The Planning Inspectorate
Yr Arolygiaeth Gynllunio

FINAL
(7 July 2016)

Minutes

Title of meeting	PINS Board Meeting
Date	2 June 2016 **Time** 12:30
Venue	Brunel, Bristol
Chair	Sara Weller (**SW**) – Chairman
Present	Sarah Richards (**SR**) – Chief Executive
	Jayne Erskine (**JE**) – Non Executive Director
	Susan Johnson (**SJ**) - Non Executive Director
	Janet Goodland (**JG**) - Non Executive Director
	David Holt (**DH**) – Non Executive Director
	Mark Southgate (**MS**) – Chief Operating Officer
	Jon Banks (**JB**) – Acting Director, Corporate Services
	Jayne Beeslee (**JBe**) – Acting Director, People and Change
	Simon Gallagher (**SG**) – Director of Planning, DCLG
In attendance	Peter Sloman (**PS**) – Head of Finance & Commercial (item 5)
	Phil Hammond (**PH**) – Director, Casework (item 6)
	Tom Warth (**TW**) – Head of Operations (item 6)
	Jo Esson (**JEs**) – Head of Customer Quality (item 8 & 9)
	Rachael Pipkin (**RP**) – Head of Knowledge Centre (item 9 & 10)
	Ben Linscott (**BL**) – Head of Inspectors (item 10)
	Natasha Perrett (**NP**) – Board Support
Observer	Richard Addison (**RA**) – Forecasting & Modelling Manager
Apologies	Tony Thickett (**TT**) – Director, Wales
	Peter Schofield (**PS**) – Director General, DCLG

Part One
Schedule of Actions – 11 February 2016

	Owner	Action	Minutes	Timeframe
8.	**Tony Thickett**	The Welsh Language Measure update should include how we address funding, either by recharging for the service or budgeting for the cost.	6.14	**By 8 August –** for the 16 August Board meeting.

Part One
Schedule of Actions – 7 April 2016

	Owner	Action	Minutes	Timeframe
11.	**Jon Banks** & Phil Hammond	Measure the impact of electronic working to establish a baseline before moving completely to CTP.	7.5	**Closed** – action incorporated into the productivity project.

Part One
Schedule of Actions – 5 May 2016

	Owner	Action	Minutes	Timeframe
1.	Jon Banks/ Jan Ryan	IT delivery plans to be updated to include people interactions.	2.3	**Complete**
2.	Jon Banks/ Jan Ryan	The ICT strategy item on the July agenda to include the IT survey feedback.	2.3	**In progress** - ICT strategy is on the July PINS Board agenda, a full update will be provided at the meeting.
6.	Tom Warth	Identify the skill shortages and address these to prepare for new intakes of work.	6.2	**By 8 August –** for the 16 August Board meeting.
7.	Tom Warth	Carry out more work around: • scenario planning and then use these for forward planning • include the impact on resourcing and income • the impact on the Business Plan • the impact of moving people	6.3	**By 8 August –** for the 16 August Board meeting.
8.	**Mark Southgate** & Rachael Pipkin	Discuss lead in times and resource challenges with DCLG colleagues for PINS on the areas of work which will change.	7.5	**By 26 July –** Simon Gallagher's introductory session will be held on this date. Agenda setting is in progress with Simon's office.
9.	**Tom Warth** & Mark Southgate	Develop a risk map which covers financial risk and people/ reputational risk.	7.7	**By 8 August** – for the 16 August Board meeting.
12.	Rachael Pipkin	Review and transfer risks to the strategic risk register.	7.12	**By August** – wider work is underway in relation to risk management. A paper work in progress risk register is on the July PINS Board agenda for consideration.

Part One
Schedule of Actions – 2 June 2016

	Owner	Action	Minutes	Timeframe
1.	**Mark Southgate** & Jayne Erskine	Discuss reporting on Workforce Planning to identify what should be reviewed by the PINS Board and the People Committee.	2.2	**Complete**
2.	PINS Board	Feedback individual comments/ structure amendments directly to PS.	5.1	**Complete**

3.	Natasha Perrett	Add a review of the MI pack to the forward planner in 6 months.	5.2	**Complete -** added to October forward agenda.
4.	Peter Sloman	Add the names of responsible owners to the pages of the MI pack.	5.4	**Complete –** MI pack updated with Board level owners.
5.	Peter Sloman	Divide the MI pack for the Committees.	5.4	**In progress –** MI packs are being developed and agreed with the appropriate Committee.
6.	Jayne Beeslee	Present data on sickness levels with VES numbers removed and equality and diversity data to the July People Committee.	5.10 & 5.12	**In progress –** JBe will provide an update at the August PINS Board.
7.	Mark Southgate	CQPS Committee to review HAS performance at the September meeting.	5.12	**By 7 September -** for the 15 September CQPSC meeting. Forward agenda updated.
8.	Phil Hammond	Add a projection to the end of the year for the average age of band 1, 2 and 3 casework. A scale should be added to the right of the chart showing the age and the scale should start from May 2016.	6.1	**By 8 August –** for the 16 August Board meeting.
9.	Sarah Richards	Scope up the 3 year productivity project to gain a view of the phases and include: • the blocks of the journey • work out how quickly this can be achieved • the skills needed • outline what good looks like, identify some of the steps and break off the key elements for some early wins. • focus on the core part of the strategic direction.	7.14	**By 8 August –** for the 16 August Board meeting.
10.	Jo Esson & Rachael Pipkin	Strategic and Emerging Risk Registers to come back to the July Board as a work in progress documents. The Board will carry out a strategic risk identification exercise.	9.7	**Complete –** papers on the July PINS Board agenda.
11.	Ben Linscott	Explore training opportunities with the MoJ.	10.7	**End of August**

| 12. | Ben Linscott | Review the reasons for failure and success in planning challenges. | 10.8 | **By September PINS Board** |
| 13. | Natasha Perrett | Make the following amendments to the forward agenda:
July
• Strategic & Emerging Risk Registers
August
• Add Productivity Project
September
• Add Productivity and Yield Management
October
• Add review of the MI pack | 7.12, 7.15, 9.5 & 11.2 | **Complete** |

Minutes

1.0	**Welcome and Declaration of Interests**
	1.1 The Chair welcomed Simon Gallagher, Director of Planning from DCLG and Richard Addison staff observer to the Board.
	1.2 The Chair called for Declarations of Interest of which there were none.
2.0	**Minutes of 5 May Board Meeting**
	2.1 No further comments were received on the May PINS Board minutes.
	2.2 SR gave an update on action 5 'Management Board to lead on creating an open culture with SLT which filters through to teams' from the March minutes. Progress against our work and actions being carried out with staff across the organisation will be monitored by the People Committee. SR concluded the action was complete.
	2.3 JE and MS agreed to discuss reporting on Workforce Planning to identify what should be reviewed by the PINS Board and the People Committee.
	2.4 MS explained actions 6 and 7 from the May meeting are linked to NSIP and Local Plans work.
	2.5 SG explained a little bit of his back ground to the Board, SG is a career Civil Servant with experience of running Welfare Spending at the Treasury, spent 4 years in Berlin for the Foreign Office focussing on Economic Policy and ran the Growth and Productivity think tank at HMT.
	Agreed: 2a) The minutes reflect a true and accurate record of the May meeting. 2b) JE and MS to discuss reporting on Workforce Planning to identify what should be reviewed by the PINS Board and the People Committee.

3.0	**Committee Chair: update** **(a) Audit & Risk Assurance Committee (ARAC) (meeting of 2 June)** 3.1 The ARAC had a debate about the senior team: • having greater involvement with the internal audit programme, • signing off audit scopes, • having final sight of audit reports, checking for robustness and oversight of actions and priorities across the team. 3.2 The key role of the senior team is to be working on audit with a more strategic focus. **(a) Customer, Quality and Professional Standards Committee (CQPSC) (minutes of 5 May meeting)** 3.3 SJ explained the September agenda is under review due to the large number of items captured for the September meeting. SJ is meeting with Jo Esson after the PINS Board meeting to review. **<u>Agreed:</u>** 3a) To note the updates from the Committee Chairs.
4.0	**Chief Executive's update** 4.1 The Shared Services project is work in progress and discussions are taking place with DCLG and HCA colleagues, JB attends meetings regularly on behalf of PINS. 4.2 PINS is open to suggestions and ideas from DCLG and the HCA and our views have also been shared. There is an assumption that centres of excellence will be created across the departments. 4.3 The VES for AAs, AOs and grade 6s and 7s have now closed, MS, JB and JBe have reviewed the applications. These are unsettling times for staff. 4.4 A People Manager programme has been launched for those managing 3 or more staff, regardless of grade. Around 40 people across the organisation are in attendance. As a manager of more than 3 staff, SR is also attending the sessions. 4.5 SR has continued to meet with stakeholders. The engagements have been positive and it is clear many want to work with PINS. We have high quality training and some stakeholders are keen to share our approach. 4.6 JE asked about the development of planning professionals and the role of PINS which was discussed at the last Board meeting. SR explained PINS is going to support the bursary scheme with DCLG which is a good way to bring in students. 4.7 TT and SR attended the 4 Chiefs meeting in Scotland. This was a very

	interesting meeting which assisted TT. The next meeting with will be held in Cardiff next year. **Agreed:** 4a) To note the update from the CEO.
5.0	**New Management Information (MI) reporting pack** 5.1 The Board reviewed the new MI reporting pack and agreed to feedback individual detailed comments/ structure amendments to PS directly. 5.2 PS explained the new MI pack has been produced as a more rounded report of how we are performing across the organisation. Page 2 of the report gives the Board an overview of performance with Management Board's response on page 3. PS proposed a full review of the MI pack in 6 months' time. The Board agreed. 5.3 Reporting against finance and projects is still in early stages. Reporting against operations is still red, but there has been significant movement in casework which is making good progress. 5.4 DH said it would be useful to have the responsible name under each section to give a clear view of which Committee might have ownership. JG suggested this would be useful for overview/ deep dive sessions at the Committees. SW agreed and said the Chairs of the Committees should decide which area deep dives should take place at their Committees. 5.5 JG and JE both agreed the MI was very clear and useful and was a significant improvement. 5.6 The Board discussed page 21 resource spend within budget and page 22 phased budget. DH said the Board rely on this data early on in the year and found it really useful to have the forward trajectory. DH requested this remain in the report. 5.7 Performance against hearings and inquiries had appeared to drop. MS explained the continued improvements to the backlog, recruitment of additional band 2 and 3 inspectors, and the work linked to utility at band for inspectors will improve performance for these cases. An improvement in the next 3 to 6 months should be seen. 5.8 SG asked what was the cause. MS explained the backlog is due to the change in target, shortage of inspector resource at the right band and the targets for bespoke casework. 5.9 The Board discussed project performance on page 30 of the report. Queries were raised on the DRDs and Horizon projects and should these be reporting red rather than amber. JB explained Horizon is about to close as a project, focus is now on phase 2 and the capital fund has been released. The DRDs pilot will roll out to all inspectors this month. JB concluded amber is an

	accurate status for the projects.

5.10 JE said the people MI on working days lost through sickness absence, should be picked up at the next People Committee meeting in July and should include reasons for absence with supporting analysis. SW agreed and said VES numbers should be taken out.

5.11 SR explained work is underway on inspector workforce scenario planning alongside the administrative workforce to create a stable environment. SG was pleased to see exit interviews have been taking place.

5.12 SJ said she would like to see the equality and diversity data included and for this to be reviewed at the next People Committee.   The CQPS Committee will review HAS performance at the September meeting as this casework is unlikely to hit the 8 week target over the year.

Agreed:
5a)   The Board to feedback individual comments/ structure amendments directly to PS.
5b) NP to add a review of the MI pack to the forward planner in 6 months.
5c) PS to add the names of responsible owners to the pages of the MI pack and divide the MI pack for the Committees.
5d) JBe to present data on sickness levels with VES numbers removed and equality and diversity data to the July People Committee.
5e) CQPS Committee to review HAS performance at the September meeting. |
| 6.0 | **CTP, progress towards readiness (inc backlog recovery update)**

6.1 SW said in continuing to measure performance it would be helpful to have a projection to the end of the year of the average age of band 1, 2 and 3 casework. A scale should be added to the right of the chart showing the age. The scale should start from May 2016.

6.2 The Board discussed utilising band 2 and 3 inspectors to improve hearing and inquiry performance. SW said the responsiveness of the organisation to respond to data is improving.

6.3 Once steady state has been achieved, JE said the data should be used to renegotiate our targets. SW agreed, with the baseline under control and more predictable conversations can be started.

Agreed:
6a) PH to add a projection to the end of the year for the average age of band 1, 2 and 3 casework. A scale should be added to the right of the chart showing the age and the scale should start from May 2016. |
| 7.0 | **Yield management & productivity**

7.1 Work is underway to reduce the backlog and improve productivity. Our improved MI pack is supporting this along with the findings of other projects such as Vanguard, CTP and the Enforcement Transformation Project (ETP). |

7.2 CTP is helping to bring the utilisation of band 2 inspectors on band 1 work under control by bringing inspectors into the process earlier, so they can use their judgement to assist in the allocation and duration of appeals.

7.3 JB said there needs to be enough productivity at grade to review the cost baseline and performance benefit. We should focus on things that could save 10% and this should include how inspectors operate.

7.4 SJ referred to the productivity project initiation appendix and said, the project team should look at ensuring the processes are efficient as can be for both customers and staff. Staff should be motivated and engaged in the work we are doing to improve productivity. To truly measure productivity and outputs proxies' should be included such as staff absences and sickness and understanding what is happening.

7.5 Under the CTP model there is a risk to productivity, JB explained there is a managerial and individual responsibility to deliver on productivity. This will be managed by MI data which will show time taken on appeals for inspectors, a similar approach will be taken for casework administration processes.

7.6 DH said a review of the processes should be taken, to reduce the labour content and be certain that the skillset and labour is appropriate for the tasks and make sure the right people are doing the right work. This also includes making sure the right documents are with the inspector in the right way. Review the pathway or process and identify those who are responsible for getting it right.

7.7 PH explained this is being looked at through CTP by setting the ambition and questioning the product we are delivering.

7.8 SR said there is more work to do to rethink what it is PINS does, this is set as a longer term project and we will want to look at ways of delivering for less, the implications and re-engineering. We need to imagine a different future and the cost pressures.

7.9 SG has experience in this area of transformation and is keen to support the productivity project. SG would like to have a conversation with SR to look at the measures, PINS business and the savings that can be made. MS will take this forward with SG.

7.10 MS said further work needs to be carried out to think about the perfect system and what it would look like, what would the cost be per output. Use this model to identify the efficiency gaps.

7.11 SW said we need to demonstrate we are doing as much as we can to address the gaps in the system and to reduce costs. We must clarify the perfect system to be able to have a conversation with the Minister around changing legislation, charging or both.

	7.12 SR agreed this is phase 1 of a longer term project. SR will scope up the 3 year project to gain a view of the phases, the project needs to be containable, manageable and achievable.

7.13 The Board discussed capacity, skillset and expertise to progress the project. SR explained Management Board will review the project and workout the resource requirements.

7.14 SW said SR should specify the blocks of the journey, to work out how quickly this can be achieved and the skills needed. DH suggested outlining what good looks like, identifying some of the steps and breaking off the key elements for some early wins. Focussing on the core part of the strategic direction.

7.15 SR agreed to bring this work back to the Board in August with a project scope, project plan and resource requirements. The Board agreed to move the item on Productivity on the forward planner to September.

Agreed:
7a) SR to scope up the 3 year project to gain a view of the phases and include:
  • the blocks of the journey
  • work out how quickly this can be achieved
  • the skills needed
  • outline what good looks like, identify some of the steps and break off the key elements for some early wins.
  • focus on the core part of the strategic direction.
7b) NP to add the Productivity project to the August agenda.
7c) NP to move the item on Productivity to September on the forward planner. |
| 8.0 | **Sign off Annual Report & Accounts (ARA) (inc Governance Statement)**

8.1 DH explained the Audit and Risk Assurance Committee made 3 recommendations which are supported by a clean audit opinion, adequate Head of Audit opinion and a report from the ARAC around the work it has carried out to support the ARA.

8.2 Subject to the adjustment of the accounts to reflect a late additional charge of £88,000 relating to estates is made. The recommendations for the Board to consider are:

1. PINS Board approval of the 2015/16 Annual Report and Accounts (ARA) as being fit for purpose and they should therefore be signed by Sarah Richards as Accounting Officer.

2. PINS Board approval of the ARA to be despatched to the Comptroller and Auditor General for certification, and be laid before Parliament as planned. |

	3. PINS Board approve the Accounting Officer to sign the letter of representation as detailed in appendix 2 of the NAO report. 8.3 The Board agreed with the recommendations made by the ARA Committee. 8.4 DH congratulated the teams for their work in preparing the ARA. Agreed: 8a) The recommendations made by the ARA Committee.
9.0	**Strategic Risk Register (SRR) (inc top risks & emerging risks)** Strategic Risk 9.1 SR ran a session with Management Board (MB) to look at the critical things that can stop us delivering our priorities and making sure these are presented in a clear way. At present it is not clear who the real owners are and what action is being taken. At the session MB looked at linking the risks to our purpose and objectives. 9.2 The SRR is owned by MB but it is very important the ownership for mitigation of a risk is clear. A single individual will be responsible for making sure actions take place and for reporting back to MB and the Board. 9.3 A session will also be held with the Executive Groups, 2 of the 3 sessions are already in diaries. 9.4 A further session with MB will be held this month to refine the process and allocate the risks. Moving forward MB will review the SRR on a monthly basis. SR wants to ensure risk management becomes something we do every day, constantly monitoring and reviewing the register and thinking about what is going to stop delivering. 9.5 The Board agreed the SRR would come back to the July Board as a work in progress document. 9.6 DH said we need to be clear about what we are mitigating against. The strategic objectives should be on the register. When reviewing the risk register the Board should also have a discussion around the risk appetite. JEs explained risk treatment and appetite will sit with the new register and is work in progress. 9.7 SW suggested taking the Board through the document and agreeing the strategic risks. As part of the risk identification exercise, SW confirmed the work developed by MB should be used. Emerging Risk 9.8 The Board discussed how they would like to see the emerging risks

	presented. RP suggested presenting emerging risks in the same framework used at the SRR. The emerging risk register will be discussed at the Professional Standards Committee. 9.9 DH suggested the Board look at the high level emerging risks which are not on the SRR. By sorting the high level risks this will guide the Board to where it should spend time. It would be useful to have the emerging risks as low-high with a RAG rating. JB said this is slightly different to risk and is more about employing strategies to deal with emerging risks and getting a front footing on opportunities. 9.10 SG said he is keen to focus on low likelihood, high impact emerging risks. JB suggested some of the emerging risks can be framed as opportunities as well as risks. Agreed: 9a) The Board agreed the Strategic and Emerging Risk Registers would come back to the July Board as a work in progress documents. The Board will carry out a strategic risk identification exercise.
10.0	**Legal Framework, Challenges & Risks** 10.1 BL explained to the Board enforcement and planning casework face the most legal action. Anybody aggrieved by the inspector's decision can initiate legal action. Challenges can be made where a decision is unlawful on fact; there is a misallocation of policy or a procedural failing. 10.2 Group Managers (GMs) are appointed to act on behalf of the Secretary of State when deciding if PINS should defended a decision or submit to judgement. When making this decision, GMs take advice from the Legal Department and gather input from the inspector that determined the appeal. 10.3 The process of challenge is long and starts with the High Court, Court of appeal and can end in the Supreme Court. 10.4 The number of appeals being challenged has risen over the last few years in planning and enforcement cases. The majority of these cases are planning. In defending cases, success rates are higher in enforcement than planning cases. 10.5 Mitigation is taking place through the virtuous circle project, ensuring lessons learnt are embedded in the training manual and included in training events for inspectors. BL gives advice on live casework and where necessary takes advice from specialist advisers and the Knowledge team. Liaison with the Chief Planner at DCLG regularly takes place and the working relationship is strong. Learning is also being shared with the casework teams so they understand why they need to follow processes. Administrative error in casework is happening less. 10.6 There have been 175 challenges out of 20,000+ appeals which is a

	good rate as we have won most of the cases. 10.7 The Board discussed the potential of working with the MoJ to train judges in areas of planning casework. BL explained Justice Sullivan made a visit to PINS and they discussed training for inspectors and performance management. BL agreed to pick this up again. 10.8 SJ referred to the successes in enforcement cases in comparison to planning and asked for the break down. BL agreed to take this away for further review. Agreed: 10a) BL to explore training opportunities with the MoJ. 10b) BL to review the reasons for failure and success in planning challenges.
11.0	**Forward agenda & AOB** 11.1 The following amendments should be made to the forward agenda: <u>August</u> • Add Productivity Project documentation <u>September</u> • Add Productivity and Yield Management <u>October</u> • Add review of the MI pack <u>AOB</u> 11.2 SW explained to the Board this is JG's last Board meeting. SW took the opportunity to thank JG for her contributions to the Board, her thoughts about the role of people in change and for her instrumental work to develop the Customer, Quality and Professional Standards Committee. **Agreed:** 11a) NP to update the PINS Board forward planner.

Next meeting: 7 July 2016, 12.30 – 3.30