

London Borough of Haringey: Internal Audit Final Report Planning 2024/25

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Month Year Reporting Timetable

Debrief Meeting: 16/09/24 Comments Received: 17/10/24 / 23/10/24

Draft Report Issued: 04/10/24 Final Report Issued: 24/10/24



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Disclaimer

This report ("Report") was prepared by Forvis Mazars LLP at the request of the London Borough of Haringey (LBH) and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

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Your One Page Summary

Audit Objective: to assess the design and effectiveness of key systems and controls in relation to the management of planning applications.

Audit rationale

Why the Audit is in Your 2024/25 Plan

To ascertain if the Council has appropriate controls in place to comply with national legislation and policy (including the National Planning Policy Framework, NPPF) and Londonwide and local policy.

Your Strategic Risk

The Council fails to develop and deliver an up-to-date sound Local Plan and determine planning applications in line with the legislative and policy framework, including the NPPF.

Summary of our opinion

Adequate Assurance

See Appendix A2 for definitions



Summary of Findings

High (Priority 1)	-
Medium (Priority 2)	1
Low (Priority 3)	3

Findings Agreed	100%
Priority 1 completion	NA
Overall completion	March 2025

Summary of findings

Examples of good practice

- ✓ From our sample testing of ten planning applications, we confirmed Arcus, a development management system, is used to log and process planning applications
- ✓ Supporting documents for all ten planning applications were retained in Arcus
- ✓ For each of the ten planning applications, an Officer's Report (for minor applications) or Planning Committee Report (for major applications) was available on the Council portal

Medium Priority Findings

An Authority Monitoring Report has not been published since July 2021

Key root causes

 The GLA supports London Boroughs with their planning monitoring functions via a London-wide monitoring database linked to the Planning Portal. The GLA switched to a new database in 2022 since which time the automatic monitoring functions for Haringey have not been operational. This has meant the Council has not been able to complete a full Authority Monitoring Report for over two years.

01 Summary Action Plan

Below is a high level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Responsible Person	Due Date
1	Publish an Authority Monitoring Report covering the period 2021 – 2024, as soon as possible.	Medium	Bryce Tudball, Head of Spatial Planning	31/03/2025
	2. Implement contingencies to ensure an annual Authority Monitoring Report is produced.			
	 Internally flag/report on the Council not having produced an Authority Monitoring Report since July 2021 and therefore being non-compliant with legislation e.g., at Director / Committee level. 			
	 Include comprehensive data in Authority Monitoring Reports on completion of major schemes, housing mix delivered and affordable housing completions. 			
2	Revise the timeline to prepare a New Local Plan.	Low	Bryce Tudball, Head of	31/12/2024
	2. Identify resources to prepare a new Local Plan before the existing Local Plan becomes out of date.		Spatial Planning	
3	Update the Strategic Planning Committee Reports to ensure they include data on the number of appeals received.	Low	Robbie McNaugher, Head of Development Management & Planning Enforcement	17/10/2024
4	Remind Planning Officers to regularly review the Arcus dashboard and circulate the weekly Arcus reports to them to ensure they are aware of "due this week" planning applications.	Low	Kevin Tohill, Interim Head of Development Management & Planning Enforcement	01/01/2025
	2. The Council should investigate if Arcus has the functionality to generate automatic reminders for Planning Officers to alert them to applications reaching their statutory deadlines.			

02 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money (VfM)



There are some VfM implications in the management of planning applications. It is important to embed a clear and robust approach to efficiently process planning applications, as this can allow for maximising potential revenue streams and reduce unnecessary costs. In theory, the Council achieves efficiency through the use of

Arcus where planning applications and appeals are logged and processed. Arcus stores all application and appeals correspondence in one place, making it efficient to monitor progress.

VfM can also be achieved through the identification of all necessary financial contributions from developers, via Financial Viability Assessments, as this ensures that the maximum viable level of contributions are achieved for residents and reducing the financial burden on the Council. In our sample of ten planning applications the two applicable samples (major applications) had the necessary Financial Viability Assessments.

VfM implications are also influenced by a desire for equity. The promotion of sustainable strategies, that have been subject to a sustainability appraisal, enables the Council to ensure approved planning applications contribute to positive social, environmental and economic impacts that distribute the benefits of an effective planning management system across the Borough. The Council's Local Plan (2017) includes a *Strategic Policies* document that sets out the Council's commitment to a "An environmentally sustainable future" and a "low carbon Haringey".

Sector Comparison

Local Authorities are required to publish an annual Authority Monitoring Report (AMR) on their planning policies as well as progress towards the Local Plan. We found that the last AMR was published for the period 1 April 2019 to 31 March 2020 and there has been no AMR published since.

To ensure that planning applications are processed in a timely manner, to mitigate the risk of lost income and reputational damage, clear targets for processing applications are established and monitored against statutory national deadlines. We confirmed the Strategic Planning Committee are provided with quarterly and annual updates on Planning and Building Control by the Planning, Building Standards and Sustainability team. These updates include Performance against statutory requirements for processing applications and answering appeals.

Effective planning management requires robust central oversight of the planning system and the performance of the planning service, to ensure the Council is making progress to achieve key housing delivery targets. We confirmed the Strategic Planning Committee is provided with quarterly and annual updates on Planning and Building Control by the Planning, Building Standards and Sustainability division.

03 Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1 An Annual Monitoring Report has not been published since July 2021

Finding(s) and Risk

Section 113 of the Localism Act 2011¹ requires Local Authorities to publish an annual Authority Monitoring Report (AMR) which details the implementation of the local development scheme and the extent to which the policies set out in the local development documents are being achieved.

Our review of the most recent Authority Monitoring Report published on the Council's website confirmed that it was produced in July 2021 for the period 1 April 2019 to 31 March 2020. The Council has not produced an annual Authority Monitoring Report since.

The GLA supports London Boroughs with their planning monitoring functions via a London-wide monitoring database linked to the Planning Portal. The GLA switched to a new database in 2022 since which time the automatic monitoring functions for Haringey have been operational. This has meant the Council has not been able to complete a full Authority Monitoring Report for over two years. The Assistant Director for Planning, Building Standards and Sustainability informed us that in the absence of the GLA's usual significant support, the Planning Policy team has had insufficient resources to complete a manually prepared Authority Monitoring Report. An Assistant Planning Officer has been recently recruited and is completing some of the monitoring work. However, we did not review evidence of this. They also informed us that the Council not producing an Authority Monitoring Report since 2020 has not been flagged internally.

Risk and Impact: Where an annual Authority Monitoring Report is not published, there is a risk that Council does not comply with legislative requirements.

Recommendation(s)

- 1. Publish an Authority Monitoring Report covering the period 2021 2024, as soon as possible.
- 2. Implement contingencies to ensure an annual Authority Monitoring Report is produced.
- Internally flag/report on the Council not having produced an Authority Monitoring Report since July 2021 and therefore being non-compliant with legislation e.g., at Director / Committee level.
- 4. Include comprehensive data in Authority Monitoring Reports on housing mix delivered and affordable housing completions.

Root Cause(s)

The GLA supports London Boroughs with their planning monitoring functions via a London-wide monitoring database linked to the Planning Portal. The GLA switched to a new database in 2022 since which time the monitoring functions for Haringey have not been operational. This has meant the Council

¹ https://www.legislation.gov.uk/ukpga/2011/20/contents/enacted

has not been able to complete a full Authority Monitoring Report for over two years.

Management Comments / Agreed Actions

The Greater London Authority (GLA) supports London Boroughs with their planning monitoring functions via the provision of a London-wide monitoring database linked to the Government's Planning Portal. In the usual course of events, this means that the Council's Authority Monitoring Report can be substantially completed by running automated reports in the GLA's software. However, following a switch of software in 2022 from the London Development Database (LDD) to a new Planning London Datahub (PLD), it has taken over two years for the system to pull through planning records from Arcus/the Planning Portal and to restore the previous automated functionality. Coupled with resource challenges within the Planning Policy Team and the absence of dedicated internal resource to 'manually' complete Authority Monitoring Reports, it has meant the Council has been unable to discharge its full duties related to planning monitoring.

Due to the Transport Planning team moving to a different Directorate, the Head of Planning Policy, Transport & Infrastructure role was only recruited to on an interim acting up basis and the substantive position of Planning Policy Team Manager was kept vacant. The move of Transport Planning took much longer than expected which meant this interim arrangement and vacancy continued for much longer than would have been ideal. The move of Transport Planning out of the service completed in March 2024, staff consultation on a new structure was completed in May 2024, the new Head of Spatial Planning post was permanently recruited to in July 2024, and the new Policy, Conservation & Design Team Manager post was recruited to in October 2024. Further backfilling of posts becoming vacant will be completed by the end of 2024.

The independent Planning Service Peer Challenge undertaken by the Local Government Association Planning Advisory Service in October 2023 stated that "Data from the last few years, compared to other London Boroughs, shows the Haringey planning service appears to be below average for staffing numbers", Haringey has a "lightly resourced local plan team" and "only a very small planning policy team of only 5... with an unfilled post of Planning Policy Team Manager... this is less than we would expect to see in a planning policy team for a London Borough". The Council's Cabinet approved an Action Plan in March 2024 in response to the Peer Challenge and the actions are now nearing completion and pending a return visit from the peer team.

The Planning Policy Team has worked closely with the GLA to help reach a resolution with PLD and its functionality is understood now to be approaching that of the previous LDD. With this in place the Council will shortly be able again to prepare Authority Monitoring Reports by running automated reports.

Responsible Person	Bryce Tudball, Head of Spatial Planning	Action Due Date	31 March 2025
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	Priority Level	Medium

2 A delay in adopting the new Local Plan

Finding(s) and Risk

An up-to-date Local Plan should be in place to ensure the Council's current planning priorities and objectives are captured and these are known to key stakeholders.

The Council's current Local Plan covers the period from 2013 to 2026, and it was formally adopted and consolidated in 2017. The First Steps Engagement (2020) and The New Haringey Local Plan – First Steps Engagement documents state the timeline for adopting a new Local Plan had a target date of 2022. However, this has not been met and the new Local Plan is currently being drafted.

Risk and Impact: Where the Local Plan is not adopted in line with the set target dates there is a risk that the first step engagement will be obsolete, resulting in the Local Plan failing to reflect the current needs and priorities of the Borough.

Recommendation(s)

- 1. Revise the timeline to prepare a New Local Plan.
- 2. Identify resources to prepare a New Local Plan before the existing Local Plan becomes out of date.

Root Cause(s)

A lack of resources to meet the set timeline.

Management Comments / Agreed Actions

It is acknowledged that the Council has not met the original timetable envisaged to produce a New Local Plan. There are a variety of reasons for this but principally delays owe to resourcing levels within the Planning Policy Team, a long-term vacancy of the Planning Policy Team Manager role, and a budget necessity to complete as much work as possible in-house. Due to the Transport Planning team moving to a different Directorate, the Head of Planning Policy, Transport & Infrastructure role was only recruited to on an interim acting up basis in August 2021 and the substantive position of Planning Policy Team Manager was kept vacant. The move of Transport Planning took much longer than expected which meant this interim arrangement and vacancy continued for much longer than would have been ideal. The move of Transport Planning out of the service completed in March 2024.

The risks identified through the internal audit have already been brought to the attention of the Planning Policy Team via the independent Planning Service Peer Challenge undertaken by the Local Government Association Planning Advisory Service in October 2023. As a consequence of these risks being highlighted, a series of actions are already in train to address them as set out in the Action Plan prepared in response to the Peer Challenge findings.

A key issue raised by the Peer Challenge was a lack of dedicated and specific leadership and management of local plan production" and stated that "Data from the last few years, compared to other London Boroughs, shows the Haringey planning service appears to be below average for staffing numbers", Haringey has a "lightly resourced local plan team" and "only a very small planning policy team of only 5... with an unfilled post of Planning Policy Team Manager... this is less than we would expect to see in a planning policy team for a London Borough". The issue of a lack of dedicated and specific leadership and management of local plan production has already been addressed following the move of Transport Planning out of the service in March 2024. Staff consultation on a new structure was completed in May 2024, the new Head of Spatial Planning post was permanently recruited to in July 2024,

and the new Policy, Conservation & Design Team Manager post was recruited to in October 2024. Further backfilling of posts becoming vacant will be completed by the end of 2024.

Another substantive issue raised by the Peer Challenge was a lack of clarity around how the New Local Plan will be resourced, and it was recommended "A detailed and resourced programme to produce the new local plan should be produced, with specific project management support, recognising the resources required, the timetable for delivery and confirming the proposed timescales are deliverable. This programme has been prepared with support from the Directorate's Programme Management function and its delivery is being overseen by the newly appointed Head of Spatial Planning and newly appointed Policy, Conservation & Design Team Manager. The revised timeline to produce the New Local Plan, taking account of available resources, has since been published in a publicly available report to the Council's Strategic Planning Committee.

Concern regarding the First Steps Engagement becoming obsolete are noted together with a risk that the Local Plan will fail to reflect current needs and priorities of the Borough. Since the First Steps Engagement was carried out in 2021 the Council has not held any formal public consultations related to the Local Plan, however, there has been ongoing liaison and engagement with a range of key stakeholders as the Draft Local Plan has been developed. In addition, the Council has conducted a range of other key consultations including on a new Borough Vision, an Inclusive Economy Framework (Opportunity Haringey), placemaking frameworks for Wood Green and Tottenham (Shaping Wood Green and Shaping Tottenham), a new Parks and Green Spaces Strategy, and a new Walking and Cycling Action Plan. Consideration of responses to these consultations as summarised in consultation reports will help ensure the Draft Local Plan reflects current needs and priorities of the Borough.

Responsible Person	Bryce Tudball, Head of Spatial Planning	Action Due Date	December 2024
		Priority Level	Low

3 The Strategic Planning Committee Reports do not include key performance data

Finding(s) and Risk

To provide sufficient oversight over the Council's performance in processing planning applications, regular reporting should be carried out.

We found that the Strategic Planning Committee are provided with quarterly and annual Planning and Building Control Updates.

Our review of the Strategic Planning Committee meeting minutes from November 2023, February 2024 and June 2024 noted that the reports do not include data on:

- Number of appeals received;
- Completion of major schemes;
- · Housing mix delivered; and
- Number of affordable housing completions.

Risk and Impact: Where performance data does not cover all aspects of the planning process, there is a risk that key data is not reported on nor scrutinised, this could result in low performance going unnoticed and the Council failing to achieve key housing delivery targets.

Recommendation(s)

Update the Strategic Planning Committee Reports to ensure they include data on the number of appeals received.

Root Cause(s)

The requirement to report on the number of appeals received, has not been considered.

Management Comments / Agreed Actions

The number of appeals received and decided has been added to the Strategic Planning Committee report for 17th October 2024. This has been broken down into appeals allowed, dismissed and split decisions. A calculation of the % of appeals won has also been provided. The data covers a 5-year period.

The risk identified around the reporting of completion of major schemes, housing mix, affordable housing completions, is noted. This information is comprehensively reported on with Authority Monitoring Reports. Of note, this information will be included within upcoming Authority Monitoring Reports for 2022-2024 as set out in Section 1 of this Action Plan.

Responsible Person	Robbie McNaugher, Head of Development Management & Planning Enforcement	Action Due Date	17 October 2024
		Priority Level	Low

4 Planning application decisions are not communicated within statutory deadlines

Finding(s) and Risk

The Town and Country Planning Order (2015) details that the period for providing a decision on minor planning applications is "8 weeks beginning with the day immediately following that on which the application is received"².

We found a weekly dashboard is generated from Arcus and contains three reports: "Applications due this week", "Applications due tomorrow" and "Applications due today" with the relevant Case Officer named for each application. These reports are shared with Managers for their oversight.

We selected a sample of ten planning applications from a list of planning applications received between 1 August 2023 and 31 August 2024 to test the timeliness of the decision made.

For one planning application (HGY/2024/0010) received on 1 January 2024, with a deadline for communicating the outcome on 27 February 2024, we identified the decision was communicated on 30 April 2024 (with a delay of 45 working days).

Risk and Impact: Where planning application decisions are not communicated in a timely manner, there is a risk of non-compliance with statutory guidance, this could result in designation as a poorly performing local authority.

Recommendation(s)

- Remind Planning Officers to regularly review the Arcus dashboard and circulate the weekly Arcus reports to them to ensure they are aware of "due this week" planning applications.
- 2. The Council should investigate if Arcus has the functionality to generate automatic reminders for Planning Officers to alert them to applications reaching their statutory deadlines.

Root Cause(s)

Planning Officers do not review the impending application due dates.

Management Comments / Agreed Actions

Haringey's performance against statutory metrics is in the top quartile nationally with around 90% or applications decided within statutory deadlines and 100% for major applications. Haringey is also currently performing very well against designation measures. However, performance can still improve and there is a renewed focus on optimising the use of Arcus which has the functionality to generate automatic reminders for Planning Officers to alert them to applications reaching their statutory deadlines. Once the frequency and detail of such alerts is finalised this will be implemented.

Responsible Person	Action Due Date	January 2025

² https://www.legislation.gov.uk/uksi/2015/595/article/34/made

Kevin Tohill, Interim Head of Development Management & Enforcement Planning	Priority Level	Low

A1 Audit Information

Agreed Audit Objective and Scope

The objectives of our audit were to ascertain whether the LBH has in place adequate and appropriate policies, procedures and controls in relation to the Financial Assessment of Clients with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

- Area 1 Key stakeholders are unaware of the Council's planning policies. This could introduce uncertainty about what will and won't be permitted in the borough and lead to inappropriate proposals and challenges in assessing and determining planning applications.
- Area 2 Views of key stakeholders in the community are not obtained or considered, this could result in dissatisfaction/resistance when delivering the local plans and development proposals.
- Area 3 Applications are not processed in a timely manner, which
 results in lost income and risks designation as a poorly performing
 authority by the Government.
- Area 4 A lack of central oversight of all applications and applications are not managed in a timely manner, this could lead to a high volume of backlog/chasers from developers.

- Area 5 Development proposal decisions are not made using the required documentation/evidence, this could result in the Council approving/rejecting proposals inaccurately.
- Area 6 Decisions are not made in a timely manner; this could result in non-compliance with the Government's determining a planning application guidance and statutory targets leading to designation as a poorly performing authority.
- Area 7 Appeals are not responded to and deadlines are missed, meaning decisions are not defended, this could cause reputational implications for the Council.
- Area 8 A lack of oversight over the performance of the planning service, this could result in the Council failing to achieve key housing delivery targets.

Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

This review has not provided assurance on whether the Council is or is not compliant with the law and the NPPF but rather the arrangements in place to achieve compliance.

Definitions of Assurance Levels and Recommendation Priority Levels

Definitions of Assurance Levels			
Substantial Assurance	The framework of governance, risk management and control is adequate and effective.		
Adequate Assurance	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.		
Limited Assurance	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.		
Nil Assurance	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.		

Definitions of Recommendations			
High (Priority 1)	Significant weakness in governance, risk management and control that if unresolved exposes the organisation to an unacceptable level of residual risk.	Remedial action must be taken urgently and within an agreed timescale.	
Medium (Priority 2)	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.	Remedial action should be taken at the earliest opportunity and within an agreed timescale.	
Low (Priority 3)	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.	Remedial action should be prioritised and undertaken within an agreed timescale.	

Statement of Responsibility

We take responsibility to the LBH for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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