support economic recovery from the Covid-19 pandemic; plan for and deliver major development; facilitate great, sustainable and inclusive places and take customer service and service efficiency to the next level.

The Mondrem exercise was comprehensive and the Planning department have made significant progress in implementing a majority of the above points with a few areas noted as 'work in progress'. Mondrem presented a 'feedback' presentation to the Council, dated 19th March 2020, which listed the initial strengths and weaknesses within the Planning department and concluded 'good improvement prognosis' against implementation of Mondrem's improvement suggestion points.



Mondrem's exercise has helped to achieve the following improvements:

- A leadership team with a clear vision and improved communication;
- A clear set of responsibilities and roles being defined;
- Work is now fairly allocated across the team;
- All work issues, including customer feedback is taken into account; and
- Processes are more efficient and work is completed and supported at the lowest possible level.

The benefits that are now flowing through the team include: Team leaders are now managing performance both individually and service wide. All staff are supported with quick applications dealt with quickly and therefore the larger applications have the space and time to be dealt with over a longer time period. Communication is now effective with the leadership team, escalating issues in capacity as well as horizon scanning, particularly with resource issues.



As with any improvement plan this is a journey of working smarter and being able to monitor, measure and report on successes. The ultimate outcome will be the management of caseload efficiently, effectively and within central government timelines for all planning applications.



Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	In place	-	-
FC	Financial Constraint The process operates within the agreed financial budget for the year.	In place	-	-
R	Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Findings



The Planning department use a combination of Power Bi and Excel reporting to monitor caseload, performance, compliance and forecasting. In order to maintain up-to-date, consistent and reliable reporting, will be driven by data directly from the planning database. This approach reduces inconsistency in reporting and negates the need for manual intervention or data collection by members of the team.



The various reports produced by the team include:

- Live caseload overview report – this report shows all the current applications pending decision. The report, towards the end of March 2021, identified 450 on time cases and 161 late cases with a spread of cases between the team from 26 through to 50 cases held by each person in the team.
- Throughput reports – these reports are split between the team and the individual officer in the team.
- Development management monthly statistics report – identifies the shows the decisions made in the categories set by central government.
- Average time to determine applications report – identifies the time taken to determine an application based on the statutory time period of each application.
- Central Government reporting – this is a set of reports aligned with the central government reporting requirements.

Other Findings

- Wellbeing report – a weekly survey is sent to every member of the team to help determine each member of staff wellbeing. Management are then able to take early intervention and/or remedial action to assist and improve outcomes.
- Current live caseload report – this report assists with understanding which cases have blockers preventing determination to those with no blockers
- Validation Quality reports – this report identifies any errors or missing data fields.
- Work in Progress and Forecast reports – these are various report on WIP and forecasting



Adequate monitoring and reporting is essential to managing the caseload and to optimise staff performance in a constructive and caring manner. The above reports clearly demonstrates adequate monitoring of planning applications and staff performance and wellbeing is in place at Dacorum Borough Council.

EXPLANATORY INFORMATION

Appendix A

Scope and Limitations of the Review

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

2. The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

3. The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

4. The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

5. We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

6. The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	8 th February 2021	16 th February 2021
Draft Report:	24 th May 2021	11 th June 2021
Final Report:	11 th June 2021	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Dacorum Borough Council		
Review:	Planning		
Type of Review:	Assurance	Audit Lead:	Chris Harris

Outline scope (per Annual Plan):	<p>The audit will focus on:</p> <ul style="list-style-type: none"> the changes implemented against what was agreed with Mondrem; weaknesses, how these have been addressed in the new processes implemented; any weaknesses identified in the new process; and how the new processes/ procedures are measured and reported. 		
Detailed scope will consider:	<p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p>	<p>Delivery</p> <p>Performance monitoring: There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.</p> <p>Financial constraint: The process operates with the agreed financial budget for the year.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	
Requested additions to scope:	(if required then please provide brief detail)		
Exclusions from scope:			

Planned Start Date:	19/03/2021	Exit Meeting Date:	27/04/2021	Exit Meeting to be held with:	Sara Whelan
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SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	N
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	N
Have there been any significant changes to the process?	N
Are there any particular matters/periods of time you would like the review to consider?	N

Weaknesses identified by the Planning Team

- The team find it difficult to organise work such as sorting applications or building relationships as they are too busy with a massive caseload.
- Enquiries, complaints and people chasing applications are a big drain on staff time. If staff had a better website, customers might do some of this themselves.
- Staff don't have a clear vision of what they are here to do and what their priorities are.
- Staff aren't as consistent as they should be.
- The IT is clunky and inefficient. Uniform isn't working for the team.
- The work isn't allocated in a fair, useful, consistent way. The only reward for high throughput is more work. The team are not sure if there are enough people to do the work. Productivity is not measured in any way that's useful to the team.
- The managers don't support staff, and staff don't see them often enough. The managers are in conflict with each other – staff can see they don't get on and they don't know what their responsibilities are. There are no clear boundaries between TLs and ATLS.
- The operational needs of the team and the business are hampered by the working hours that have been agreed, and the high staff turnover has caused uncertainty and extra pressure.
- Staff would like to have more time to think about and plan their work.
- The quality of applications received could be better.
- Staff work unpaid overtime and that hides the problems.

Issues identified by planning Applicants

- The Planning department is slow to respond (not just the planning service) and because they don't give an indication of timescale it's infuriating.
- A more consistent approach and better communication would be good.
- Work is needed on people's diaries to help them to distinguish between what is urgent and what is important.
- The Planning Committee is not great, poor conduct, not well trained in decisions and unpredictable.
- The planning officers are often unable to do their job because of councillors or 1 or 2 NIMBYs.
- Planning applications take too long to register and determine. It often takes 3 weeks to register an application, and the planning officer generally doesn't look at it until a further 6 weeks and they always ask for an extension of time to avoid missing targets.
- If you complain, you don't get it dealt with fairly.
- Planning applicants do not get good value for fees, and paying fees holds things up sometimes because Finance and Planning aren't connected properly.