Report to: Corporate Executive Team

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Subject: Town & Area Plan Review

Introduction & Background

In 2011, Cabinet agreed to implement a policy of Town Plans covering Denbighshire's main towns, with the strategic intentions of:

- contributing to the Council's 'closer to the community' ambition; and
- providing a mechanism for addressing local priorities, while at the same time making connections between the Council's strategic agenda and implementation at local level.

Progress, both with the development and implementation of the Plans, was considered slow so, in response to growing concerns, the Corporate Executive Team (CET) undertook an initial review of the Town and Area Plan (TAP) process in early January 2014. The key messages from this review were that:

- there were delays in expanding the original seven Town Plans into Area Plans and the two Town Plans (Rhyl & Bodelwyddan) added by Cabinet in April 2013 had not been completed;
- only £702k, out of a total allocation of £1.58M had been allocated, and only £177k spent;
- some projects were considered speculative and unlikely to proceed;
- significant resources from the Economic & Business Development (EBD) Team had been used to progress development and implementation of the TAPs;
- TAPs included a significant number of actions that were non-strategic and had no clarity over the intended impact; and
- engagement with and from other Council services was limited.

CET determined that a more detailed review was required to address the following issues:

- lack of progress in delivering TAPs, coupled with slow pace of spend;
- lack of apparent impact from actual spend, planned spend and TAP priorities;
- value of time and effort involved in relation to the benefits achieved from the process as a whole; and
- alignment with objectives in the broader Corporate Plan and Financial Strategy.

Scope & Methodology

Scope

The Chief Executive and Corporate Director: Economic & Community Ambition issued draft terms of reference for this project in January 2014.

In considering the above issues, the review is expected to address the following questions:

1. How well, as currently constructed, do the TAPs deliver the original strategic intentions of the policy, and align with the broader Corporate Plan and Financial Strategy?

2. What impact is anticipated realistically from the identified priorities and planned spend? By when?

3. Do the anticipated benefits represent value for money in terms of both cost of projects and effort involved to deliver?

4. What lessons can be learned from the process of developing TAPs, including:

- clarity of expectations
- governance arrangements
- pace of delivery
- effort involved
- quality of plans and actions
- engagement

5. What recommendations are made for this policy area, including:

- current and future funding
- current and future priorities
- governance arrangements
- links with corporate and service agendas
- links with communities and other external stakeholders, including third sector organisations and potential funding partners

Further discussions with the Corporate Director: Economic & Community Ambition in February 2014 and feedback following a discussion with the Chief Executive agreed the following approach linked to the questions above:

Mike Horrocks to look at:

- how well the TAPs deliver their original intentions (Q1)
- how well the TAPs align with the Council's Corporate Plan and Financial Strategy (Q1)
- whether or not benefits have been identified for actions in the TAPs (Q2)
- whether or not actions and their benefits align with delivery of the Vision in the TAPs
- when these benefits will be evident (Q2)

Ivan Butler to look at:

- efficiency and effectiveness of processes for developing the TAPs – including clarity, engagement, time, resources, funding allocation, match-funding levered in etc. (Q3)
- if the process is the right one, whether it has been followed consistently for all TAPs (Q3)
- good practice arising from development and implementation of any TAPs (Q3)
- governance arrangements – including elected member/officer roles and responsibilities, decision-making, internal controls, monitoring, reporting, scrutiny etc. (Q3)

Methodology

The main methodology for the above two elements of the review are shown in Appendix 1 and Appendix 2. In summary, the method included:

- desktop review of TAPs - mainly to compare them to the Council's corporate priorities, consider the strategic approach and delivery of impacts and benefits;
- discussions with various managers and Heads of Service – to gather intelligence, views and assess the level of engagement with Council services;
- interviews with a sample of TAP Champions (all were invited to meet but only four accepted) – to discuss the approach to developing TAPs, assess lessons learned, identify good practice and gather general views;
- interview with the Leader – to discuss the initial concept and gather views on how well this is being delivered, lessons learned etc.;
- interview with the Chief Executive – to discuss the initial concept and gather views on how well this is being delivered, lessons learned etc.;

- interviews and general discussions with a sample of four of the Economic & Business Development (EBD) team involved in developing TAPs – to discuss the approach to developing TAPs, assess lessons learned, identify good practice and gather general views on how the process can be improved.

Main outcomes of the review

In summary, the future approach to town and area plans needs to be closely aligned with the development of the new town centre strategies, the Economic & Community Ambition Strategy, Tourism Growth Plan etc. Preparation of town centre strategies will commence during 2014/15, so it is important that any changes to the current TAPs arrangements are built into this to provide a joined-up approach and to avoid duplication and confusion between the various strategies and plans.

We are suggesting a reversion to town plans that show how town centre strategies will be delivered at a more operational level. This requires a separate approach to the rural plans, which could mean one rural plan for the county, which would be more strategic, more cost-effective in terms of economies of scale and use of EBD team resources, and would allow more focus on themes arising from an assessment of rural community needs that is currently being undertaken, as well as specific local priorities.

It is difficult to measure any real impact provided by TAPs at this stage. The plans are not sufficiently strategic, do not provide clear information on anticipated benefits and subsequent impacts and, where they do, do not show any quantification or how these will be measured. As many of the actions are only now being developed, tested and implemented, it is also too early to measure the longer-term outcomes and benefits.

It is important to stress that there were some positives arising from the review, including:

- the initial concept is sound, in trying to bring the Council 'closer to the community' by empowering towns and communities to develop their own priorities and actions and developing a positive relationship;
- the concept allows the Council to gain an understanding of priorities in towns and communities;
- many of the TAP actions align with the Council's corporate priorities and with the visions within the TAPs;
- many plans propose realistic responses to the challenges and opportunities presented;
- the process developed and agreed for producing TAPs is robust, providing guidance and good monitoring arrangements; although, unfortunately, this process has not been followed; and
- TAP Champions complimented the EBD employees on their hard work and assistance in developing and monitoring the TAPs.

The following table provides a summary of the issues and weaknesses that the review has identified and suggests a way forward to improve any future arrangements.

How well do TAPs deliver their original strategic intentions?
There is a lack of clarity around the original intentions of TAPs e.g. Are they meant to be strategic? Did they set out to be benefit/impact led plans? Were they designed to provide a steer to our corporate plan or vice versa?
It is unclear what evidence the Council will use to demonstrate the success or otherwise of TAPs overall and how and when that evidence will be gathered.
Lack of service area commitment to delivery poses a threat to achievement of the strategic intentions.
Linked to the above points, there is no communication strategy to ensure that communities and other stakeholders in TAPs are made aware of the benefits and impacts, both desired and achieved.
In terms of 'influencing corporate plans and the Big Plan over time', there is little evidence to suggest that TAPs have achieved this yet. Where TAPs do identify benefits, these are very difficult to evidence in Council strategies, service plans or monitoring and reporting processes.
Linked to the above point, and not necessarily within the remit of this review, it is evident that the Council has, or is involved in, a significant number of strategies, plans and policies e.g. the Big Plan, Corporate Plan, Economic & Community Ambition Strategy, Tourism Growth Plan, Town & Area Plans, Town Centre Growth Plan, Town Centre Strategies and Destination Management Plans. There is no clear process to ensure that all of these strategies are aligned and that the Council is using the resources dedicated to these effectively and efficiently.
How well do TAPs align with the Council's Corporate Plan and Financial Strategy?
While many individual actions within TAPs can be linked to the Council's corporate priorities, the trail is not clear and the TAPs do not clearly show how (or how much) they contribute to corporate priorities.
TAPs include too many detailed 'business as usual' actions. They give the impression that every community has been asked to identify actions, whether these are priorities or not. This runs counter to the general approach of reducing spend on non-priorities. Given the size of some of the TAPs, numerous actions are unlikely to be delivered against a backdrop of raised expectations, which poses a reputational risk to the Council in its ambition to be 'closer to the community'.
There is an inherent clash of focus between delivering the Council's corporate priorities through TAPs and being 'closer to the community'. Developing TAPs with actions that need to be linked to corporate priorities can prevent communities from developing their own priorities where they do not align with the Council's.

Linked to the above point, while the concept of town and rural area plans supports 'Sharpening our Act' in that services and/or actions can increasingly be delivered by other bodies, it does not necessarily fit with 'Freedom and Flexibilities', as this is about challenging why the Council spends money on services that are not statutory or do not contribute to its corporate priorities. It is clear that many actions in TAPs are not statutory and do not contribute to corporate priorities, but we may be asked to pay for them.
Have benefits been identified for actions, do they align with delivery of the vision in TAPs and when will they be evident?
Expected outcomes, benefits, impacts and their associated timescales and monitoring methods are not clearly identified in TAPs. Most TAPs identify outputs rather than proposed outcomes and benefits. Feedback from interviewees is that a requirement for benefits to be identified was not made clear at the outset of TAP development.
The benefits identified in TAPs lack an evidence base to show how they will be measured. Feedback from interviewees indicates that they will probably be subject to anecdotal evidence and it may be a matter of opinion as to whether or not benefits, and what levels of them, have been achieved.
Some TAPs loosely identify outcomes/benefits in vague or broad terms (e.g. 'visitors will have a brilliant experience') that do not really explain what this means. This type of benefit may be interpreted in many different ways and is open to significant challenge.
Most, but not all actions, align with delivery of the visions in TAPs. Some actions may not be the most effective way of contributing to the visions.
Some future challenges and/or opportunities identified in TAPs do not have corresponding actions to address them.
Timescales across all plans relate to delivery of activities and outputs, NOT outcomes, benefits or impacts. From the limited information available, it is not possible to accurately identify when benefits will be evident.
How efficient and effective is the process for developing TAPs?
While the approach to developing TAPs should not be completely restrictive and should allow some flexibility, the actual approach taken has been inconsistent and has varied significantly away from the agreed process.
There has not been a strategic and planned approach to developing TAPs. The whole process has been implemented within a compressed timeframe, not allowing sufficient time for project planning, full consultation, effective engagement, learning lessons from early TAPs and developing the capability of local communities to lead regeneration of their towns.
Discussions with Heads of Service highlighted a lack of engagement in the process. Although EBD employees and elected members confirmed that services had been consulted, and the process was agreed at Senior Leadership Team (SLT), this was clearly not successful in effectively engaging Heads of Service.

The level of resource applied to developing and monitoring TAPs is not commensurate with the potential benefits arising. There was complete reliance on EBD employees to develop plans and they continue to spend a lot of time monitoring the significant number of actions in the TAPs and dealing with elected member queries.
There is an imbalance in the use of EBD team resources arising from moving from Town Plans to include rural areas. For example, the Denbigh and Ruthin TAPS cover a significant number of communities, while the other TAPs cover very few in addition to the towns.
The monitoring of TAPs is not embedded into the Councils performance management framework, which means that there is an inconsistent approach to gathering performance information corporately that could be more efficient and cost-effective.
The EBD team feels that there has been an unrealistic focus on match-funding, particularly in the later stages of TAPs. Initially the focus was on quick wins but match-funding takes time, so this did not align with that focus. Also, match-funding is not always an appropriate or relevant approach to funding many of the smaller projects in the TAPs.
The various TAPs include actions and projects that are identical or very similar but have not identified themes, taken advantage of economies of scale or the opportunity to reduce workload and resources applied by taking a joined-up approach.
How robust are governance arrangements for TAPs?
There is a lack of clarity over roles and responsibilities of TAP Champions and the EBD team, which worsened once areas were added to Town Plans. Interviews with TAP Champions showed an inconsistent approach, uncertainty over roles and concerns over conflicting priorities between the TAP Champion role and roles as a DCC elected member and a town councillor.
The lack of clarity over roles and responsibilities led to uncertainty over ownership of TAPs. The general opinion was that they became TAP Champion/EBD led projects and are Council-owned, which contradicts the intention of promoting local ownership.

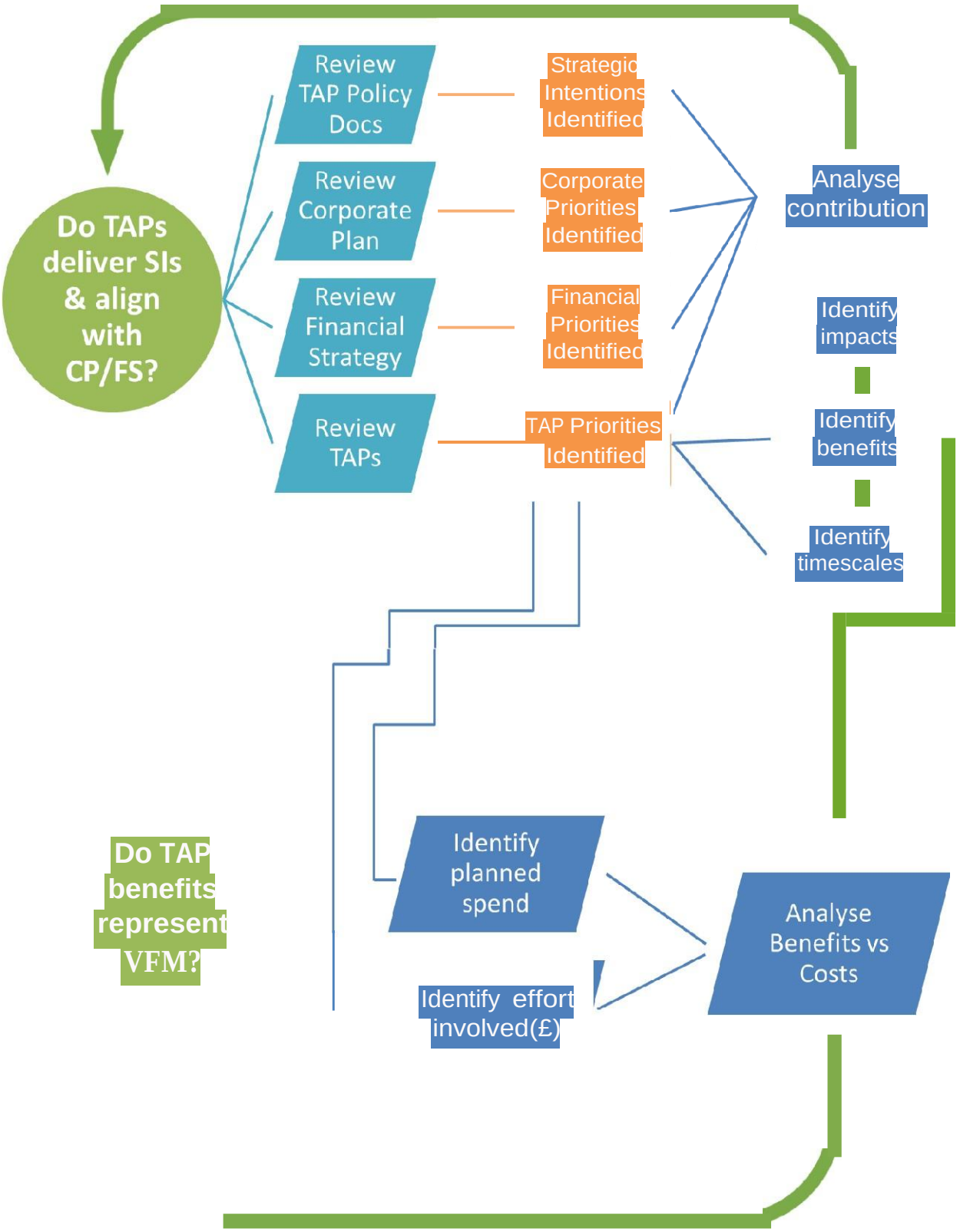
Suggested way forward
The Council would benefit from a thorough review of all the strategies, plans and policies that is has in place or is involved in to assess whether these are all necessary, could be combined in some cases, have conflicting objectives and actions or are duplicating work and resources.
Current plans and their actions should be refined by their 'owners' and improved where possible, identifying potential project benefits, how these can be measured and reported, and the timescales expected for their delivery.
There should be a clear 'policy statement' of the intentions of the new town and rural plans agreed by Cabinet. This should clarify the desired 'ownership' of the plans, the level of influence that the new plans are expected to have on the Wellbeing Plan, Corporate Plan and service plans and the mechanisms by which this will be achieved. It should set out the contribution that plans are expected to make to the delivery of the Council's Corporate Plan, the desired level of local autonomy that the plans will provide and cover resourcing and funding arrangements, including the expectations relating to match-funding of projects.
The 'policy statement' should be supported by a town and rural plan framework that: • has clear milestone dates for implementation and review; • shows how delivery of the overarching vision of the town and rural plans will be monitored and reported; • provides guidance on developing and monitoring town and rural plans that includes a clear methodology to show how to develop a local vision, outcomes, benefits, objectives, strategic actions etc.; • ensures that plans include benefits, outcomes and impacts and how these can be identified, monitored and reported; • shows who to engage, how to do this effectively and at what stage in the development process; • includes a communication plan to ensure that communities and other stakeholders in TAPs are made aware of the benefits and impacts achieved; • provides clarity over the difference between outcomes, benefits and outputs; • clearly sets out the mechanisms that will be used to link the plans to other key corporate strategies and plans to make sure that they are closely aligned to deliver agreed benefits and outcomes and to avoid duplication; • provides guidance on the scrutiny and challenge of town and rural plans at development and monitoring stages; • includes specific guidance for DCC staff on linking plans to the Council's Corporate Plan Priorities; • provides guidance on expectations and the practicalities of match-funding projects; and • clearly outlines the various roles and responsibilities of TAP Champions, the EBD team, Heads of Service, Member Area Groups, Scrutiny Committees etc. and the level of resources to be committed from these areas towards on-going facilitation and enabling of the plans.

Suggested way forward
The new town and rural plan framework should be developed by a cross-section of those responsible for implementing and using it, and be discussed at draft stage by the Council's SLT to ensure that it is understood and subsequently committed to. It is important that SLT is fully engaged in this process and sets aside sufficient time to input into decisions on how the engagement process will work.
Precursory awareness raising, training and a clear project brief should be provided to those selected to develop the new town and area plan framework.
Training should be provided to those developing town and rural plans on: • roles and responsibilities of TAP Champions and the EBD team; • best practice project/programme management methodology; and • how to engage with communities and other stakeholders.
Training should be provided to those involved in scrutinising town and rural plans at development and monitoring stages to ensure that: • visions are challenged where they are not clear and measurable; • all challenges and/or opportunities identified in the plans are being addressed. If the plans are not able to address these issues, they should explain the reasons; • actions within plans are challenged where they are not sufficiently strategic, and that they identify intermediate and longer-term benefits, outcomes, timescales, success criteria etc.; • plans are linked to the Council's Corporate Plan; • on-going revenue requirements of actions are identified and addressed; • plans are delivering agreed outcomes, benefits and impacts; and • funding is being used for its intended purpose.
The Council should decide on the extent to which it will apply 'Freedom and Flexibilities' principles to the town and rural plans. If it does this in an inflexible manner, it is likely to face the challenge of how it remains 'closer to the community', particularly if it only accepts plans/actions that link to its statutory duties or corporate priorities. If the Council decides that local priorities are to remain within town and rural plans, there should be two separate 'pots' of funding – one to fund strategic actions that help to deliver the benefits expected from the Council's corporate priorities and the other to deliver community priorities that do not deliver these benefits. Local community priorities should be subject to an approved business case (proportionate level of 'paperwork') before funding is released and will need to be monitored in line with that business case in order to ensure that funding is used for the intended purpose.

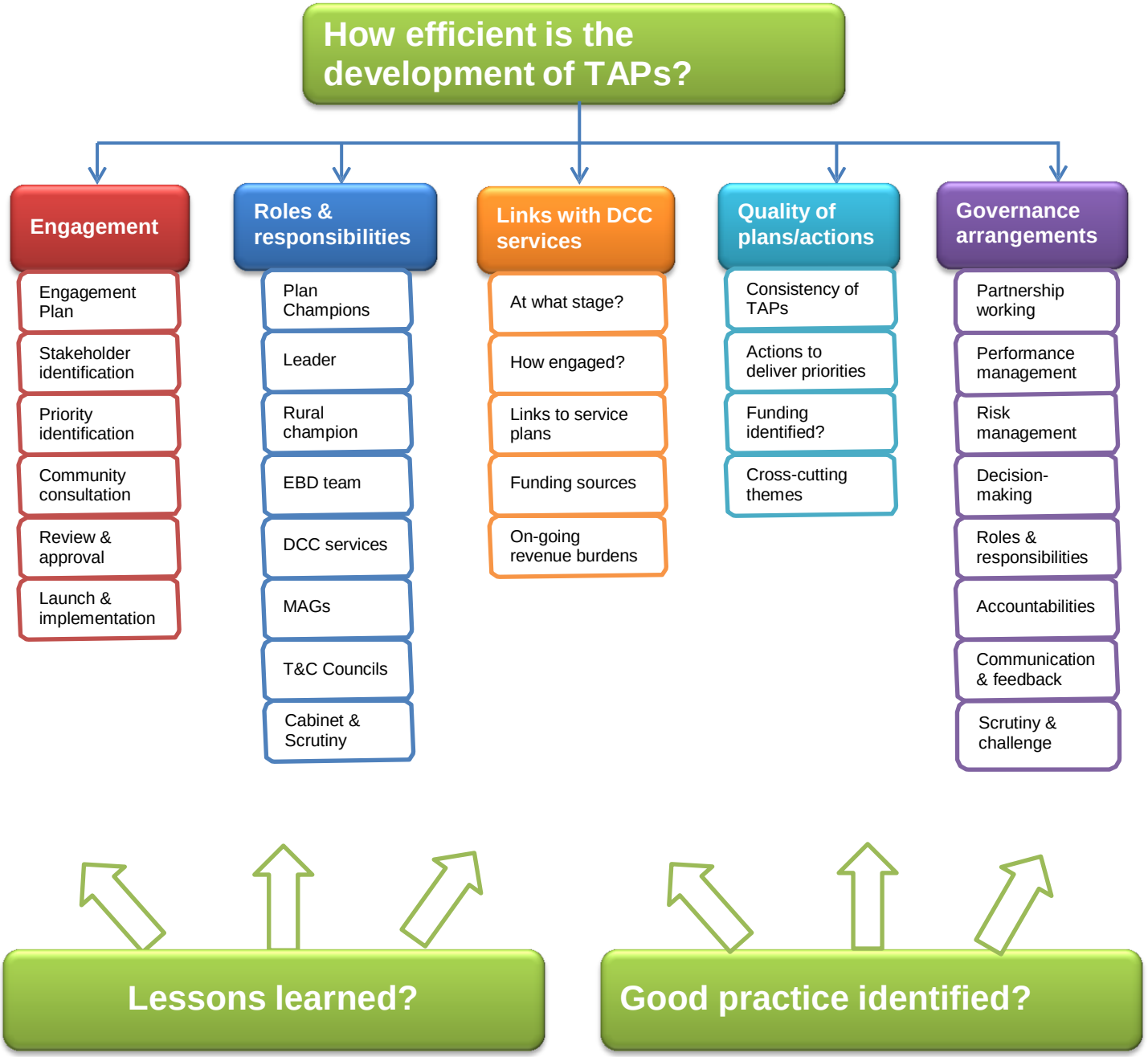
Suggested way forward
When implementing the new framework for town and rural plans, there should be more of a formal project management approach to development and implementation. It is important that sufficient skills, time and resources are allocated for planning, consultation and engagement in plan/project design, and the scrutiny and challenge process before plans are finalised and approved. It is also important to develop a plan as a pilot and learn lessons from that pilot to apply to future plans.
The monitoring arrangements for the new town and rural plans should be aligned to the Council's performance management framework, reducing the level of resource required from the EBD team in 'chasing' progress (releasing this to be applied to more strategic actions in the Corporate Plan), to provide increased corporate visibility of progress on delivering actions/benefits within the plans, and to provide a consistent approach to monitoring and reporting performance.
During their development, town centre strategies should look to provide strategic direction to town plans and should, wherever possible, be compared to identify key themes arising, opportunities to achieve economies of scale, tackle deficiencies in the TAPs, avoid duplication, save resources etc.
If there is a reversion to town plans, a decision is needed on how to deal with the areas surrounding the towns. There could be one county rural plan, taking account of the current review of rural community needs and the new Rural Development Plan 2014-2020. This review will inevitably identify trends across communities e.g. transport issues, which should be managed on a county-wide basis to take advantage of economies of scale, avoid duplication, save resources etc. Having one rural plan will allow the opportunity to take advantage of this, as well as addressing specific local priorities.

Appendix 1 -Methodology for questions 1 & 2

Town & Area Plans Review



Appendix 2 – Methodology for question 3



Appendix 3 - Town & Area Plan benefits health-check assessment

Key benefits management statements	Always	Usually	Occasionally	Never	Suggested potential actions
1. The benefits from our change initiative(s) are clearly identified in measurable terms that demonstrate strategic contribution.			✓		Benefits-led change ('Start with the end in mind'); driver-based analysis; benefits mapping; customer insight; start gate requiring benefits identified.
2. Benefits forecasts are robust and realisable.				✓	Use range of techniques to reach agreement on forecasts e.g. compare with other councils, use expert opinion, apply lessons learned.
3. Benefits are expressed and quantified consistently by all change initiatives, so enabling reliable portfolio prioritisation.				✓	Portfolio Benefits Management Framework, including benefits eligibility rules and decision conferencing.
4. Responsibilities are clearly defined for realising each benefit and for delivering the business and enabling changes on which benefits realisation is dependent.				✓	Benefit Profile and Benefits Realisation Plan, booking the benefits by incorporating into corporate / service plans.
5. We do not stop at the hurdle rate of return, but instead look for all potential benefits.				✓	Use approaches that encourage a constant search for benefits, e.g. benefits categorization framework, benefits opportunity management.
6. The investment rationale and value-for-money position is tested on a regular basis with formal recommitment to benefits realisation so that there are no 'orphan' initiatives.			✓		Stage/phase gates with 'staged release of funding'; funding contracts that include benefits targets.
7. Measures used provide a 'rich picture' on benefits realisation and, rather than encouraging perverse incentives, they engage the user in exceeding forecast.				✓	Suite of leading and lagging measures, proxy indicators, evidence events, case studies, surveys and stories.

Key benefits management statements	Always	Usually	Occasionally	Never	Suggested potential actions
8. Benefits realisation is monitored on an active basis with prompt corrective action being taken to address emerging shortfalls and to mitigate known and emergent dis-benefits.				✓	Benefits ROYG dashboard reporting, 'management by exception', one source of communication about progress and benefits achievement.
9. Effective action is taken to identify and exploit emerging benefits.			✓		On-going participative stakeholder engagement, benefits opportunity management.
10. Checks are undertaken to assess whether the performance matched the promise and identify and apply lessons learned.			✓		Formal post-project and annual TAP implementation reviews and activities to implement lessons.