# The Planning Inspectorate
## Yr Arolygiaeth Gynllunio

# Minutes

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| **Title of meeting** | PINS Board Meeting |
| **Date** | 23 November          **Time**     9:30 |
| **Venue** | Cathays Park, Cardiff |
| **Chair** | David Holt (**DH**) – Chairman |
| **Present** | Jayne Erskine (**JE**) – Non Executive Director |
| | Susan Johnson (**SJ**) – Non Executive Director |
| | Sarah Richards (**SR**) – Chief Executive |
| | Tony Thickett (**TT**) – Director, Wales |
| | Navees Rahman (**NR**) – Director of Corporate Services |
| | Pauleen Lane (**PL**) – Group Manager |
| | Simon Gallagher (**SG**) – Director of Planning, DCLG |
| | Neil Hemington (**NH**) – Head of Planning (Welsh Assembly) |
| **In attendance** | Tim Guy (**TG**) – Director, Transformation (item 7) |
| | Rachael Pipkin (**RP**) – Head of Assurance, Benefits & Change (item7) |
| | Mark Southgate (**MS**) – Director of Major Casework (item 8) |
| | Jerry Youle (**JY**) – Interim Group Manager (item 8) |
| | Joanne Smith (**JS**) – Board Secretary |
| **Apologies** | Ben Linscott (**BL**) |
| **Observer** | Chris Sweet (**CS**) – Planning Officer, Wales |
| | Isabel Nethell – (**IS**) – Head of Service, Wales |

## Part One
### Schedule of Actions – 18 July 2017

| | Owner | Action | Minutes | Timeframe |
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| 9. | Tim Guy | Update the Board at the November meeting on progress on benefits realisation and the more detailed business case following outputs of the IWPS discovery phase. | 6.13 | **Item 8 on the January PINS Board agenda.** |

## Part One
### Schedule of Actions – 14 September 2017

| | Owner | Action | Minutes | Timeframe |
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| 3. | Simon Gallagher | Check with DCLG colleagues if the Minister needs to be notified of the changes to 1 and 2 day inquiry process. | 2.8 | **January Board** |
| 8. | Navees Rahman/Steve Hudson | Ensure that a clear transfer of benefits into budgets was enacted for the 2018/19 plan. | 5.11 | **March Board** |

| 11. | Sarah Richards | In relation to the finalisation of new measures, SR will:<br>• Consider the top 6 measures that are really important for the Board.<br>• Change the measure to record time from 'valid receipt' to decision.<br>• Communicate to customers (on the website) the average time taken from valid receipt to decision.<br>• Through review of process variability, recommend an upper limit to communicate eg at 90/95/99th percentile and confirm what action will be taken with customers whose cases look as if they will fall outside of these upper limits.<br>• Review and review with the Board the potential for any unintended consequences of the new measures.<br>• Shadow data for the next 3-4 months to be gathered to allow us to decide if we should use the 90/95/99th percentile as the upper limit.  This should also be used to inform the conversation with the Minister.<br>• Beyond this first stage, further review: whether to use receipt or valid receipt as the start.<br>• Consider scale of reduction of range of variability and absolute average based on understanding the impact of transformation.<br>• Consider the full list of targets subject to input from partner departments (e.g. Defra).<br>• Agree timetable for discussion with Ministers, focussed on rebasing targets in time for 2018/19. | 6.13 | **Complete -** Item 6 on the January PINS Board agenda |

**Part One**
**Schedule of Actions – 23 November 2017**

| | Owner | Action | Minutes | Timeframe |
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| 1. | Sarah Richards | Bring first outputs from shadow reporting and total ambition of what to do with measures and timelines for Ministers to the January Board. | 2.7 | **Complete -** Item 6 on the January PINS Board agenda |
| 2. | Natasha Perrett | Update action 9 of the July minutes as open re the digital business case. | 2.10 | **Complete –** action held open |
| 3. | Navees Rahman | Review unit costs and segmental reporting as part of the year end process | 2.13 | **July 2018** |
| 4. | Sarah Richards | Return to the Board in January with a people survey summary. | 4.4 | **Complete -** Item 4 on the January PINS Board agenda |
| 5. | Navees Rahman | As part of the update on budget setting for 2018/19 to ensure that the 167 day assumption is reviewed and that the budget setting process considers low, medium and high workload scenarios. | | **Q4 2017/18** |
| 6. | Tim Guy | January Board a highlight of costs and benefits and an indication of when we will see balance of milestones. Report results of mini reset of SOC include a little bit more about IWPS expanded model and what that does to our costs and benefits. | 7.17 | **Item 8 on the January PINS Board agenda.** |
| 7. | Navees Rahman/ Sarah Richards | February People Committee – a deep dive on capability and capacity issue with expansion to include fact that we have business as usual to maintain and identified need to give people some broader skills as well as issues around transformation pack. | 7.25 | **February People Committee** |

**Minutes**

| 1.0 | **Welcome and Declaration of Interests** |
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| | 1.1 The Chair welcomed staff observers CS and IN. |
| | 1.2 The Chair called for Declarations of Interest (DoI), of which there were |

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| | none. |
| 2.0 | **Minutes of 14 September Board meeting – Part one & two**<br><br>Part one - minutes<br>2.1 Amend paragraph 5.2 from 'thought' to 'through'.<br><br>2.2 Amend paragraph 5.5 from 'regularly' to 'regular'<br><br>Actions<br><br>2.3 The Board asked SG for an update on Action 3 – SG agreed to check and give an update at the January Board.<br><br>2.4 The Board asked SR for an update on Action 11 – SR confirmed shadow reporting has been taking place and is being reported in the MI pack used by Management Team.  The data is being used in the weekly operations team and monthly performance team meetings to make any necessary changes and address problems.<br><br>2.5  It is clear the variabilities are consistent and the number of outliers quite small. The variability is approximately 6 weeks with very few real outliers. The outliers tend to be as a result of a change in circumstances during the processing of the appeal.  The ambition is to get to a position where we have a high level of predictability.  There is much more information available to the customer using the Appeals Casework Portal (ACP) about average timescales to decision.  SR will bring this item back to the Board in January.<br><br>2.6 SJ said there should be a check against the set of measures that we think are relevant for our customers, with what the customer thinks is a relevant measure. It would be useful in January to look at the communication to the customer, what the changes to process look like and any unintended consequences for the customer.<br><br>2.7 SJ asked for a correction on the digital business case action from the July minutes, this was not presented at the October Board and is not closed.<br><br>Part two – minutes<br><br>2.8 No further comments were received on the part two minutes.<br><br>Actions<br>2.9 In July, the Board challenged the need to understand the relationship between volumes and variability.  NR updated the Board that PINS costs had changed in line with expectations since last reporting in July 17 and recommended reviewing this as part of the year end process, as unit costs and segmental reporting would be available as part of the Annual Report and Accounts. |

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| | <u>Budget update from SG</u><br><br>2.11 The Board asked for a quick update on the budget and how it affects us. SG told the Board that housing was at the heart of the budget – Housing delivery to increase by:<br>1. Set of planning reforms.<br>2. More activist state.<br>3. Funding for the HCA and local government.<br><br>2.12 There were 20 specific individual planning reforms, four of which PINS should focus on:<br>1. Review of pace between permission and homes being built.<br>2. Contacting LPA's who have not produced a plan; increase in plan work.<br>3. Simplifying Community Infrastructure Levy (CIL) charges set and structured.<br>4. Changes to National Policy Framework to tighten up requirements for sites and first time buyers.<br><br>**Agreed:**<br>2a) SR to bring first outputs from shadow reporting and total ambition of what to do with measures and timelines for Ministers to the January Board.<br>2b) NP to date action 9 of the July minutes as open re the digital business case.<br>2c) Review unit costs and segmental reporting as part of the year end process |
| 3.0 | **Committee minutes**<br><br>**a) Audit and Risk Assurance Committee (ARAC) – 26 October**<br><br>3.1 The key topic was around the strategic risk register, the Committee risk register and risk appetite. Each committee is reviewing its risk register. The strategic risk register will go to the PINS Board in January; the Board will look at the full risk register and review the risks that have been specifically allocated to it.<br><br>3.2 JE said that one of the biggest risks is around capability and capacity. This is a key issue. |
| 4.0 | **CEO report**<br><br>**Update – staff survey**<br><br>4.1 Engagement has gone up to 59% from 57%. It is in parallel with all parts of the Civil Service.<br><br>4.2 There has been a 10% increase in leadership and managing change. We are only 1% from the top quartile of the Civil Service high performers. The challenge is to maintain this through our transformation programme. |

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| | 4.3 There have been improvements throughout the survey except 2 areas:<br>1. Pay and benefits<br>2. Learning and Development<br><br>4.4 My team has increased by 8% to 80%. However, the response rate has fallen across the organisation. We need to gain an understanding of why participation dropped this year. Feedback will be given at the People Committee in February.<br><br>4.5 The Board asked SG if results were in line with DCLG. SG confirmed DCLG as a whole was up 5 points. The big issues were resources and workload and pay and benefits.<br><br>**Agreed:**<br>4a) SR to return to the Board in January with a people survey summary. |
| 5.0 | **Update from Wales**<br><br>5.1 The Board asked TT whether there were ways to replicate the 'team style' of working evident in Wales in England. DH asked if there was anything that can be captured in the digital strategy. TT suggested using Lync and yammer as informal options for sharing ideas.<br><br>5.2 Board asked NR, if in the digital strategy we are thinking about how we are planning to bring people together in a more effective way. NR confirmed the IT Modernisation Project has been initiated and new devices are being rolled out. Office 365 will provide video conferencing from laptops. This will change the way we work and will be Cloud based which means we can work from more locations. Roll out will take place from April to October 2018.<br><br>5.3 JE asked TT for clarification on the changes to the new appeal procedures and how they came about. TT confirmed it was part of Welsh Governments (WG) positive planning agenda. There have been few appeals, so no response from stakeholders just yet. NH added the process is very intensive in terms of evidence gathering.<br><br>5.4 The Board asked TT about the Wellbeing objectives. DH asked if there have been any appeals made on these grounds. TT explained that it is often used by third parties to argue that a decision is not meeting a goal. NH told the Board that WG Planning Directorate is doing a lot of work with the Future Generation Commissioner to the refresh the Planning Policy in Wales.<br><br>5.5 SJ asked if it was the role of the Commissioner to apply judgement to complaints or to raise awareness and put objectives forward. TT confirmed that local authorities/bodies should publish their own objectives and goals and the Commissioner's job is to oversee this. The Commissioner has no power to review decisions made by PINS, but can review how we make decisions if it feels there is error in the system.<br><br>5.6 NH told the Board that WG are restructuring Planning Policy Wales and |

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| | seeking to demonstrate compliance with the future generations act.

5.7 SJ asked TT how the daily rate for support staff was calculated. TT said that they worked closely with WG on how we put figures together.  The rate published is based on overheads etc.

5.8 JE asked what the impact would be, if the rate was applied to rest of the business. NR told the Board the same principles are used by WG and DCLG. |
| 6.0 | **Monitoring performance - dashboard**

6.1 NR explained to the Board that we are currently focussing on period 6, which covers September and the year to date.

6.2 JE asked why the inspector casework data isn't matching expectations and other issues around resource. What are the issues and the link?  NR reported two reasons for this, the first is higher than anticipated workload, which could not have been reasonably predicted at the time of budget setting, the second was the planning assumption that PINS would have 167 inspector days available per inspector for productive work. Performance against this planning assumption has been tracked as part of Management Team performance monitoring; PINS has been below this number, a deep dive showed that significant levels of annual leave in April meant that PINS has been playing catch up for the rest of the year. PINS is continuing to review performance against the 167 planning assumption.   SJ challenged whether PINS could have better anticipated the accuracy of the planning assumption; DH suggested that we revisit the suitability of the 167 day planning assumption as part of budget setting for 2018/19.

6.3  The focus going forward is to bring consistency by addressing the scenario and flexibility planning around resources.  We need to think about high and low end scenarios, level of risk and be realistic with the money available.

6.4 SG said knowing where we will be by year end would be useful and will give an underlying assumption which we can debate at Board.

6.5 DH said we need to make sure we address scenario planning. If there is an upsurge in applications how do we deal with it? We need to know how we would deal with this as part of the support for the plan.  We need to think about high and low end scenarios, levels of risk when setting resources and the ability to flex and deploy additional inspectors etc.

6.6 SJ asked for clarification on average working days lost.  SR explained that October figures show it is coming down.   The case conference meetings are working; it is making a difference to how we manage long term sick.

6.7 NR told the board there were 3 specific actions to follow up on in this area all of which had either been delivered or were on track to be delivered. |

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| | **Agreed:**<br>6a) NR as part of the update on budget setting for 2018/19 to ensure that the 167 day assumption is reviewed and that the budget setting process considers low, medium and high workload scenarios. |
| 7.0 | **Transformation update**<br><br>Benefits<br>7.1 TG informed the Board that the Programme remains at amber. It has just received the GIAA assessment of moderate, which is a good place to be overall.<br><br>7.2 Further updates included:<br>• IWPS has completed the first piece of discovery work.<br>• Progress in the customer space has been slow.<br>• The organisation agility delivery plan is progressing well.<br>• A good response was received from inspectors expressing an interest to get involved in Transformation work.<br>• Assurance and benefits management strategies are now in place.<br><br>7.3 The full SOC (strategic outline case) reset will take place in February or March next year. We will provide a perspective of where the program is in terms of the original business case.<br><br>7.4 The expanded scope of IWPS covers the original piece of IWPS plus all of the process strategy and some of the digital strategy. SR has agreed the governance around this extended piece of work and it will involve empowering heads of service and group managers. The plan will go back into discovery phase in the new year.<br><br>7.5 SJ explained she is struggling to see what the critical path is, what the key things are to focus on, what the key decisions are, and what the key actual choice points are. SJ suggested an assurance group should keep track.<br><br>7.6 SJ said IWPS (E) now seems to have gone into many other areas of the transformation program. It is not clear what distinguishes that from organisational agility or digital. SJ's concern is around double counting and trying to determine what bits are flowing from which part of the program, we are not able to see a clear timeline. TG confirmed E = IWPS plus process plus digital. Following a review in conjunction with the end to end process, the process workstream was abandoned.<br><br>7.7 RP will refine what is in organisational agility; the team are reshaping the programme.<br><br>7.8 The Board discussed what is being done at departmental level and if this has had a direct effect on our digital program, and if we have some influence on how they are implemented for our benefit. NR explained the ITMP is the departmental strategy which has higher costs and lower benefits than |

anticipated, because it is providing greater capability in comparison to the current outdated IT offering

7.9 SJ asked if the rest of the digital piece and transformation has dependencies on the department.  RP said we are replacing laptops as ours are outdated. If costs for future laptop replacements are higher, this will be covered  by DCLG.

7.10  DH said there are still moving costs around benefits for PINS. It needs to be simplified against the original SOC presented to the Board. The Board needs to see a finalised document to understand where we stand vs original SOC.

7.11 NR explained if following the mini reset of the SOC we have a high negative, the Board will review and reconsider what we do.

NED Engagement

7.12 The Board needs a timeline add to the paper of NED engagement required. The NEDs would like:
- an understanding of the milestones
- what actions the organisation needs to take in the next 18-24 months.
The milestones can be signed off by the Board and progress against those actions/milestones can be monitored for benefits delivery.

Critical path

7.13 SJ said the Board wants to see the resource constraints/pressures on the organisation throughout the 2 year period, which could impact performance and place pressure on our resources. There should be internal and external guidance for expectation management and a full review of milestones and benefits.

7.14 JE said it needs to be clear the focus is not all on costs, capability and capacity is also being considered. TG explained there is a risk mitigation plan, which Management Team has used to address how they will look at capability and capacity issues.  This will be done through a series of activities.

7.15  SR said we need to have capacity to be able to release people's time to engage in the program and do business as usual work. We need to build both our capacity and our capabilities for the future. This involves backfilling, talent grid management and development at mid-year appraisals. We now have a transformation delivery manager for 2 years. This overlaps into capability and knowledge transfer from consultants to build capability internally, at the same time we bring skilled capacity into to the organisation.

**Agreed:**
7a) TG for January Board a highlight of costs and benefits and an indication of when we will see balance of milestones. Report results of mini reset of SOC

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| | include a little bit more about IWPS expanded model and what that does to our costs and benefits.<br><br>7b) NR/SR to February People Committee – a deep dive on capability and capacity issue with expansion to include fact that we have business as usual to maintain and identified need to give people some broader skills as well as issues around transformation pack. |
| 8.0 | **Planning Policy Change – Potential Casework Impacts**<br><br>8.1 There is a solid increase in planning numbers. There will be an increase in early engagement with plans.<br><br>8.2 The main key areas we can expect to see change are:<br><br>1. Standard methodology on housing. Plan examinations should look at strategic planning and not housing numbers.<br>2. Strategic and local recommendation to split plans, which would mean more plans; there would be strategic and allocation plans.<br><br>8.3 Five year plan reviews would extend to supply of plans and create a steady flow, but we may not see an increase. Joint prepared plans may mean longer, but fewer plans.<br><br>8.4 MS said the plan process cannot be accelerated. It's a plan led system, so may reduce number of appeals or be less complicated. We have to consider if we have inspectors' available at bands 2/3. This may have an effect on enforcement and PCO casework.<br><br>8.5 There is an increased focus on planning permission and what is being built. We need to consider the demand, options for meeting the demand and be clear about the early assumptions.<br><br>8.7 SJ asked about the CIL. MS said there will be impact on CIL examinations and if we will review older CILs. |
| 9.0 | **Review of meeting, forward agenda & AOB:**<br><br>9.1 The board agreed the January forward planner.<br><br>• Shadow reporting and measures timetable<br>• Staff survey headlines – reference in Board and feedback from People Committee<br>• Transformation issues<br>• Early look at budget and resources for next year<br>• Review of risks (make sure SG has early sight before come into board papers proper, need discussion around risks that fall within in the deep dive)<br>**<u>Agreed:</u>**<br>9(a) The January Board agenda. |

Next meeting:  25 January 2018, 1.00pm – 4pm