

Planning

Peak District National Park Authority

Internal Audit Report 2019/20

Business Unit: Development Management
 Responsible Officer: Head of Development Management
 Date Issued: 22 October 2019
 Status: Final
 Reference: 69145/002

	P1	P2	P3
Actions	0	1	1
Overall Audit Opinion	Substantial Assurance		

Summary and Overall Conclusions

Introduction

The Peak District National Park Authority is the statutory planning authority for land and property within the National Park Area. As the planning authority, it is responsible for guiding development and meeting statutory duties as well as safeguarding the natural environment and heritage of the area. Strategic principles for planning have been established in the Local Development Framework Core Strategy. Operational policies to implement the core strategy are contained within a number of Development Management Policies.

In the 2018/19 financial year, decisions were made on 740 planning applications. Applications are processed by both the Customer Business Support Team and Development Management. Applications are recorded and tracked via the M3 system and the authority's hub is used to store all documentation received, reviewed and issued during the application process.

Statutory timescales for processing applications are in place, depending on the nature and scope of the proposed work. The majority of applications received are minor and these should be processed within 8 weeks. A minimal amount of major applications are received and these have a target time of 13 weeks. The authority also receives a small number of Mineral & Waste applications, these have target time of 16 weeks.

Performance and compliance with these targets are reported to the government each quarter via the PS2 statistical return. Figures are published in the planning application statistics report. However figures exclude any applications that have been refused, withdrawn by the applicant or where an extension of time has been granted.

Objectives and Scope of the Audit

The purpose of this audit was to provide assurance to management that procedures and controls within the system ensure:

- Planning applications are processed to comply with statutory deadlines.
- Where applications are extended, refused or withdrawn by the applicant, justifiable reasons are agreed and documented.
- Processes for recording and retaining information regarding the extension, rejection or withdrawal of applications are in place and followed consistently.

Key Findings

Applications are initially processed by the Customer Business Support Team, who validate the information received against validation lists. For the 11 approved and 10 refused applications we reviewed, all had been validated in an appropriate timescale. 6 were not submitted with the appropriate information and we found all had an invalid letter issued to the applicant promptly. The validation date and deadline date was correctly recorded for all cases. If a decision cannot be made within the relevant time period, an extension to time is agreed. Agreements to extended deadlines should be in writing and retained on the application's hub entry.

We reviewed a sample of 10 major/minor applications and 1 minerals & waste application that had been approved outside the original deadline. All applications in our sample but 1 had no or only partial evidence of deadline extensions being agreed. The majority had some evidence retained but these did not cover the whole period. In these cases, the extension agreements were from the end of process, before the final decision was made. Additionally, when multiple extensions are agreed, there is no record of previous deadline dates held in the M3 system.

A template for agreeing time extension can be generated from the M3 system but this is not being used consistently. This form is not suitable for electronic use and as correspondence is mostly done via email, this should be adapted to suit current working arrangements. There is also no specific category for storing extensions to time documentation on the hub. Due to the lack of clear documentation regarding extensions, it is difficult to determine if all extensions to time had been agreed and if these are appropriate.

Applications can be withdrawn by the applicant if they no longer wish to proceed with the proposed development. Requests to withdraw an application should be received in writing. 10 major/minor and 1 Minerals & Waste applications withdrawn in the 2018/19 financial year were reviewed. Only 5 of these were found to have a withdrawal request on the hub record. Currently, there is no standardised process for recording withdrawals of applications. The request to withdraw an application is usually evidenced by an email from the applicant/agent. We were advised that withdrawals are usually discussed prior to receipt of the request. Due to this, it is not always clear why the application has been withdrawn.

If the proposed development is deemed to have significant issues that cannot be easily resolved, the application can be refused. The relevant planning officer complies a report detailing why the application is refused and this is approved by management. For a sample of 10 refused applications, all were found to have a refusal report stored on the hub. In 9/10 cases, the refusal report had been approved and signed by an appropriate manager. 1 case was identified that was recorded as refused but had actually been granted with conditions. This administration error was reported to management for resolution.

In some instances, planning officers may suggest withdrawal of an application prior to refusal. Management highlighted that if applications are being withdrawn rather than being refused, applicants don't receive clearly documented explanations. This could have an effect on subsequent applications and the workload of department. However, no correlation was found between refused or withdrawn applications and subsequent planning applications. The distinction between withdrawals and refusals was felt to be appropriate.

Performance and compliance with these targets continue to be reported quarterly to the government via the PS2 statistical return. Internally, the number of planning applications processed in time are monitored against agreed targets based on the PS2 return and reported to the planning committee. Applications with agreed extensions are classified as being processed in time. Operationally extensions to time are monitored. As there are no set targets for these in the PS2 return, these are not reported to the planning committee.

Overall Conclusions

The arrangements for managing risk were good with few weaknesses identified. An effective control environment is in operation, but there is scope for further improvement in the areas identified. Our overall opinion of the controls within the system at the time of the audit was that they provided Substantial Assurance.

1 Extensions to Statutory Deadlines

Issue/Control Weakness

Evidence of agreeing extensions to statutory deadlines is not stored on the hub consistently. The current form for documenting applicant agreement to extensions is not fit for purpose.

Risk

Where a valid application has not been determined within the relevant statutory period, the applicant has a right to appeal and there is a potential financial loss to the authority.

Findings

As the local planning authority, the Peak District National Park Authority is required to make decisions on planning applications within statutory time limits. Due to various reasons, additional time may be required to make a robust assessment of the application and reach an appropriate decision. In such cases, extensions to time should be agreed in writing with the applicant. Target dates are amended in the M3 planning system and documentation relating to applications, including time extension agreements, is stored on the authority's hub.

11 applications approved outside the statutory deadline in 2018/19 were selected for review. 10 of these were major and minor applications as these are most regularly received. In addition, 1 Minerals & Waste application was reviewed, these are less frequently processed.

Only 1 application had all extension to time agreements recorded in the hub. This application only required one extension before approval. The remaining 10 had no or partial evidence of extension to time agreements. The majority had some evidence retained but not agreements covering the whole period. In these cases, the extension agreements were from the end of process, before the final decision was made on the application. Additionally, when multiple extensions are agreed, there is no record of previous deadline dates held in the M3 system.

An extension to time form is in place and can be generated from the M3 system. However, this is not used consistently and currently is not fit for purpose as it has to be printed and signed by the applicant or agent. As correspondence between officer and applicants is done mainly via email, the form should be adapted for electronic use.

Due to the lack of clear documentation regarding extensions, it is difficult to determine if all extensions to time had been agreed and if these had been requested for appropriate reason. Records should be retained in all instances to evidence cause of extensions and the applicant's agreement. At the time of the audit, management were in the process of handling a complaint disputing an extension to time. Evidence of agreement is particularly useful in these cases.

Evidence held on the hub for each planning application is categorised depending on the nature of the document, but currently there is no specific category for extensions to time. For those in our sample that had extension to time agreements on file, these were not categorised consistently. It would be beneficial to hold extensions to time in a specific category for clarity and consistency.

Agreed Action 1.1

Extensions of time should be agreed in writing and stored on the HUB, a heading will be added into the HUB for this type of document. If there is capacity to record rolling extensions of time in the awaited replacement for M3, this will be used in due course.

Priority

2

Responsible Officer

Head of Development
Management

Timescale

31 December 2019

2 Withdrawal evidence

Issue/Control Weakness

Requests to withdraw applications are not stored centrally on the hub or categorised consistently. There is no standardised process in place for recording withdrawals of planning applications.

Risk

Applications may be withdrawn without appropriate consent from the applicant or evidence of withdrawal requests cannot be evidenced.

Findings

Planning applications can be withdrawn by the applicant during the decision making period if they no longer wish to proceed with the proposed development. If the application is likely to be rejected, the planning officer may suggest that the application be withdrawn prior to refusal. A request to withdraw needs to be submitted in writing by the applicant or agent before this can be processed.

10 applications withdrawn in the 2018/19 financial year were selected for review. From this 10, only 5 applications had a withdrawal request from the applicant or agent retained on the hub.

Of the 5 applications that did not have a withdrawal request from the applicant, 1 did have an email on file from the planning office informing relevant parties of the withdrawal. The remaining 4 did not have any withdrawal evidence retained on the hub. Though this information is likely saved by the relevant planning officers, this should be retained centrally.

Currently, there is no standardised process in place for recording withdrawals of planning applications. The agreement to withdraw an application is usually evidenced by a copy of the email sent by the applicant/agent. As this is likely to have been discussed with the planning office, it is not always clear why the application has been withdrawn. Use of a standardised form for recording withdrawal requests and the reasons for this should be considered.

There is a specific category on the hub for storing withdrawal requests. Of the 5 withdrawn applications in our sample that had evidence on file, only 3 stored evidence in the withdrawal request category.

Agreed Action 2.1

All applications that are withdrawn will be documented in writing setting out the reasons for the withdrawal and the agreement of the applicant/agent. All documentation related to the withdrawal will be saved under the appropriate heading on the HUB.

Priority

3

Responsible Officer

Head of Development Management

Timescale

29 November 2019

Audit Opinions and Priorities for Actions

Audit Opinions

Audit work is based on sampling transactions to test the operation of systems. It cannot guarantee the elimination of fraud or error. Our opinion is based on the risks we identify at the time of the audit.

Our overall audit opinion is based on 5 grades of opinion, as set out below.

Opinion	Assessment of internal control
High Assurance	Overall, very good management of risk. An effective control environment appears to be in operation.
Substantial Assurance	Overall, good management of risk with few weaknesses identified. An effective control environment is in operation but there is scope for further improvement in the areas identified.
Reasonable Assurance	Overall, satisfactory management of risk with a number of weaknesses identified. An acceptable control environment is in operation but there are a number of improvements that could be made.
Limited Assurance	Overall, poor management of risk with significant control weaknesses in key areas and major improvements required before an effective control environment will be in operation.
No Assurance	Overall, there is a fundamental failure in control and risks are not being effectively managed. A number of key areas require substantial improvement to protect the system from error and abuse.

Priorities for Actions

Priority 1	A fundamental system weakness, which presents unacceptable risk to the system objectives and requires urgent attention by management.
Priority 2	A significant system weakness, whose impact or frequency presents risks to the system objectives, which needs to be addressed by management.
Priority 3	The system objectives are not exposed to significant risk, but the issue merits attention by management.

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