

# Review of governance arrangements with a specific focus on the Planning Service at Wrexham County Borough Council

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# Summary report

## Summary

### What we reviewed and why

- 1 Our objective for this audit is to gain assurance that the Council has effective governance arrangements in place to secure value for money in decision making with a focus on the Planning Service.
- 2 We did this by undertaking a review of the Planning Service's arrangements and the extent the Planning Service is supporting the Council in the delivery of its overall objectives. We looked at how the Council reviews and monitors its governance arrangements, including in terms of how it secures appropriate values and behaviours, with a specific focus on the Planning Service. We did not review the performance of the Planning Service or individual planning application decisions.
- 3 We set out to answer the question: Does the Council have effective governance arrangements in place to secure value for money in decision making with a focus on the Planning Service?
- 4 We did this by exploring the following questions:
  - Does the Planning Service have objectives aligned to corporate strategic priorities?
  - Does the Planning Service have clearly defined roles and responsibilities which are adhered to?
  - Does the Planning Service review and monitor the effectiveness of its arrangements?

**Appendix 1** sets out the detailed questions we set out to answer along with the audit criteria we used to arrive at our findings.

- 5 We undertook this work during October 2023 to meet the Auditor General's duties under section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) to enable the Auditor General to be satisfied that the Council has put in place proper arrangements to secure value for money in the use of its resources.

### What we found

- 6 Overall, we found that ongoing delays in adopting key strategic documents have created significant risks for the Council and relationships between some members and officers are fractured. As a result, the Planning Service is hindered in fulfilling its role as a key enabler across the Council.
- 7 We reached this conclusion because:
  - members have not adopted a Local Development Plan which creates significant risks for the Council.

- the Planning Service has appropriate governance arrangements, providing comprehensive member training, but member relationships with officers are fractured, and professional officer advice is frequently undermined.
- the Planning Service monitors its performance but is the only Council in Wales unable to benefit from data produced for statutory LDP monitoring reports to inform and underpin decision making arrangements.

## Recommendations

### Exhibit 1: recommendations

The table below sets out the recommendations that we have identified following this review. **We recommend that;**

Recommendations
<p><b>Officer and member relationships</b></p> <p>R1 The Council ensures that members adhere to all policies and procedures relating to conduct and have full regard for the risks of going against professional officer advice. This should contribute towards better relationships between members and officers.</p>
<p><b>Understanding roles and responsibilities</b></p> <p>R2 The Council ensures that members demonstrate an understanding that roles and responsibilities vary across different Council committees and adhere to those roles. This would ensure that discussions at committees are relevant and proportionate to a committee's purpose.</p>
<p><b>Corporate Risk management</b></p> <p>R3 The Council ensures its Corporate Risk Register includes appropriate mitigating measures that are allocated to specific owners so that all members and officers are aware of their role in assuring the risk is managed appropriately. If no mitigating actions can be identified for a specific risk, the Council should note the reasons for this within the register to ensure transparency.</p>

# Detailed report

Ongoing delays in adopting key strategic documents have created significant risks for the Council and relationships between some members and officers are fractured. As a result, the Planning Service is hindered in fulfilling its role as a key enabler across the Council<sup>1</sup>

## Members have not adopted a Local Development Plan which creates significant risks for the Council

- 8 Part 6 of the Planning and Compulsory Purchase Act 2004 requires each authority in Wales to prepare and adopt a Local Development Plan (LDP) for its area. A Local Development Plan is key to ensuring the area is developed in a structured and sustainable manner and provides a framework for cost-effective services in the future. Senior officers outlined the strategic importance of having a Local Development Plan and the risks of non-adoption during both the Local Development Plan 2 (LDP2) development process and when presenting it at Executive Board and Council. However, in April 2023 full Council decided not to adopt an LDP, and it has been without one since the requirement came into force. This decision has significantly hindered the role and influence of both development management and planning policy in driving sustainable land use and economic regeneration. As a result, Wrexham is the only Council in Wales to not have an adopted LDP.
- 9 We have serious concerns about the sustainability and increased complexity of Planning Officers' current caseloads. Some of this added complexity is a direct result of officers needing to reference two different frameworks, namely the extant Unitary Development Plan which was approved in 2005 and the non-adopted LDP2. This creates pressure on an already understaffed service.
- 10 Failure to adopt an LDP is a significant risk to the Council. The Council recognises this through its existing risk management arrangements and has escalated this risk to A1 ('critical'), within its Corporate Risk Register. The risk rating of 'critical' reflects the importance of this key strategic document. The Council is has not set mitigating actions to lower this risk level which is a significant weakness in governance arrangements.
- 11 Additionally, the decision not to adopt an LDP has created a financial risk to the Council. The Council is facing legal fees in relation to a judicial review on the non-

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<sup>1</sup> Since our audit work, the Council adopted their Council Plan 2023-28 at Council on 13<sup>th</sup> December 2023 and their Local Development Plan at Extraordinary Council on 20<sup>th</sup> December 2023

adoption of its LDP2. There is also the risk of future planning applications being determined through the appeals process which will also negatively impact on Council resources. The increased focus on Wrexham in recent years is an opportunity to further capitalise on investment in the area, however this could be hampered by a lack of the certainty and opportunity for investment provided by a local development plan's land allocation.

- 12 At the time of our review there was also a significant delay in approving and updating the Council Plan since its 2020-2023 plan expired in March 2023. This is another key corporate document which underpins delivery of all Council services. Without this, Council services do not have the strategic direction and leadership they need to deliver services to the public.

### **The Planning Service has appropriate governance arrangements, providing comprehensive member training, but member relationships with officers are fractured, and professional officer advice is frequently undermined**

- 13 The Council has sufficient governance arrangements in place including a clear Planning Code of Conduct which is comprehensive and written in plain language. The Code of Conduct outlines roles and responsibilities of members of the Planning Committee and non-committee members, including guidance on speaking and conduct at Planning Committee.
- 14 There are constructive working relationships between the Council's Planning Service and Legal Service. Legal Services provide support at Planning Committees and contribute when developing new or amending Planning Committee procedures.
- 15 The Council regularly reviews its constitution and monitors Member behaviour. This includes pausing Planning Committee meetings to remind members of the Code of Conduct and reinforce corporate social media protocols. However, these interventions do not seem to us to be sufficiently effective. We have continuing concerns about some members' adherence to the Council's values and behaviours framework.
- 16 The Council has a Scheme of Delegation for decisions on planning applications which is clear and transparent. The Council intend to further refine the current Scheme of Delegation in response to a recommendation from an external review of the Planning Service produced by the Planning Advisory Service in 2022. However, full Council would need to approve any changes to the constitution. This process may be hindered by the current challenging relationships between officers and members in relation to planning.
- 17 Within the current Scheme of Delegation, elected members can call a planning application in their local ward into Planning Committee for decision rather than through the delegated officer decision process. It is the role of the Planning Committee Chair to determine whether such a request is based on material planning considerations and should therefore, be determined by the committee. As a result, there is a single point of dependency when deciding whether certain planning applications should go to Planning Committee. This arrangement does not safeguard the Planning Committee Chair from disagreements and does not

seem appropriate to us that it relies on a non-planning professional to decide which planning applications should be considered by Planning Committee.

- 18 Elected members and the public must currently ask for access to see further details on a list of planning applications delegated to be decided by officers. The Council has identified that transparency could be improved here and has procured and is in the process of installing new software which will enable all interested parties to download the details of all planning applications.
- 19 Despite officers providing comprehensive training on planning policies to all members, from observing Planning Committee meetings, it is apparent that some members are demonstrating a lack of understanding on fundamental planning issues and could apply a more strategic approach to planning issues. For example, we observed a disproportionate amount of time being spent debating minor planning consents despite receiving professional officer guidance.
- 20 We heard that staff are reluctant to apply for more senior positions within development management and planning policy due to an awareness that those roles are subject to significant pressures from elected members. At the time of our fieldwork, there were still vacancies at both operational and senior levels within development management and planning policy teams adding increased pressure to an already overstretched team.
- 21 Member and officer relationships appear to us to generally not be productive. We observed members questioning professional officer advice when dissatisfied with officers' explanations on planning policies. Members frequently undermine professional officers by requesting second opinions from external legal providers. The Council needs to consider whether members are acting efficiently and with regard to value for money as well as how this behaviour impacts the well-being and resilience of officers.
- 22 The Council has sought external support to embed the corporate values and behaviours across the organisation. In April 2023, the Council commissioned the Welsh Local Government Association (WLGA) to deliver officer and member sessions to facilitate this work. The previous year also saw the offer of facilitated sessions to try and improve behaviour during public meetings. Despite this offer, members declined some sessions.

## **The Planning Service monitors its performance but is the only Council in Wales unable to benefit from data produced for statutory LDP monitoring reports to inform and underpin decision making arrangements**

- 23 The Planning Service has strong and experienced operational leadership which recognises the service is on an improvement journey. The Planning Service commissioned an independent review from the Planning Advisory Service in 2021 and is acting upon its recommendations.
- 24 The Planning Service does not have a budget specifically for formal learning and development; however, officers are encouraged to access informal learning. This includes gaining experience by working on more complex planning applications with the support of senior colleagues' knowledge and expertise.
- 25 Members of the Planning Committee receive quarterly performance reports on the Development Management Service. If an LDP was adopted there would be

statutory requirement for the Council to submit Annual Monitoring Reports (AMR) to Welsh Government on delivery against its targets. As Wrexham County Borough Council does not have an approved LDP, the Council does not have this statutory requirement.

- 26 The purpose of the annual monitoring report is to assess the impacts of an LDP and whether the Council is delivering its plans key objectives. It also allows for the continuous collection of data on a range of topics which allow for useful analysis and trend data which can be used to inform both operational and strategic decision making.
- 27 The AMR provides a useful annual pause and reflect for councils to identify whether any revisions to an LDP are required considering economic, social, and cultural issues. For example, information reported within the AMR allows for intervention on areas which are not performing in-line with expectations and the production of Supplementary Planning Guidance to help address these challenges.
- 28 The Council voluntarily monitors some information relating to Housing Completions and Land Supply and Employment Completions and Land Supply Delivery but does not formally use this information as part of its assurance and decision-making process. However, because of the lack of requirement to submit the AMR the Council does not monitor significant amounts of indicators. This makes Wrexham the only council in Wales omitting to monitor, record and make available significant amounts key information that underpins the planning system.

# Appendix 1

## Audit questions and criteria

Does the Councils Planning Service have governance arrangements in place which demonstrate value for money in decision making?

Level 2 questions	Criteria
1. Does the Planning Service have objectives aligned to corporate strategic priorities?	<ul style="list-style-type: none"><li>• The planning service has a business plan (or equivalent) with relevant objectives which are understood by those involved in the planning service.</li><li>• The planning service has set out measures that reflect short and long-term impacts, with milestones that reflect progress as appropriate.</li><li>• The planning service has set out how the service business plans will be resourced over the medium to longer term as far as is practical (e.g., plans to support developments such as Developments of National Significance etc) and the development of an LDP.</li><li>• The Council has effective internal communication including regular team meetings within the service and with its partners.</li><li>• There is a supportive culture to address any differences of professional opinion when determining planning applications and planning enforcement cases.</li><li>• The planning service is integrated as a key enabler to support the Council achieve its corporate objectives.</li></ul>

Level 2 questions	Criteria
<p>2. Does the Planning Service have clearly defined roles and responsibilities which are adhered to?</p>	<ul style="list-style-type: none"> <li>• There is a clear and comprehensive terms of reference for the Planning Committee.</li> <li>• Planning Committee is Chaired effectively, and the Committee demonstrates behaviours as set out in the Councils Code of Conduct.</li> <li>• Members and planning staff receive appropriate and regular training and support to understand the service objectives, planning policies, the role of a committee member and committee procedural arrangements, in line with other Council committees.</li> <li>• The Council has a planning committee protocol (or equivalent) containing a code of conduct and planning committee procedural arrangements which officers and members understand and adhere to.</li> <li>• The Council guides non-Planning Committee members on local and national planning policies, impact on strategic plans and committee procedural arrangements.</li> <li>• The Council has a clear and transparent scheme of delegation which is adhered to, and agendas reflect this.</li> <li>• The Planning Service has clear and transparent processes for determining planning applications.</li> <li>• There is a supportive culture to address any differences of professional opinion when determining planning applications in Planning Committee and planning matters and this is also evident across other Council Committees.</li> <li>• The Council and the Planning Service clearly identifies risks and opportunities relating to planning matters with a clear rationale for any decisions made against professional advice.</li> </ul>
<p>3. Does the Planning Service review and monitor the effectiveness of its arrangements?</p>	<ul style="list-style-type: none"> <li>• The Planning Service demonstrates how it involves staff and key partners in designing future service delivery.</li> <li>• The Planning Service can demonstrate it works with support services such as legal services to review and monitor its arrangements and conduct.</li> <li>• There is a supportive culture of learning and development for planning staff and members which is regularly reviewed.</li> <li>• The Planning Service and Planning Committee have a culture of continuous development and observes best practice from other Local Planning Authorities including self-reflection.</li> <li>• There are arrangements for the Planning Service to report its performance against its objectives to senior management, members and the public.</li> </ul>

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