

**PLANNING INSPECTORATE – WALES  
FORWARD PLANNING PROGRAMME  
2005-6/2007-8**

September 2005

## **EXECUTIVE SUMMARY**

**This is the Planning Inspectorate (PINS) Wales Forward Planning Programme for 2005-06 to 2007-08. It details the challenges faced by PINS as an organisation in Wales, and focuses on how PINS plans to tackle these. Our work for the next 3 years will be heavily influenced by the UK and Assembly Governments' commitment to better planning, sustainable communities and regeneration. PINS have made significant changes to our mission, values and corporate objectives in order to reflect this.**

**This Forward Planning Programme specifically for Wales has been prepared in the context of rising workloads and the challenge of the new development plan system. Our response will focus on improving our overall productivity, being ready to deliver our part in the new development plan system in Wales, seeking a longer-term reduction in the demand for our services and completing the roll-out of the Planning Casework Service (PCS). We will work to the current Ministerial targets for 2005-2006, but will review them with the Assembly Government for 2006-07 onwards.**

**PINS Wales are doing this in the context of major changes in PINS as a whole. We have completed a total restructuring of PINS to emphasise more efficient delivery, stronger policy focus and support services which give greater value for money. In 2005-2006, we shall pursue culture change in PINS, building on the good progress we have already made with the e-planning agenda and developing further innovatory productivity initiatives. We shall support these with new human resource policies, an effective approach towards future recruitment and a reward strategy based on a firm link between pay and productivity. We shall also play our part in contributing to the savings required by the UK Government's Efficiency Review.**

**We are placing far greater emphasis on the identification, management and mitigation of risk. Our strategy for the coming year relates strongly to both current and long-term risks we have identified and has been developed in the context of maximising the means to manage and mitigate these.**

**Financial provision in 2005-2006 should allow us to deliver our corporate objectives against Assembly Ministerial priorities. However, we shall have to monitor uncertainties in workload and resource provision exceptionally carefully if we are to be able to continue to meet our objectives beyond 2007.**

**However, the changes that we have initiated in the last twelve months give us greater confidence that we can deliver against our objectives now and in the future.**

## **1. INTRODUCTION**

1.1 The Planning Inspectorate (PINS) is an executive agency in the Office of the Deputy Prime Minister (in England) and Welsh Assembly Government (in Wales). We deal with appeals and other casework under planning, housing, transport, environment and allied legislation. PINS plays a major role at the heart of the planning reform agenda. As a delivery agency of the Welsh Assembly Government (AG), we are centrally placed to support the AG's goals of building sustainable communities, promoting a sustainable economy, valuing our environment, respecting distinctiveness and achieving sustainable accessibility as articulated through the Wales Spatial Plan<sup>1</sup>.

1.2 In contributing to this objective, there can be no doubt about the pressures facing PINS for the foreseeable future. We started the new financial year with a backlog of section 78 cases in England, which has put the resources of the Inspectorate as a whole under considerable pressure. In Wales we began the year with further increases in the numbers of S.78 appeals, but were meeting our targets and are continuing to manage the rising workload. These ongoing increases in the number of appeals in Wales are leading to significant challenges to meet requirements of the Planning and Compulsory Purchase Act 2004, which require wholly new approaches to the examination of local development plans.

1.3 PINS' performance in England was the subject of much media coverage during the latter part of 2004. Phrases such as "meltdown" were used, though this did not apply to the situation in Wales, and indeed was expressly disavowed by Assembly officials. It is to the credit of our entire workforce that Inspectors and administrators continued to work calmly and efficiently at a time of intense pressure during which we not only met all our key performance targets in Wales, but exceeded our quality target.

1.4 This forward programme charts the way we will work to continue to meet and exceed targets in Wales, whilst preparing ourselves for the challenges that the new Local Development Plans system will inevitably bring.

## **2. BACKGROUND TO THE PLANNING INSPECTORATE**

2.1 PINS has been an Executive Agency since 1992. We report to the Office of the Deputy Prime Minister (ODPM) and the Assembly Government under the terms of a joint Framework Agreement. We have offices in Bristol and Cardiff. The Cardiff office now administers all our casework in Wales. Bristol administers all English casework and provides corporate management and shared back office services across our English and Welsh operations.

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<sup>1</sup> The Assembly Government's commitment to securing sustainable development is also based on its duty under Section 121 of the Government of Wales Act 1998 to promote sustainable development in the exercise of its functions.

2.2 We currently employ some 780 people, of whom 470 are administrative staff and 310 are salaried Inspectors working from home. We also contract with another 200 consultant Inspectors, working on a part-time, fee-paid basis. The Wales team consists of 24 administrative staff, 13 salaried Inspectors and 5 consultant Inspectors.

2.3 PINS' major funding is from ODPM and AG, with all core operations in Wales being funded by AG. Costs of work carried out for other Departments or Local Government are generally recovered. Because of the steep rise in number of inquires into Unitary Development Plans for Welsh Local Authorities, our PINS Wales mid year review estimate for total receipts in 2005-2006 has been increased to about £430k.

2.4 Our quality standards are assessed by an independent body – the Advisory Panel on Standards (APOS) – which reports directly to ODPM/AG. We also commission an annual Customer Satisfaction Survey, independently conducted. In brief both confirm continued high levels of quality and customer satisfaction in way Inspectors conduct and decide cases.

### **3. OUR MISSION, VALUES AND CORPORATE OBJECTIVES**

3.1 During 2004-2005, we re-addressed our mission and corporate objectives better to align these to the challenges we now face, whilst retaining and respecting the values that have stood us well. The Corporate Objectives are now regularly updated to reflect our changing environment – the objectives detailed below were current at the time of writing.

Our Mission is -

To use our impartial expertise in planning and land use to help shape well planned environments.

Our Values are that -

We will achieve our mission by ensuring that in dealing with planning and other casework we follow the principles of fairness, openness and impartiality.

In preparing our decisions and reports we will take account of:

- Published national, regional and local policies;
- Relevant planning issues and material considerations; and
- The views of all the parties.

Our Corporate Objectives are

- a. To help shape well planned environments which contribute to sustainable communities through a well trained, skilled and involved workforce capable of responding effectively to changing business needs.
- b. To set the quality standards for all Inspectors' work carried out by the Inspectorate, including examinations into local authorities' spatial plans.

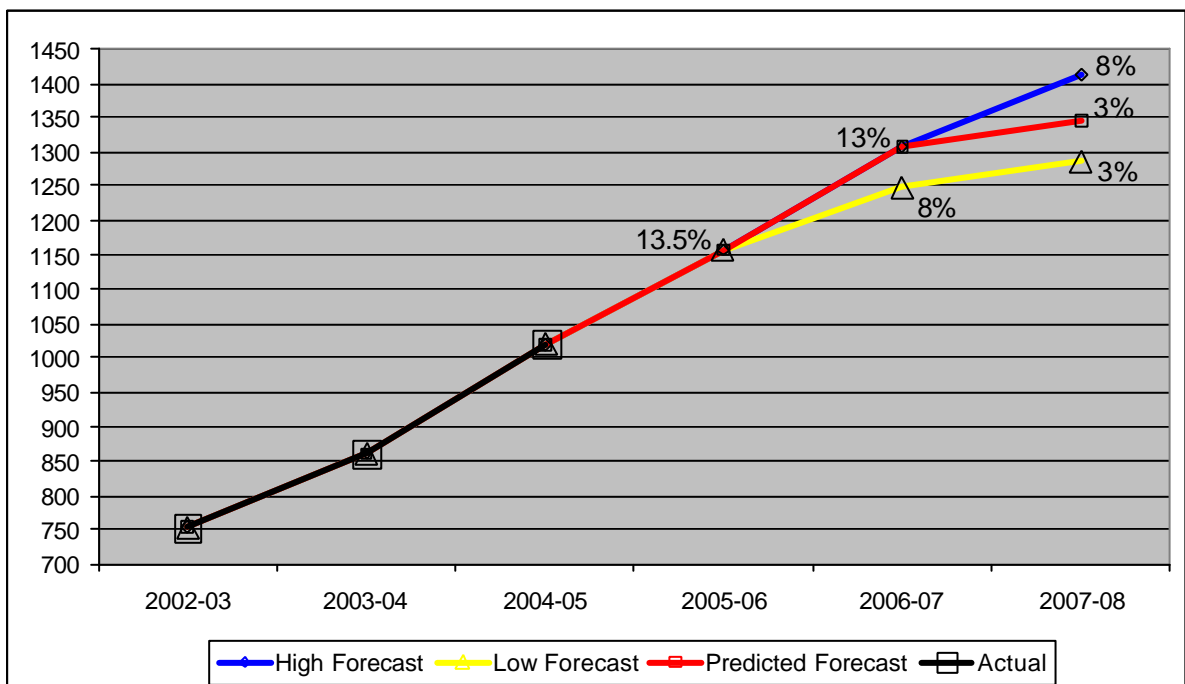
- c. To make the best use of our resources to meet performance targets.
- d. To manage all casework professionally and to quality standards.
- e. To deliver efficient and effective customer services.
- f. To influence policy formulation through effective feedback
- g. To align business and financial planning to the objectives.

#### 4. CURRENT WORKLOAD & RESOURCE FORECASTS

##### Section 78 Planning Appeals

4.1 Wales has experienced growth of 13.4% overall in casework handled, from 1,208 in 2003-04 to 1,370 in 2004-05. The trend of rising appeals is set to continue, with early indications pointing to an increase of around 13% this year. At present, we are assuming that the workload will continue to increase in 2006-07, and stabilise by 2007-08 to around 3% year on year rise; this represents the median point between the high and low predictions for casework levels (see Graph 1). These working forecasts will be reviewed during future business planning rounds. Graph 1 shows the casework levels recorded between 2002-03 and 2004-05, and plots estimated casework levels for this business plan period.

Graph 1: Wales s78 actual and forecasted figures 2002-03 to 2007-08



In order to meet these anticipated increases in caseloads, PINS Wales has budgeted to increase its salaried Inspector ranks by 2.

## Local Development Plans

4.2 In Wales there are 10 Unitary Development Plans (UDPs) that will be processed during this forward planning period. During 2005-06 and 2006-07, reports are being prepared for the Joint Pembrokeshire and Pembrokeshire National Park UDPs Monmouthshire, Newport, Carmarthenshire and Ceredigion UDPs. The UDP inquiries for Neath Port Talbot, Brecon Beacons National Park and Gwynedd are scheduled to open during 2005-06, with Powys due to open during 2006-07.

4.3 Towards the end of this forward plan period we are expecting to see some work come through on the new Local Development Plans (LDPs), which will replace the existing development plan system in Wales. There are some major differences between the new English and Welsh development plan systems, with PINS Wales becoming involved at a later stage under the Welsh system. The Welsh LDP process will follow quite closely the existing patterns for UDPs, with a deposit stage and the examination of a single plan. The average time table for an LDP is anticipated to be 4 years, with the final year being used for the examination and reporting on the plan by an Inspector. The AG will be responsible for assessing LDP Delivery Agreements, which include the Community Involvement Schemes, thus reducing the demand on Inspectorate resources.

4.4 The LDP regulations are targeted to come into force in October 2005, and nine authorities have already been authorised to commence work on their LDPs. A further 2 LPAs have recently adopted UDPs and will be moving straight to the new system on full commencement in the autumn. Local planning authorities will have to deliver timetables setting out the various stages of their LDP's development, which will aid PINS' consideration of resource allocations. For LDPs, the resources required are much less than those needed for the LDF system in England. However, the commitment to examine and deliver the report on a plan within 12 months from submission for examination may out of necessity lead to the use of multiple Inspectors and planning officers. It is likely that a large number of LDP inquiries will begin at a similar time as the bulk of the LDF work in England, which will ultimately lead to conflicting demands for the Inspectorate's local plan resources. Careful liaison with colleagues in England will help to minimise clashes in timetabling, but ultimately management may need to take some difficult decisions.

## Other Work

4.5 PINS Wales continues to carry out a wide range of work over and above the pressures from rising appeals and new style LDPs. Of major importance to AG are those nationally and regionally significant cases that we undertake as called-in cases or recovered appeals under the planning legislation, or under other procedures, such as the Transport & Works Act. PINS Wales has been successfully applying a timetable agreed with the AG for the delivery of reports on such cases for almost two years.

4.6 PINS Wales is also gearing up for new legislation arising from the Anti-Social Behaviour Act 2003 which incorporates the resolution of disputes over high hedges, and new workloads arising from European

legislation, as, for example, in the areas of marine dredging and water quality. PINS Wales expects to carry out up to 4 Marine Minerals Dredging cases during 2005-06. Transport and Compulsory Purchase Order work pose us further challenge. Our work on the mapping appeals under the Countryside & Rights of Way (CROW) Act 2000 was completed by the beginning of 2005 in Wales. Annexe A summarises the major areas of additional casework that PINS Wales faces over the next couple of years.

4.7 Section 4 has emphasised the scale and range of the pressures with which PINS Wales will have to cope during the period covered by this forward programme. We recognise that central to meeting those pressures will be our success in securing the resources we need and deploying them to maximum effect. The rest of this forward programme shows how we propose to do this.

## **5. KEY BUSINESS PRIORITIES FOR 2005-2006**

### Challenges for Wales: England's backlog of s78 appeals

5.1 In England PINS suffered a growing backlog of undecided S78 cases, set to grow without corrective action to 8-9,000 appeals by the end of 2004-2005. To remove the backlog, PINS created a task force and also persuaded ODPM Ministers to reverse their policy decision which had reduced the appeal period from 6 to 3 months (leading to a jump in appeal numbers). In the event the backlog was eliminated before the end of July, three months quicker than PINS' original plans anticipated.

5.2 Throughout this difficult period PINS Wales continued to meet all its targets (and did not suffer the appeal period reduction) but to do so in light of the resource demands in England was a real achievement, requiring robust management of resources to safeguard performance in Wales. Wales is making every effort to chart smarter in order to minimise calls on Inspector resources from England.

5.3 As at the end of July 2005, PINS continued to meet or better all its key performance targets in Wales, and so far as can be predicted expects this to continue to the end of 2005-06 within the budget resources made available by the AG. Maintaining performance in Wales, in light of continuing increases in appeal numbers and pressures from new areas of work requires a fundamental examination of our ways of working. In particular there has to be a far greater emphasis on productivity.

5.4 It is important that PINS Wales uses the coming year to look more fundamentally at our targets, with the objective of recommending to sponsors and Ministers whether the present framework best delivers their overall objectives.

### Improving Productivity

5.5 The drivers to improve productivity come from many sources. Externally, resource pressures and the specific objectives of the UK Government's Efficiency Review point in this direction. Internally, the sizeable numbers of Inspectors likely to retire in the next 4/5 years mean that whilst we shall have to recruit in significant numbers, we also need to

make the most of the resource we already have. Corporately, PINS aim to secure a 9% increase in PINS' productivity in each of the next three years, or a 30% gain in the lifetime of this forward programme. We have deliberately set ourselves this challenging but feasible aim for Wales and England because we believe it is a major means to meet future work demands, but it will only be achieved if we take a comprehensive and innovative look at all our working practices.

5.6 Recognising these priorities, we set up a PINS' Productivity Board in October 2004. The Board comprises both Management and Trade Union representatives and is independently chaired. The Board has been given the task to propose new processes and ways of working to bring about sustainable improvements in productivity. It will achieve this by investigating and promoting all possible means to increase PINS' total business productivity in a manner that secures the widest possible agreement to the feasibility and acceptability of its recommendations.

5.7 Productivity improvements can come about in many ways and we set no limits to the means by which we will seek these. We shall be looking to work smarter, more effectively and harder across the whole of PINS.

5.8 In Wales, our charting of site visits is attempting to correlate Inspector programmes with efficiency savings, whilst still maintaining our targets. This is particularly pertinent to Wales, as our smaller and more dispersed team of Inspectors may be required to travel long distances in order to preserve a target. This, by necessity, leads to extra travel time for the Inspectors and therefore additional travel and subsistence costs. By using the flexibility that the 80% target brings, we are more able to cluster site visits in the same area, thus reducing the time and cost required to carry the programme out. A further benefit of this system should be to increase the number of days Inspectors can dedicate to casework.

5.9 The PPB made its first, preliminary report at the end of February. From its findings, we have concluded that changes in working practices already put in place should secure productivity gains well in excess of 9% in the first year.<sup>2</sup> It has also emphasised, however, that further innovations will be required if this scale of improvement is to be maintained in 2005-2006 and beyond.

#### Local Development Plans in Wales

5.10 The challenge of forecasting the weight of work to be undertaken under the new LDF and LDP systems, and even more when this work will be required, are great. Indeed, if we were to try to deliver these objectives using existing methods and working practices, no feasible increase in resource would suffice. We must maximise productivity from Inspectors whilst augmenting that scarce resource with as much administrative and specialist support as we can mobilise. Inspectors also

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<sup>2</sup> Productivity gains are being measured on the basis of pay, rather than financial years, i.e. 1 August – 31 July. Final productivity gains for 2004-2005 will not therefore be available until September.

have to be provided with the tools to enable them substantially to accelerate the examination process. We believe that this will require us to build a new approach to the examination of development plans, founded on a team approach which programmes the maximum potential from the resources available.

5.11 Whilst we do not anticipate having a great deal of work generated by the LDP system in Wales during 2005-06 to 2007-08, we are working with the AG to ensure that the new system works effectively. We have been closely involved in the consultation on the draft LDP regulations, and in 2005-06 are conducting a separate consultation (similar to that in England) on how to examine the "soundness" of a plan. Members of the office and Inspector teams have been engaging with a variety of stakeholders, from planning authorities to the construction industry to promote the need for early involvement and the necessity of "front-loading" the work in order to meet the tight deadline of 4 years from start to adoption. From the Inspectorate's point of view, this early and full preparation is essential in order for us to meet our commitment of examining and reporting on a plan in 12 months.

#### Reducing Demand

5.12 Measures to eliminate the current backlog, improve productivity and gear up for the new LDF system are essentially short and medium term priorities. We also need to look at ways in which we can reduce demand for PINS' services. 'Reducing demand' can cover a wide span of potential measures. PINS England are conducting experiments into whether appellants' preference can be managed down to less resource intensive events, and whether any gains can be made from how minor or so-called 'householder' appeals are handled. PINS Wales will discuss these outcomes with AG colleagues if it is thought that these schemes would be appropriate to trial in Wales.

5.13 In Wales PINS are set to tour local authorities to promote best practice guidance, for example by encouraging early dialogue between council's and appellants. We are also supporting the Local Development Plan agenda through talking to a variety of stakeholders, driving home the message that the LDP system will need early, constructive engagement from all parties in order to produce sound plans.

5.14 We are also participating in the ODPM Householder Development Consents Review which has been set up with the aim of looking at whether alternative mechanisms for dealing with householder development could be put in place, which might reduce the number of householder appeals. We strongly believe that any necessary appeals should be carried out at a level appropriate to their significance and look forward to seeing this review's conclusions. It will be for the AG to decide whether to take on board the conclusions of this review.

5.15 We believe that the combination of these measures could have a substantial impact on our workload by effecting a significant reduction in the numbers of appeals and simplifying and speeding the procedures associated with many of those submitted. However, we are realistic that

we are unlikely to see these effects until the end of the period of this forward programme at the earliest.

## **6. SUPPORTING BUSINESS PRIORITIES**

6.1 The business priorities identified above are being supported by a range of infrastructure and organisational changes which are broadly encompassed within our programme of restructuring and culture change.

### Restructuring

6.2 At the end of 2003, we began work to restructure PINS better to meet the challenges described above. Our key principle was to move to a flexible and robust organisation well-attuned to the thrust of UK Government policy and responsive to the future we face.

6.3 Proposals for a new structure emerged in the autumn of 2004. They were drawn up after very extensive consultation with staff, both administrators and Inspectors. The new structure is centred on enhanced Operational Divisions, with one covering Wales and specialist and major (English) casework and a further two in England both oriented towards a regional geography and containing integrated casework processing teams. Part of this restructuring saw the transfer of the administration of Unitary and Local Development Plans in Wales to the Cardiff office. The Operational Divisions will be supported by a much more powerful Policy Directorate, able both to keep inspectors informed of developments in policy and feed back field experience to policy makers, and a slimmed down but more efficient Corporate Services Directorate, whose prime task will be to maximise the potential productivity of front-line staff. The new structure was in place by March 2005.

6.4 We see the new structure as critical to enable us to deliver the business priorities identified above. More effective management of our caseload has to be a fundamental underpin of the drive to greater productivity whilst fostering a climate of innovation, essential to both eliminating the backlog and carrying out our new tasks in connection with LDFs and LDPs.

### Planning Casework Service

6.5 The timetable for restructuring was evolved to fit closely and compatibly with the planned roll-out of the new Planning Casework Service (PCS). PCS began rolling out for English s174 enforcement appeals in November 2004, but more issues have emerged from the roll-out than were originally expected. As a result, the extension of the roll-out to s78 planning appeals has been delayed. A review of PCS roll-out timetable is currently underway. It is expected that the planning (S78) element of the PCS will have been delivered within Temple Quay House by the end of this financial year (05-06). With further work still to be completed before full e-enablement is delivered. As the PCS system for Wales is set-up to operate to different workflow specifications from those in England, it is likely that full implementation of PCS in Wales will be towards the end of the roll-out programme.

## Culture Change

6.6 Neither organisational change nor electronic working, important though they are, can deliver a sufficiently effective and robust infrastructure for the challenges we face. More fundamental changes in PINS' working style are required. For this reason, we have accompanied our restructuring programme with an equally important drive to secure fundamental culture change. Aspects of this programme include the promotion of team working, the creation of a climate of innovation and continuous improvement, and a far greater emphasis on customer service. PINS rightly values our reputation for quality, but we now need to build on that reputation in a climate which is less risk averse and more innovative.

6.7 We also are putting in place a range of tools to allow us to manage PINS more efficiently and to respond more speedily and sensitively to the changing environment in which we operate. A Human Resources Strategy is in development, of which a significant feature will be policies that will allow us to plan future staffing provision in relation to likely work demands.

6.8 The importance of the culture change agenda in changing the behaviour of the planning community generally is essential to PINS achieving the short sharp and effective examinations we propose to use for the new LDF and LDP systems to meet the expectations of a swifter more effective planning system.

## Recruitment

6.9 Recruitment policies will be especially important as we face the potential loss through retirements of one-third of our salaried Inspectors over the next five years. Some of these will wish to continue working for us as consultant Inspectors, but the loss of resource is bound to be substantial. We have recently taken on new fee paid and salaried planning Inspectors who have previously worked for PINS in more specialist areas such as the now completed Access mapping appeals programme. We are currently well into a recruitment of salaried and 'new' fee paid Inspectors and professional support staff. Although PINS recruits nationally, we are as always positively seeking new Inspectors who are Welsh speaking and those, who following their induction training can be assigned to the Wales group of Inspectors.

## Pay

6.10 We recognise that delivering productivity requires that we are able to reward our staff fairly. With this objective, we have agreed a new, three-year Pay Deal with Treasury that gives the opportunity better to match reward and performance through an explicit link between additional earnings growth and productivity. The Pay Deal, accepted by the Trades Unions in February 2005, will sustain the productivity drive we plan. The Treasury has recently recognised that PINS met the productivity terms for the first of the three pay years (August 04 – July 05) and has given approval to implement the second year.

## **7. STRATEGIC RISK MANAGEMENT AND MITIGATION**

7.1 In achieving our corporate priorities against the climate of rising demand and uncertainty, we obviously face a series of substantial risks. A major part of our strategy is therefore the identification of strategic risk and the putting in place measures to manage and mitigate these.

### **7.2 External Risk**

- Major uncertainties about future demand, including predictions of future appeal numbers and those produced by the prospect of future legislation and the pace of planning reform;
- Immediate and competing priorities produced both within the planning system and between the programmes of different Government Departments; and
- Insufficient and inadequate assessments of the impact on PINS of new policies.

7.3 We will seek to manage and mitigate external risk by –

- Seeking closer liaison with sponsors and other Government Departments;
- Using our new Directorate of Policy to build up positive relationships with stakeholders and to ensure that Inspectors' experience in delivering policy is both informed by and, in turn, informs the policy making process;
- Participating in the full range of means better to forecast future workloads; and
- Encouraging policy makers to incorporate considerations of future PINS' workloads in their appraisals of the impact of future policy changes.

### **7.4 Risks Inherent to the Nature of Our Business**

- Over emphasis on the quality of our product leading to excessive risk aversion and insufficient attention to risk management;
- The complexities involved in managing a remote workforce;
- A regulatory framework that stifles innovation; and
- An ageing workforce, producing issues of succession planning.

7.5 Managing and mitigating risks inherent to our business is an on-going priority, but we will seek to reduce these risks by –

- Pursuing vigorously the process of culture change within PINS to achieve a better balance between speed, quality and output;
- Extending and improving our links with Inspectors through better communications and a more effective management structure; and
- Developing more strategic policies for the evolution of our workforce which give us greater flexibility and seeks to manage it more pro-actively in relation to future demands.

## 7.6 Risks Produced by Our Own Activities

- Restructuring;
- The roll out of the Planning Casework Service (PCS);
- Pay and productivity issues; and
- The perceived threat to our reputation from change.

7.7 We will put an obvious emphasis on minimising those risks produced by our own activities. Particular, priority will be given to –

- Continuing evaluation of the impact of restructuring, with a willingness further to amend administrative arrangements if this proves necessary;
- Ensuring that the PCS is only rolled out when it is fit for purpose and guarantees long-term efficiency savings both for customers and for ourselves;
- Emphasising the imperative of greater productivity and placing this at the heart of a major, on-going programme of improvements to working practices;
- Supporting our workforce by providing the best conditions we can, at the heart of which will be our new pay arrangements which construct a central relationship between reward and productivity; and
- Sustaining all those elements in our culture which have given us the reputation we prize, whilst accelerating the move forward to provide the service which planning reform requires.

## **8. FINANCIAL PROVISION**

8.1 Forecasting the resources needed for the above workload is as uncertain as forecasting the workloads themselves. There is also some uncertainty at this point as to what the AG allocation for PINS will be in financial years 2007-08 and 2008-09, although indicative budgets have been provided. Table 1 summarises PINS Wales' financial provision and need for the period, 2004 – 2009.

Table 1: Financial figures and forecasts 2004-2009

	2004/05 Forecast Outturn	2005/06 Agreed Budget	2006/07 Statement of Need	2007/08 Indicative Figures	2008/09 Indicative Figures
Pay	997,561	1,332,668	1,412,223	1,454,813	1,498,687
T&S	86,396	98,400	92,000	94,760	97,603
Fees	66,525	102,816	135,000	138,375	141,834
Overheads <sup>1</sup>	641,389	657,425	673,861	690,707	707,975
<b>Total</b>	<b>1,791,871</b>	<b>2,191,309</b>	<b>2,313,084</b>	<b>2,378,655</b>	<b>2,446,099</b>
<b>Adjustments</b>					
Cross Border Charge <sup>2</sup>	117,715	100,000	141,279	100,000	100,000
Reimbursable cases	-48,000	-25,000	-264,737	-116,773	-116,773
T Sol Receipts	-4,800	-5,000	-5,000	-5,000	-5,000
CROW Appeals	310,023	0	0	0	0
<b>Total</b>	<b>374,938</b>	<b>70,000</b>	<b>-128,458</b>	<b>-21,773</b>	<b>-21,773</b>
<b>Budget</b>	<b>2,166,809<sup>3</sup></b>	<b>2,261,309</b>	<b>2,184,626</b>	<b>2,356,882</b>	<b>2,424,326</b>
If flat budget of £2,300,000 then shortfall is				<b>56,882</b>	<b>124,326</b>

<sup>1</sup> The overheads budget line pays for PINS Wales calls on PINS' common services such as the IT platform, payroll, HR services etc.

<sup>2</sup> Cross border charges are the net cost of Inspectors from the Wales team undertaking work in England and vice versa. These moves optimise resources against workload peaks and troughs, provide specialists where needed or are for propriety reasons. (For example, if a member of staff in Bristol is affected by a case we appoint a Wales based Inspector). The figure is positive (net charge to Wales) predominantly because all Rights of Way casework requires an England based Inspector for this specialist work.

<sup>3</sup> This figure is not the 'core' budget, but includes expenditure on the CROW appeals. CROW mapping appeals were completed during financial year 2004/05, and any further work generated from restriction and notice appeals has been subsumed into our core work.

Key assumptions:

- A 13% increase in core work between 2005-06 and 2006-07
- Wales caseload allows productivity measures to be implemented (ie our budget bid assumes productivity improvements in charting Inspectors' work)
- The large increases in casework numbers during 2005-2007 will not continue at the same level between 2007-2009.

8.2 We understand from AG that the PINS Wales budget is likely to be held at £2.3m for the next three years, and table 1 calculates the shortfall in resources that this is likely to bring in the later two years. Our statement of need for 2006-07, and indicative figures for 2007-08 and 2008-09 are based on the trends for casework illustrated in graph 1; if these assumptions are inaccurate then the budgets will need to be revised accordingly and this will effect the short fall in the final two years.

8.3 Table 1 also makes heavy assumptions about the amount of income generated from the final UDPs, and the new LDPs. It is difficult at this stage to predict how far the early starter local authorities will have progressed by 2007-08, and this makes forecasting income a difficult

process. A minimal amount of income has been placed into the final two years of table 2 to account for possible income, and again any changes to actual receipts will affect the current predicted shortfall in 2007-2009.

8.4 In order to try and meet the shortfall in funding predicted for 2007-2009, PINS Wales is pursuing a number of projects, including:

- Focusing on striking a balance between the target and cost efficiency when charting work for Inspectors;
- Reviewing targets to ascertain whether they can be improved to bring a reduction in overall cost;
- Considering other productivity improvement measures, currently being trialled in England – such as back to back and sessional hearings.

8.5 In the longer term, we will need to monitor workloads very carefully. We are convinced that the measures we have already put in train will stand us in good stead to meet current, forecast demands, though the timely addition of two salaried Inspectors will be critical. Should workloads fall back after 2008-2009, the structure of our Inspector workforce, both in terms of its age structure and the flexibility of Consultant Inspectors, would allow us to retrench. If, however, workloads increase much more rapidly and longer-term measures, such as those aimed at reducing demand on our services, are less successful, additional resource provision may be needed from 2007-2008 onwards.

#### Capital Planning

8.6 Table 2 sets out PINS' capital budget for 2005-06. PINS Wales shares in the benefits of this investment.

Table 2: PINS Corporate Capital Planning, 2005-06 (£s)

Project	MYR Budget Allocations 2004/05 (£)	End Year Forecast 2004/05 (£)	Original Costs for 2005/06	New bids 2005/06 (£)	Total bids for 2005/06 (£)	Provisional bids for 2006/07 (£)
<b>PCS</b>	1,434,700	1,268,529	1,736,000	0	1,736,000	
<b>Faster Links for Inspectors</b>	356,600	328,909	502,703	0	502,703	
<b>Network Upgrades</b>	235,000	194,150	365,850	0	365,850	
<b>Technology Refreshment</b>	90,000	101,704	0	50,000	50,000	
<b>Finance System Upgrades</b>	125,000	97,450	27,500	0	27,500	200,000
<b>Other projects</b>	0	0	30,000	150,000	180,000	300,000
<b>ISS/MWR</b>	186,000	117,278	60,000	0	60,000	
<b>Total</b>	<b>2,427,300</b>	<b>2,108,020</b>	<b>2,722,053</b>	<b>200,000</b>	<b>2,922,053</b>	<b>500,000</b>

8.7 For 2005-06 funding of £1,736k has been approved for PCS. For other capital projects PINS' capital allocation is currently £744k. An increase of £442k has been agreed with ODPM to cover fully the planned costs of other capital projects in 2005-06. The value of PINS' current capital assets is shown in Annexe C.

## **9. CONCLUSIONS**

9.1 PINS continues to face major challenges in the coming years, both in terms of the continuing high level of workload and the need to play its part in delivering the planning reform agenda. In order to meet these demands, we will need to be adequately resourced.

9.2 This Forward Programme has been prepared during a time when significant changes in the planning system in Wales are occurring. The introduction of new LDPs is a major initiative designed to make the system more efficient and effective and thereby reduce the propensity to appeal. When combined with the potential of e-planning, and the longer-term changes which arise from current reviews, there is a prospect of reducing appeal volumes in the medium term. Those matters will need to be monitored carefully and, though they offer significant potential relief at the end of this Forward Programme and beyond, they may not resolve the immediate pressures which we seek to address here.

9.3 We recognise that future budget constraints will challenge our use of resources, leading to a greater emphasis on realising our potential capacity and focusing on those priorities which the Assembly Government sets. To that end we hope to be able to diminish the currently predicted deficit in our budgets for 2007-2009 through efficiency gains, though it is unlikely that we will be able to remove the shortfall altogether – particularly in the final year. However, by seeking continuous improvement and maximising efficiency gains in our operations, we are confident that Wales will maintain its good performance in achieving targets.

**PINS Wales recovered, call-in and specialist\* casework– 2005/06**

<b>SUBJECT</b>	<b>RESOURCE REQUIREMENTS</b>	<b>COMMENTS</b>	<b>CORE WORK</b>
MERTHYR VILLAGE LTD (S.77)	3 Inspector Months (Architect)	Inquiry early 2006	?
MORRISONS & MORBAINE (S.77)	3 Inspector Months (Architect)	Inquiry opens 8 November 2005	?
POLLUTION PREVENTION AND CONTROL APPEALS: CASTLE CEMENT LTD	2 Inspector Months	Inquiry 2006	?
OTHER POLLUTION PREVENTION AND CONTROL APPEALS	1 Inspector Year	6 Cases undergoing procedure	?
PEDESTRIANISATION OF TENBY	2 Inspector Months	Late 2005 -2006 onwards	?
ENVIRONMENTAL APPEALS	10 Inspector Months	Timing uncertain, 5 Cases currently undergoing procedure Late 2005 – 2006 onwards	?
GOLF COURSE, LEISURE FACILITIES AND RESIDENTIAL DEV., LLANGYFELACH (s.77)	2-3 Inspector Months	2006 – No papers with PINS yet	?
OTHER CALLED-IN APPLICATIONS (s.77)	Not yet known	Timing and amount of cases uncertain	?
MARINE DREDGING AT NOBEL BANKS	1 Inspector month?	Inquiry September 2005	?
MARINE DREDGING AT HELWICK BANK	3 Inspector Months	2006 – No papers with PINS yet	?
OTHER MARINE DREDGING CASES	Not yet known	2006 – No papers with PINS yet	?
LAND COMPENSATION APPEALS	2 Inspector Months	Currently Scheduling 1 per month	?
STOPPING UP ORDERS	2 Inspector Months	Expect to deal with 4 in 2005-06	?
PURCHASE NOTICES (s.137)	2 Inspector Months	4 cases programmed Early 2006	?
TPO's	2 Inspector months	Charting 1 per month	?
LDC Appeals	2-3 Inspector Months	Charting 1-2 per month	?
HIGH HEDGE APPEALS	1 Inspector Month	Yet to receive an appeal	?

\* = does not include Adverts or Rights of Way casework.

## Key Performance Targets 2004–2005 Wales

### **Timeliness**

- a) 80% of all planning appeals decided by written representations to be determined in 16 weeks.
- b) 80% of all planning appeals decided by hearings to be determined in 22 weeks.
- c) 80% of all planning appeals decided by inquiries to be determined in 30 weeks.
- d) 80% of all enforcement appeals to be decided by written representations to be determined in 32 weeks.
- e) 80% of all enforcement appeals to be decided by hearings to be determined in 43 weeks.
- f) 80% of all enforcement appeals to be decided by hearings and inquiries to be determined in 43 weeks.
- g) For all called-in applications and recovered appeals to meet the individual timetable set for the delivery of the report to the National Assembly (7 weeks up to 8 inquiry sitting days; agreed timetable for larger cases).
- h) To provide an Inspector for development plan inquiries in at least 90% of cases on the date requested by the local authority, provided that the objection period has ended and at least 6 months' notice has been given.
- i) To deliver 90% of Inspectors' reports on development plan inquiries to local authorities according to timescales agreed under service agreements.

### **Quality**

To satisfy the Advisory Panel on Standards, and thus the Welsh Assembly Government, annually and following rigorous monitoring, that the quality of all the Inspectorate's work is being maintained at a high standard, with 99% of its casework free from justified complaint.

### **Information**

To survey customer satisfaction with the Inspectorate's performance and to act upon the results.

## Annexe C

### Planning Inspectorate Forecast Total Project Cost 2004-05 cost by project - £k

Project	Forecast total project cost to end 2004/05
Planning Casework Service	6,076
Virtual Private Network	394
FLI	265
PCS Upgrades	315
Finance system upgrade	107
Inspector Scheduling	1,318
Network Upgrades	0
<b>Total resource investment</b>	<b>8,475</b>