

BOARD MEETING

Date:	Thursday 26 May 2011, 10:15 – 12:45
Venue:	Board Room, IPC, Bristol
Attendees:	Sir Michael Pitt (Chair), John Saunders, David Clements, Sheila Drew Smith, Robert Upton, Pauleen Lane, Helen Adlard, Ian Gambles, Katherine Finlayson (Secretary)
Apologies:	Anne Moore (on leave); Christine Hemming (DCLG)
In attendance:	Richard McCarthy (DCLG), Jenan Hasan (DCLG), Simon Dilly for Item 3.0, Lucienne Jones for Item 5.0, Neil Hartley for Items 6.0 – 7.0, Catriona Flear for Item 8.0, Chris Dagnan for Items 10 & 15
Staff observers:	Trudy Blair and Mark Metters

AGENDA

Part 1

Running Order	Paper No	Timing	Item	Owner	Paper Y/N	Mins
1.		10:15	Welcome and Declaration of Interests	MP	N	5
2.	2.0	10:20	Minutes of Previous Meeting (Part 1)	MP	Y	10
3.	3.0	10:30	Operations Report	IG	Y	15
4.		10:45	Legal Update (verbal)	HA	N	10
5.	5.0	10:55	Recruitment Update	LJ	Y	10
6.		11:15	Integration Update (presentation)	MP/JS	N	20
7.	11.0	11:25	External Communications Report	IG/PR	Y	10
8.	6.0	11:30	IPC Framework Document	NH	Y	5
9.	7.0	11:45	IPC 2010/11 Annual Report and Accounts	NH	Y	15
10.	8.0	11:55	Quarterly Dashboard Report	CF	Y	10
11.	10.0	12:05	IPC Quality Management System	IG/CD	Y	10
12.	12.0	12:15	Forward Agenda to July 2011 (including schedule of future meetings)	MP/KF	Y	5
13.	13.0	12:20	AOB	MP	N	5

Part 2 (PROTECT – MANAGEMENT)

Item No	Timing	Item	Owner	Paper Y/N	Duration (mins)
14.0	12:25	Minutes of Previous Meeting (Part 2)	MP	Y	5
15.0	12:30	Review of Board Effectiveness	IG/CD	Y	15

MINUTES OF BOARD MEETING - PART ONE
Thursday 24 February 2010, 10:00 – 11:50
Board Room, IPC, Bristol

Present:

Sir Michael Pitt	Chair	MP
David Clements	Non Executive Director	DC
Sheila Drew Smith	Non Executive Director	SDS
John Saunders	CEO	JS
Robert Upton	Deputy Chair	RU
Pauleen Lane	Deputy Chair	PL
Anne Moore	Director, Finance & Corporate Services	AM
Ian Gambles	Director, Operations	IG
Katherine Finlayson	Board Secretary	KF

Apologies:

Helen Adlard	Director, Legal Services	HA
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In Attendance:

Ajay Jagatia	DCLG IPC Sponsorship Team	AJ
Karl Hardy	Staff Observer	KH
Chris Dagnan	Staff Observer	CD
Simon Butler	EIA and Land Rights Manager for Item 6.0	SB

PART ONE

Schedule of Actions

	Actionee	Action	Timeframe
1.	AM	To ensure effective provisions for mass mailings are in place, collaborating with Operations team to agree the best solution.	By end March 2011
2.	AM	To instigate a verbal update on the IPC's current financial position to the Board in the months when the quarterly management accounts are not being presented.	From March 2011 meeting onwards
3.	KF	To send cancellation for April 2011 Board meeting.	By mid March 2011

<p>1.0</p>	<p>Welcome and Declaration of Interests</p> <p>1.1 The Chair welcomed AJ and the two staff observers. An apology was noted from HA. The Chair called for declarations of interest in relation to the agenda. There were none.</p> <p>1.2 SDS formally declared that she is no longer a Non Executive Board member for the Audit Commission.</p>
<p>2.0</p>	<p>Minutes of previous meeting</p> <p>2.1 No corrections to the minutes were required.</p> <p>Matters arising:</p> <p><u>Para 2.2: Review of Board effectiveness</u> AM reported that a proposal will be put to the Board at the March 2011 meeting.</p> <p><u>Para 2.4: Planning Aid</u> It was noted that the Chair has written to DCLG expressing support for ongoing funding of Planning Aid.</p> <p><u>Para 4.0: IPC Recruitment</u> Approval to recruit up to 40 posts in the 2011/12 financial year has been received from the Permanent Secretary. The Board welcomed this progress.</p> <p><u>Para 5.0 Management Accounts</u> AM reported that an underspend at year end is still likely. The Board attributes this to reduced recruitment in the 2010/2011 financial year and fewer projects than originally forecast currently being in the application stage.</p> <p><u>Para 7.0: IPC Administration Plan</u> DCLG is expecting to issue a preliminary letter on the outcomes in the next few days.</p> <p><u>Para 9.0: Trade Union recognition</u> Detailed arrangements will be discussed with the IPC Staff Forum and Trade Unions next week.</p> <p><u>Agreed:</u></p> <p>2a) That the minutes reflect a true and accurate record of the previous meeting.</p>
<p>3.0</p>	<p>PINS/IPC Integration Project Update</p> <p>3.1 There are now approximately 20 working days for production of the draft Full Business Case (FBC). Drafting has commenced. Key milestones in this period include three workshops relating to financial appraisal and two Integration Group meetings. Board members have been copied the structure of the FBC showing assigned actions. This document needs to be</p>

	<p>distributed by 25 March 2011 for the Integration Programme Board meeting on 30 March 2011, having been reviewed at a “constructive challenge” workshop by the Integration Group and DCLG colleagues on 21 March 2011.</p> <p>3.2 A Final Business Case is required by 30 June 2011 which allows a period of 3 months for adaptations. It was noted that no announcement regarding future leadership of PINS, from 1 April 2011, has yet been made nor of “new PINS” from 1 April 2012. Further detailed work on the Final Business Case will require endorsement by the new leadership/governance team.</p> <p>Agreed: 3a) To note the considerable work required for the preparation of the Business Case within a short timeframe.</p>
<p>4.0</p>	<p>Operations Report</p> <p>4.1 The workload forecast indicates a likelihood that in the period June – August 2011 there will be a material number of applications arriving. Workload will therefore increase considerably from summer 2011 onwards.</p> <p>4.2 IG also presented a related paper stating how many Commissioners are required to meet this increased workload and confirming that appropriate provisions need to be in place for the use of Registered Commissioners by the IPC to April 2012 and for transition of Commissioners to MIPU onwards from there. A submission is currently with the Minister on this point. Close monitoring is required as this represents a Board level risk to business as usual.</p> <p>4.3 IG reported that staff morale is high. Staff are looking forward to cases arriving. Naturally some nervousness exists around integration, future culture and the retention of positions</p> <p>Agreed: 4a) To note the two reports presented.</p>
<p>5.0</p>	<p>IT Back Up and Disaster Recovery Provisions</p> <p>5.1 Refer to Part Two minutes.</p>
<p>6.0</p>	<p>GIS Demonstration</p> <p>6.1 Simon Butler, EIA and Land Rights Manager, demonstrated the GIS system utilised by the EIA team, particularly for identifying consultees.</p> <p>Agreed: 6a) That the Board is pleased to note progress in this important area.</p>
<p>7.0</p>	<p>Forward Agenda to March 2011</p> <p>7.1 March 2011: Agenda to include proposal for Review of Board effectiveness</p> <p>7.2 April 2011: The Board made the decision to cancel this meeting (which lies</p>

	<p>in the short Bank Holiday week following Easter) and any urgent business will be taken by correspondence.</p> <p>7.3 May 2011: Dashboard and Management Accounts</p> <p><u>Agreed:</u></p> <p>7a) To cancel the April 2011 Board meeting and take any urgent business by correspondence.</p> <p>7b) To keep future agendas under review.</p>
<p>8.0</p>	<p>Any Other Business</p> <p>8.1 None.</p>

Date of next meeting: Thursday 31 March 2011, 10.00am



Emerging Intelligence Note

Section 51 Advice Log Analysis

Executive Summary

The log of advice that the IPC gives to applicants, potential applicants or others under Section 51 (s51) of the Planning Act 2008 was analysed to assist the IPC Senior Management Team (SMT) and Board in making strategic decisions about how we approach giving s51 advice.

s51 advice is defined in the Act as advice that relates to making representations or applying for an order granting development consent. The IPC is obliged by the Act to provide this advice. This advice is logged by the IPC and this log was analysed in a number of ways (by topic, enquirer, case, response method, staff responders, team responders, over time etc.) to identify patterns and trends.

How much resource does it take to give s51 advice?

The amount of time it takes to give s51 advice varies according to the amount of time for preparation and recording of the advice. The breakdown of s51 advice suggested that 'quick' s51 advice, which can be given without preparation over the telephone, constitutes at least a quarter of all the advice we give. Approximately half of all s51 advice is made up of emails and letters that require a varying degree of preparation (depending on the originality and complexity of the query) and the remaining quarter is made up of meeting notes that typically take the most resource due to the demands involved in preparing for them and particularly recording the advice.

Who is giving the s51 advice?

The workload itself is largely divided between the Legal Team (leading on complex and original queries), Case Officers (COs), Assistant Case Officers, Case Leaders (CLs) and Student Placements (SPs). COs and ACOs upload the majority of responses to the database (70%) while CLs and SPs make up most of the remainder (27%) with only a small role in logging s51 advice played by the Environmental Impact Assessment team (3%) who provide most of their advice in meetings and through screening and scoping opinions.

How much s51 advice are we giving and how is it changing?

The conclusions on how s51 advice is changing over time are limited by the relative lack of data in COSMO, beginning in July last year. However there are a few observations that can be made, and in the future a trend analysis will be able to provide stronger conclusions.

There has been a general increase in queries over time with queries almost doubling in recent months, to a total of 82 (March 2011) compared with late summer 2010. Over a third of advice is non-case specific advice which has remained relatively stable at between 15 and 35 responses a month since July. We have seen a slight increase in recent months in the number of case specific queries, largely as a result of increases in the number of queries per project, rather than due to an increase in projects, and it would be useful to review this in later analysis. S51 queries on cases do not appear to gradually increase over time but instead experience distinct spikes of activity, fluctuating up and down over the life of the case, for a variety of reasons examined in the report.

Non-section 51 advice is also uploaded to COSMO, typically driven by the requirement on the IPC to comply with the openness policy. This process has not been looked at in great detail in this report but a more general analysis of non-section 51 advice and other workflows on COSMO would compliment the report.

Who is demanding the most s51 advice and what about?

The majority of enquiries (55%) are made by professional and legal enquirers and the most common topics are legal queries on the act (32%) and consultation (26%).

Recommendations

- The Board is asked to agree that the advice log analysis should be revisited every 6 months, with future emphasis placed on trend analysis of the data, and to provide a steer on particular areas of focus for future reports.

Introduction

The s51 advice log is a database on COSMO (the IPC case management system) that records advice the Commission gives to applicants, potential applicants or others about applying for development consent or making representations about an application.

In theory this database captures all the advice that is given but in practice this is not the case for reasons explored later. However the database still provides the most complete picture we have of the advice given by the IPC.

Methodology

COSMO provides a number of data fields on each piece of advice that was logged. These fields included useful information such as the date of enquiry, the case the enquiry relates too, the IPC member of staff that dealt with the enquiry, the content of the question and response etc.

Where data was not available, such as for the topics that the enquiries related to or the sector that the enquiry originated from, the database was diligently codified by a team of student placements and case officers to provide that information. The categories used to codify the datasets were developed with IPC staff.

To assist in the interpretation of the data, interviews were conducted with IPC staff from various teams to try and establish the causes of various trends and to establish the amount of work required to give s51 advice. Where the analysis draws on these interviews this is either explained in the text or referenced in a footnote.

Results and Analysis

How much work is involved in giving s51 Advice?

There is not a typical amount of work or time that s51 advice takes but there are some general rules that have emerged from interviews with staff. The amount of time involved is influenced by two key factors, the complexity/originality of the query itself, which influences the amount of preparatory work to respond to the query, and the method by which the query is made e.g. by phone or through a meeting, that influences the time it takes to properly draft the response. It is also important to note that we are talking about the workload of two or more people with these responses; the responder, the case leader to check for accuracy and consistency, and the legal team and EIA teams to advise if necessary.

Originality and complexity of the query

The amount of preparatory work required depends upon the complexity and originality of the query; if a query needs to go to legal because it is particularly complex (and this is less routine than in the past) then it is likely to take a week or more to respond with a shared workload between legal and the responder.

Where legal assistance is not required the key determinant on how long it takes case officers to answer the question is the originality of the query and specifically whether the question (or a similar one) has been answered before and is available as a template. For example, it often takes half a day of case officer time to respond to a unique and complex query that does not require legal assistance but for queries that have been raised before the

response can take a matter of minutes as the previous answer provides a useful timesaving template to work from. Therefore it is unique queries that have the greatest impact on workload. Unfortunately to identify the number of unique and complex queries we have received from the database of 600 questions was not possible with the resources available.

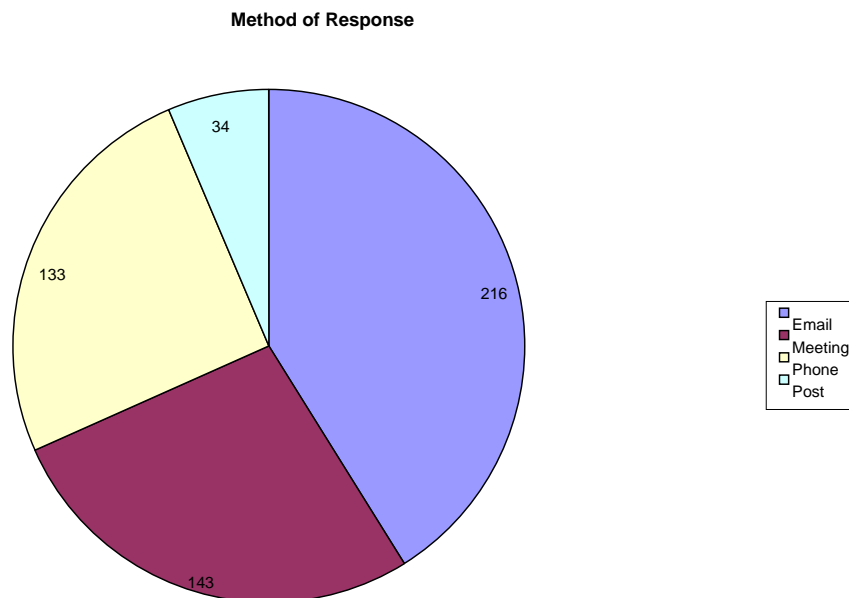
There are a number of resources that are currently available and that are being developed to help IPC staff to find guidance on how to answer these questions and to find old examples. In particular the Internal Advice Notes produced by the legal team, a note in development (overseen by Ian Gambles) to address a number of hard questions that have recently been asked and work by Chris Dagnan in Quality to improve the process of how people search for old examples and locate guidance. Therefore this system should continue to improve over time reducing the amount of preparation time required in giving s51 advice.

In addition it is reasonable to assume that over time the originality of queries will reduce. However, the Major Infrastructure planning process is complex and the legal, political and economic landscape in which it operates is dynamic, which will continue to produce some level of original enquiries throughout the IPC's existence.

Method of Response

The method of response is the other key issue in determining how much work is required as it impacts how long it takes to draft the response and it gives an indication of the amount of preparation. For example, a response that is logged as a telephone call will be less likely to require preparatory work and will only take the time taken for the call plus the time taken to upload the advice to COSMO. This is typically takes around 15 minutes.

The drafting of an email response or a letter is likely to vary according to the issues identified above. A meeting note however is quite distinct as a communication method from the rest and often takes considerably longer¹.



The graph tells us that email is the most common method of response followed by meetings, the telephone and then finally post. It is perhaps surprising that the number of phone responses is so low. An explanation offered by

¹ Information from interview

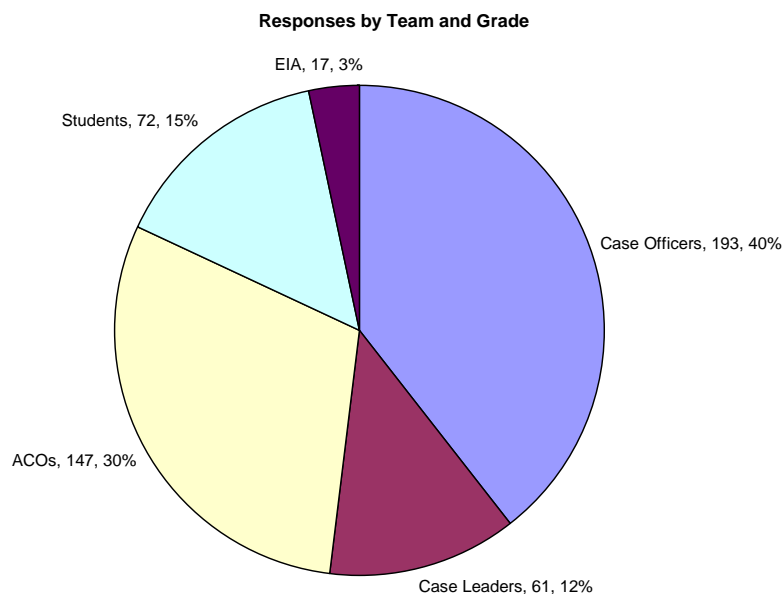
ACOs, is that IPC staff dealing with enquiries over the phone often find it more appropriate to request the enquiry in writing, and subsequently respond by email and log the enquiry as such i.e. they need a greater amount of preparatory time. From this graph and the explanation of the time taken for each above it may be fair to deduce that 'quick' section 51 advice that can be given without preparation (phone calls) constitutes about a quarter of all the advice we give. Approximately half is made up of emails and letters that require a varying degree of preparation and the remaining quarter is made up of meeting notes that typically take the most resource for reasons outlined below.

S51 advice given through meetings takes a high degree of preparation according to interviews with IPC staff. There are two main types of meetings that involve section 51 advice, project meetings with applicants to discuss individual applications and meetings with statutory bodies to discuss mutual working arrangements. Project meetings are typically the most common and are usually instigated by the applicant, although sometimes by the IPC. The instigator will set the agenda and if this is the applicant the IPC will ask for any detailed legal queries in advance to allow time for preparatory work. In addition for most meetings a pre-meeting is the norm. Typical attendees at a project meeting will include a case leader, a member of the EIA team, an ACO or EO to take the meeting note and a legal representative if required.

The non-case specific meetings with statutory bodies e.g. Environment Agency, typically involve a discussion of our processes. These will often take more preparation, particularly from legal, as they have a greater legal slant and they often from a 'standing start' in that they have not involved the same amount of background work as the project meetings. While the preparation for both these types of meetings can be greater than for other forms of section 51 advice the amount of time it takes to write them is also typically resource demanding.

The number of meetings will often depend on the size of the project, for example the proposed nuclear power station at Hinkley Point has required ongoing meetings throughout the pre-application stage with various bodies including applicants and protest groups. Meetings tend to also come in flurries during the life of the project, the early stage pre-application meetings can often be followed by a lull as applicants take stock and work up their application. Then there is typically a meeting before and after pre-app consultation followed by another lull and then an increase in meetings during the preparation immediately before the draft DCO submission.

Responses by Team and Grade



Case Officers (COs) and ACOs upload the majority of responses to the database (70%) while Case Leaders (CLs) and Student Placements (SPs) make up most of the remainder (27%) with only a small role played by the Environmental Impact Assessment team (3%). The SPs are essentially doing the same role as the ACOs but the distinction is made to illustrate the contribution that they make to the overall responses.

The relatively small figure for EIA is not entirely due to the difference in the levels of advice given but instead that a lot of this is dealt with through the screening and scoping opinions, or indirectly through meetings (that then may be uploaded by staff from different teams) and advice to case team staff on environmental issues who then upload it.

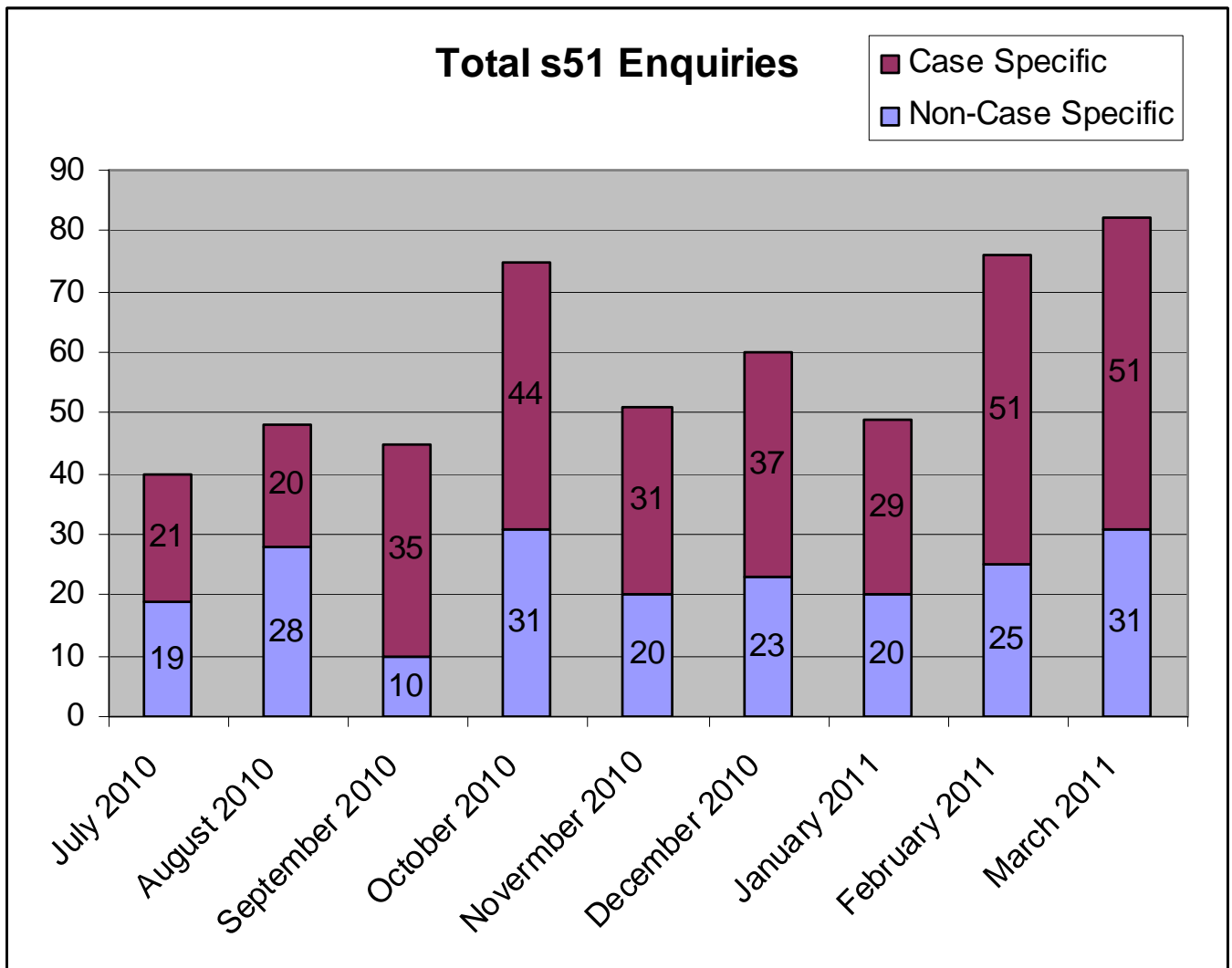
The number of s51 responses that the ACOs are logging is decreasing as a proportion of the total but remaining about the same in absolute terms. The increase is accounted for by the increasing number of queries being dealt with by other groups, particularly the SPs and COs.

The ACOs believe that there are fewer technical and original s51 queries. They suggest this could be because of improved communication between case officers/leaders and the project teams, increasingly giving advice on consultation reports and draft DCOs, as the projects develop over time. Also they believe technical questions are being addressed by enquirers using the advice log and guidance notes on the website to answer their queries.

In terms of the method of response, COs prepare the most meeting notes and emails. ACOs deal with the most phone calls and the second most email and meeting notes.

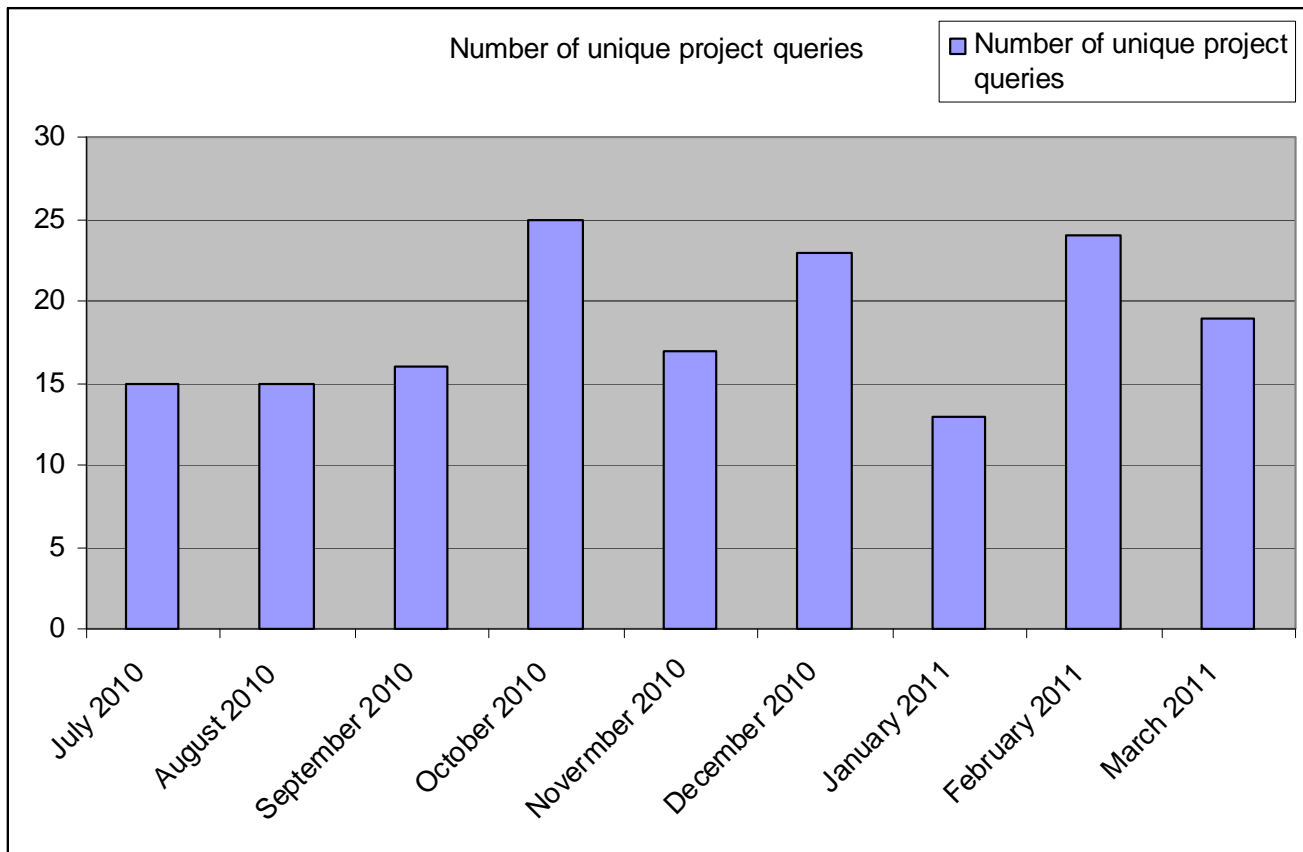
Enquires Over Time

There has been a general increase in queries over time with queries almost doubling in recent months compared with late summer 2010.

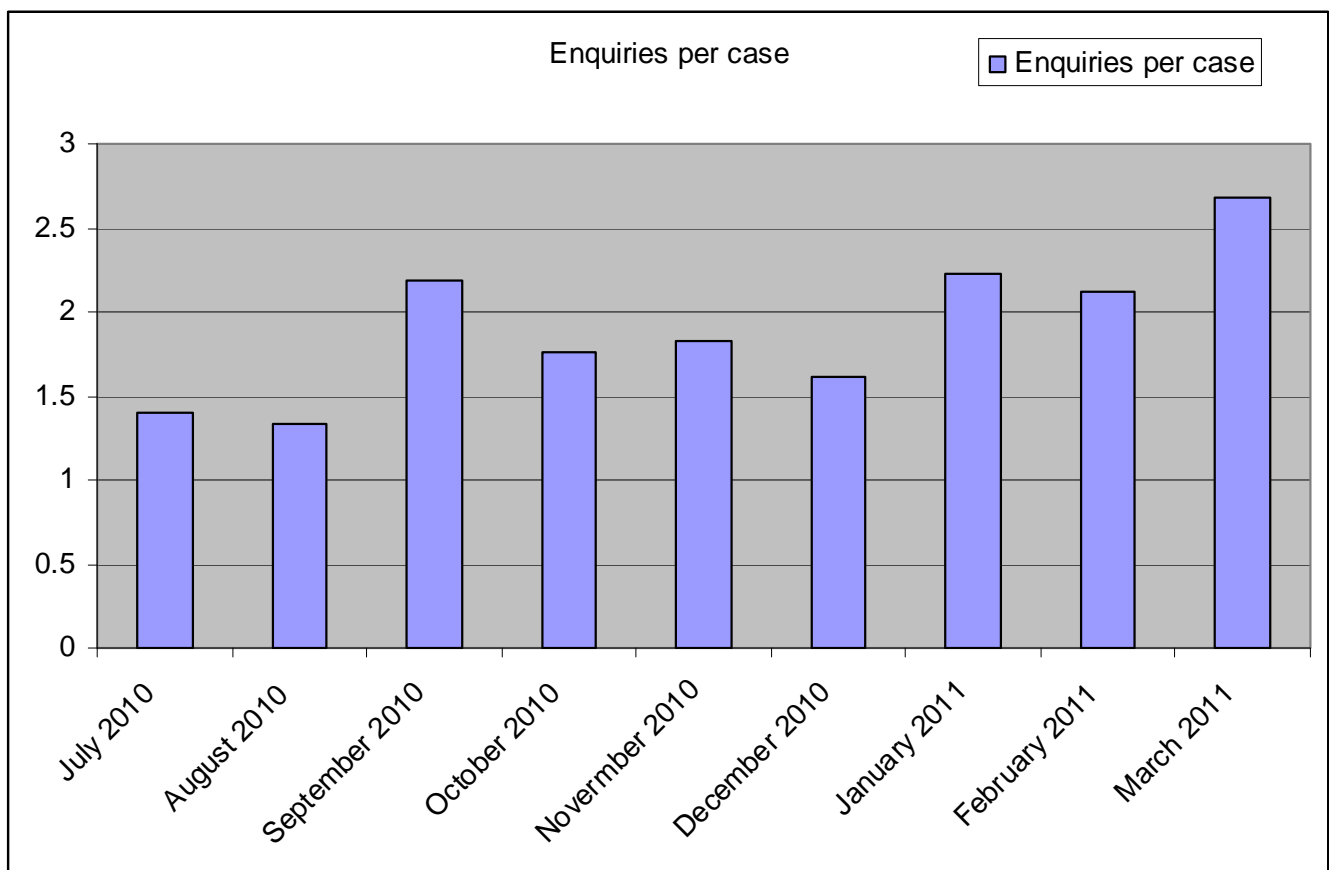


Queries are both case specific and non-case specific so it is not just the number of projects that we have which will influence the amount of s51 advice we give. Non case specific advice could be an enquirer asking about a 'hypothetical project', early enquiries about projects not yet registered on COSMO, statutory consultees on overall duties etc. There is not an obvious upward trend in non-case specific s51 advice with it largely falling between 15 and 35 responses a month. The growth in queries has come from a growth in case specific advice rising between July (21) and October (44), before falling noticeably between October (44) and November (31) and December (37) and January (29), and then picking up again in February (51) and March (51).

The number of case-specific queries is influenced by both the number of cases that generate questions and how many s51 items these cases generate:



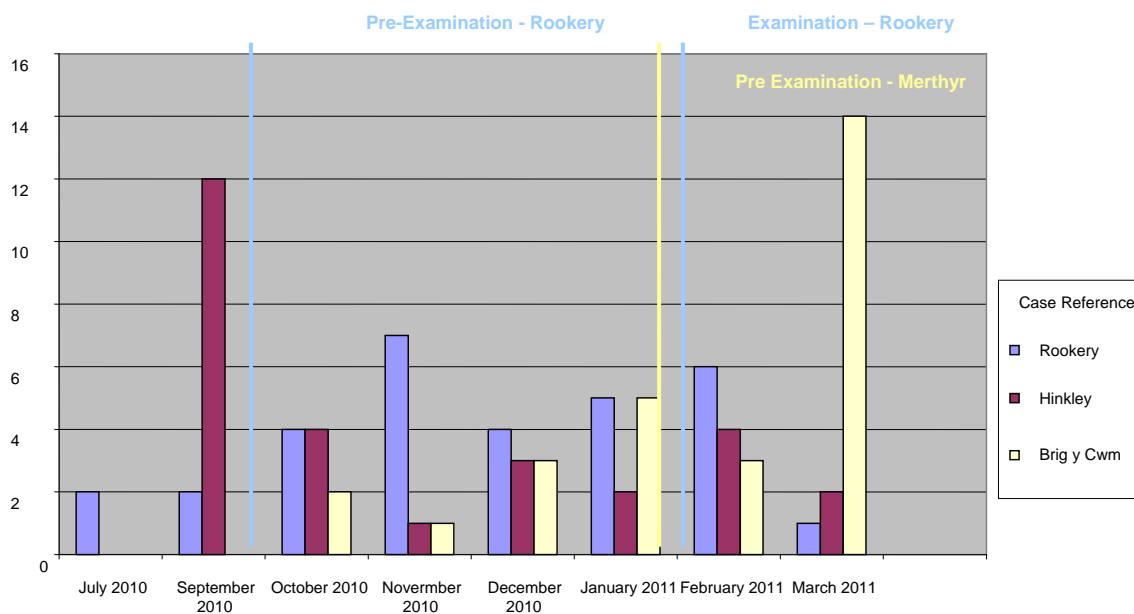
The total number of cases on the IPCs register has not increased over this period. However, the amount of cases that generate queries has fluctuated slightly over time (e.g. we received queries on 15 different projects in August and 25 different projects in October despite having a similar amount of total registered cases).



The increase in the total number of s51 queries is more closely related to an increase in queries uploaded per project e.g. in July there were on average 1.4 questions asked per project where as in March there were 2.65). We have seen a slight increase in recent months in the number of queries per project and it would be useful to review this in the next analysis. Cases do not appear to experience a slow gradual increase but instead distinct spikes of activity, not simply increasing as the case moves through the IPC process but fluctuating up and down over the life of the case. Below are examples of this with three of our most active cases:

Case enquiries over time

At present no individual case has received greater than 35 items of s51 advice and the data is insufficient to identify any significant patterns over the life of cases, but an initial analysis is completed below and this should change in time as cases progress through the planning process fully. When trends are available it will be possible to anticipate particular spikes in s51 enquiries based on the stages that applications reach.



Above are the three most active cases received by the IPC in terms of the number of Section 51 queries; Rookery South energy from waste generating station (EN010011), Hinkley C nuclear power generating station (EN010001) & Merthyr Tydfil energy from waste generating station (EN01004).

Rookery South began pre-examination at the beginning of October and entered the examination stage at the end of January. Enquiries throughout the life of the project have ranged between 1 and 7 queries a month with the majority occurring in the pre-examination stage which is also the longest period of time so far (within the examination period).

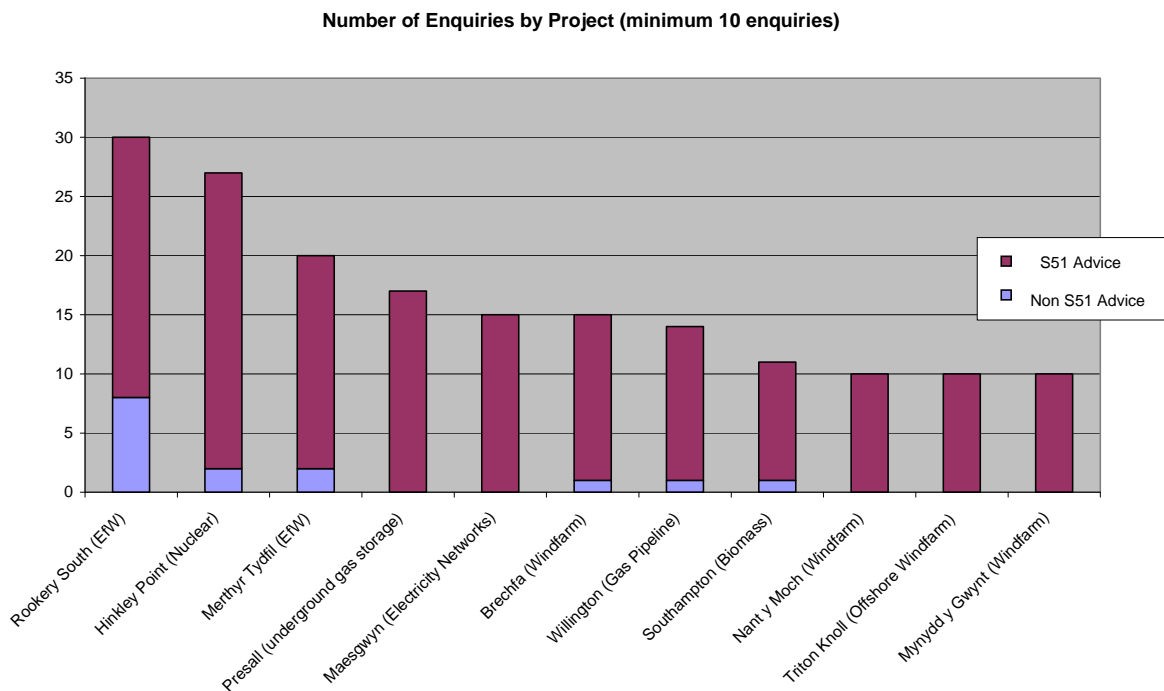
Hinkley C is yet to submit an application to the IPC and enquiries have reduced from the first month to between two and four queries a month since. The initial spike in s51 advice about Hinkley C in September is largely made up of early representations and expressions of dissatisfaction with the applicant’s consultation. This ‘post consultation’

phase may be a feature of other cases that creates an increase in s51 activity. It should be noted that much s51 advice for Hinkley was given before it began being logged on COSMO.

Brig y Cwm entered into the pre-examination stage at the end of January and saw a significant spike in activity in March. The queries in this month for Merthyr were made up of meeting notes from public events and meetings with the applicant, queries from different stakeholders about their representations and clarifications on process. The spike appears to be partly caused by late logging of s51 advice from February, possibly due to the large amount of work that Merthyr created for the case team elsewhere, and indicates a spike in February and March on this case. Again this may point to a spike in the second month after pre-examination, mirrored on a smaller scale in Rookery, for the reasons above.

When considering the total amount of s51 queries we deal with it is important to note that case leaders feel that not all s51 advice is being captured. Conversations between case team and applicants do not always get captured and often if a query is repeated many times it will only be logged once. This will inevitably underestimate the resource that s51 requires.

Enquiries by cases



The table shows the projects that have received the most s51 advice. These are unsurprisingly typically the projects that have been with the IPC for the greatest length of time and are most developed along the process.

What is typical non-s51 advice?

A few questions in the log are classified as non-s51 Advice is advice that we give that is not about applying for development consent or making representations about an application. Examples of non-s51 advice that we give:

- *How many projects do we have/anticipate?*
- *What is the status of the IPC?*
- *Have you received my representation?*

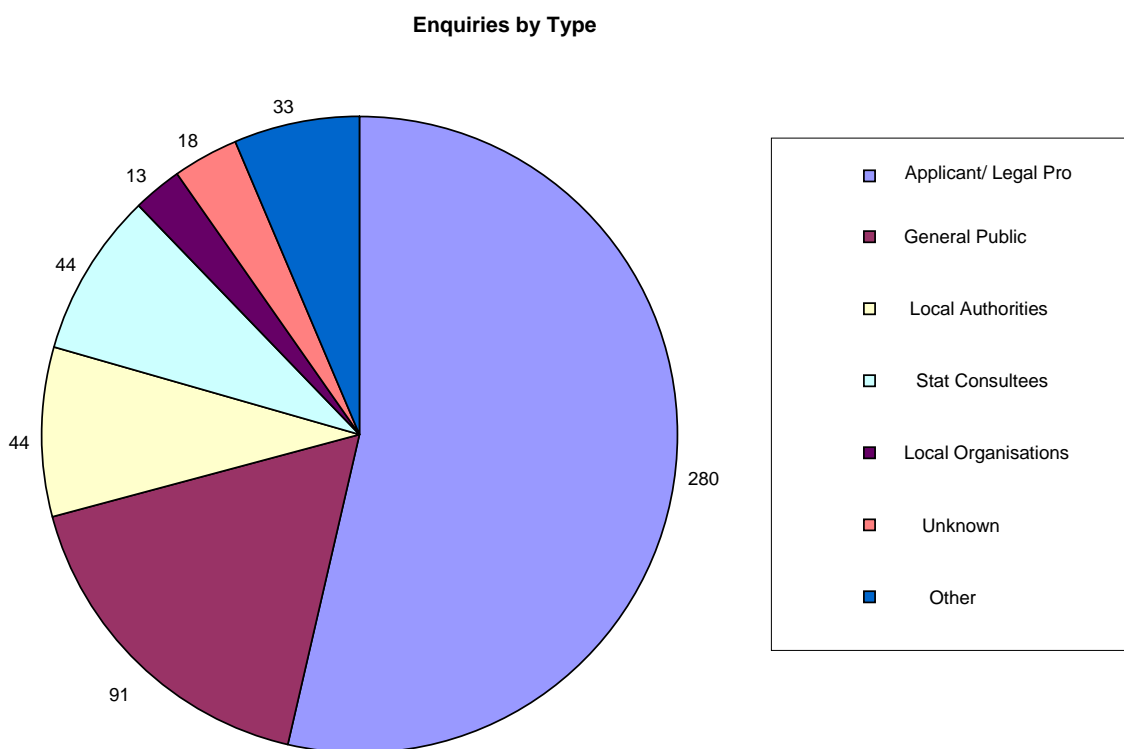
The non-s51 advice for Rookery South shown in the graph above is mostly people requesting information on the project, meeting notes, statements of common ground or copies of reports.

There is some inconsistency in COSMO as to what is considered to be s51 Advice. Questions about compulsory purchase, local impact reports, the IPC processes, etc. are occasionally included here despite typically being considered s51 Advice elsewhere.

It is worth noting for SMT that COSMO contains a whole variety of workflow data on cases that may give an even clearer indication of overall resource commitments, and this combined with SAP and this s51 report may provide a clearer picture.

Enquirers

2



The most common enquirers are applicants/potential applicants or legal/planning professionals on their behalf. The remaining 45% (~) are made up of the general public, local authorities, statutory consultees, local organisations, unknowns and others. The enquirers classified as 'other' are made up of businesses looking for contacts in the industry, students doing projects, Non-Governmental Organisations with an interest in a particular subject such as Nuclear and a variety of others.

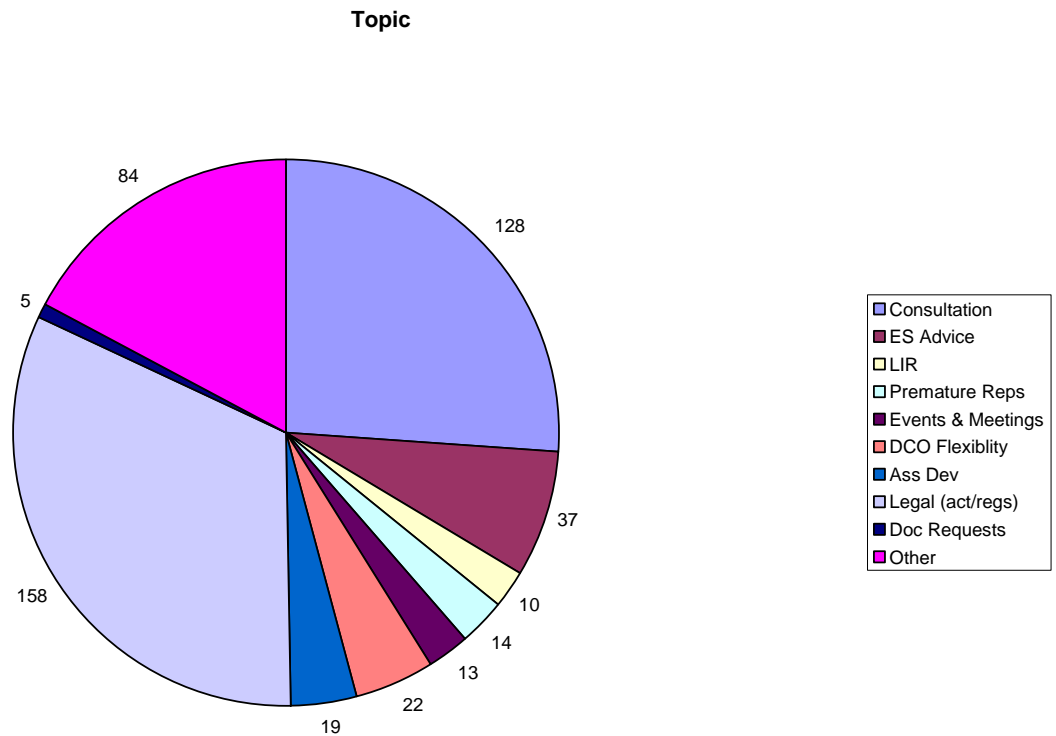
² N.B. Data for the enquirer and topic pie charts is from the advice log coding exercise which includes all advice logged since the IPC formation and is a larger data set than the COSMO advice log data that is used for other analysis.

Top IPC Enquirers

Name/Organisation	Number of Enquiries
RWE Npower	36
National Grid	10
SSE Renewables	10
Bill Temple-Pediani (independent applicant not clearly affiliated to any major generating company)	9
Burges Salmon	8
EDF	8
Protect Wyre Group	5
Western Power Distribution	6
Helius Energy	5
Renewable Energy Holdings	5

The above table shows the top enquirers to the IPC by either organisation or individual. As above the majority are applicants, with one legal firm and a protest group also featuring on the list. The majority of these items that are logged in the database against each enquirer are meeting notes uploaded to COSMO by IPC staff.

Topics



The most common topics are legal queries on the act and consultation. In interview ACOs felt that the topics that attracted the most interest were where the issue in question was not clearly prescribed in the act.

Below are some examples of the typical questions in each topic (where this is not self explanatory):

Consultation:

- Advice to developers, members of the public and stat cons on the pre-application processes.
- Protests about the quality of the consultation – ‘the applicant’s consultation documents are too long’, ‘important information is hidden’, ‘IPC didn’t provide any information’ etc.
- How were/will be the points that I raised in my consultation response addressed?
- Is X a consultee? Why aren’t we a stat consultee?
- Where (geographically) is the project?

Environmental Statement Advice:

- Advice on the format of preliminary environmental information
- Process of the IPC environmental scoping opinion
- Content of environmental statements
- Why are we being consulted? Can we have an extension for responding? Why is the document so big?

Local Impact Reports:

- At what stage does the Local Authority submit a Local Impact Report?
- Do you publish Local Impact Reports? Can we have an example of one? What is the format/content?

Legal:

- Clarifications on IPC processes and procedures - essentially either introductions to the IPC, the key roles and responsibilities of stakeholders, particularly pre-application processes, fee structures.
- Is it an NSIP/Would it come to the IPC?
- Questions about compulsory purchase

Other:

Other questions were typically on the progress of applications and the clarification on process, the weight that might be given to particular issues, announcements of projects coming to the IPC and the importance of non designated NPSs.

It is questionable whether all of the topics raised constitute s51 advice, for example 'document requests' and 'events and meetings' may not relate to making representations or applying for an order granting development consent. This may point to some inconsistencies in the logging of s51 advice amongst the large number of IPC staff who upload them.

The IPC currently has a set of Frequently Asked Questions (FAQs) on the website and the knowledge and information team is developing this further to address many of the common questions above.

Conclusions see Executive Summary

BOARD PAPER

Meeting Date:	26 May 2011	Item No:	3.0
Paper Title:	Operations Report		
Authors:	Ian Gambles & Janet Wilson		

1. Recommendations

1.1 To note:

- a) the progress of the first two applications, and the heavy burden they are placing on operational and legal resources,
- b) the significant change in operational tempo to be expected this summer with the arrival of 6-10 further applications,
- c) a prospective legal challenge to the Commission's first s53 decision,
- d) the first deployment of registered Commissioners on casework,
- e) the statistical trends in s51 advice provided by the IPC.

2. Application work

- 2.1. Operational activity in recent weeks has been concentrated on the two accepted applications as they progress through the pre-examination and examination stages.

Rookery South

- 2.2. The Rookery South examination is running to timetable. The Examining Authority has now posed two rounds of questions and received responses to them. 97 written representations were received and 9 comments on them. The first hearing, on drafting aspects of the DCO and requirements, was held on 13 May 2011. The Examining Authority has decided to hold further issue-specific hearings in mid-June, and there will be compulsory acquisition hearings at the end of June, open floor hearings very near to the site in early July, and a second site visit on 12 July 2011 shortly before the scheduled close of the examination on 15 July 2011.

Brig y Cwm

- 2.3. Registration in connection with the proposed energy-from-waste generating station at Brig y Cwm near Merthyr Tydfil closed on 25

March 2011. Drop-in sessions to assist the general public with their understanding of the registration process took place on 17 and 18 February 2011; in response to feedback, additional sessions were held on 16 and 17 March 2011. All the sessions were well attended, with more than 200 people advised on how to participate in the process. The events attracted press and TV interest.

- 2.4. Many more representations were lodged on this proposal than that relating to Rookery South. In total more than 10,000 registration forms were received, many of them delivered by hand as part of a peaceful demonstration outside Temple Quay House. The majority of the forms submitted were photocopied, with significant numbers making identical representations. A small proportion was incomplete or contained representations but no contact details, so approximately 9,900 people have successfully registered as interested parties.
- 2.5. This unexpected tenfold increase in registrations over that experienced in the case of Rookery South, and the large number of hard copy forms (the electronic:hard copy ratio was 1:5 for Brig y Cwm, 5:1 for Rookery South) has posed operational challenges. Capturing and cleansing all the data, carrying out necessary redaction, and publishing all the representations on the website took approximately five weeks. This has now been successfully completed and has not delayed the examination timetable, but there are important lessons to be learned and process improvements are already in hand. Changes have also been made to the website in response to feedback from customers to facilitate better searching of representations and to improve the speed of loading, which was particularly important given the volume received.
- 2.6. The Rule 6 letter has now been despatched to all interested parties along with the provisional timetable for the examination and accompanying guidance on the format and management of the preliminary meeting which will be held on 7 June 2011.
- 2.7. The Panel appointed to examine the application comprises Jan Bessell as lead member, Glyn Roberts (a Welsh Commissioner) and Lorna Walker. Lorna is the first registered Commissioner to be appointed in an Examining Authority role.

Maesgwyn

- 2.8. Confirmation has been received that the developer of the proposed electricity connector to the Maesgwyn wind farm – the application for which was not accepted by the IPC in August 2010 – will not be making a revised submission.

3. Pre-application work

- 3.1. Pre-application activity has picked up again with five new projects on the website since the last operations report. One project has also been removed from the programme. Of the 5 new proposals 4 relate to electricity connectors and 1 is a highway scheme. They are as follows:
- National Grid - North London Electricity Line reinforcement between Waltham Cross and Tottenham
 - National Grid - Thorpe March Electricity Connector at Barnby Dun Doncaster
 - National Grid 400kv line from Shropshire to Powys
 - Scottish Power proposal for three connectors between a number of Welsh Wind farms and the National Grid line mentioned above.
 - Heysham to M6 link road and M6 junction alterations
- 3.2. The largest of these schemes are the two proposals in Mid Wales (one of which may eventually be a number of separate proposals serving three distinct groups of wind farms). These are complex proposals with joint consultation by the two companies over a wide geographical area currently taking place and due to end in mid May. Submission is not expected until 2012-13. Jim Claydon has been appointed as pre-application Commissioner, the first registered Commissioner to be utilised in this role.
- 3.3. The project which has been removed relates to an electricity connector proposal by National Grid in South Wales (East of Swansea to Baglan Bay). National Grid have decided not to proceed with the scheme.
- 3.4. Other progress worthy of note is:
- Triton Knoll – a draft DCO has been received and s51 advice has been given
 - Ipswich and Doncaster chords – detailed s51 advice on draft DCOs has been given to Network Rail, the applicant in these two schemes, and submission is expected later this month
 - Port of Southampton – the developer Helius Energy Ltd have advised that they will reconsult later in the summer on their proposed biomass generating station.
- 3.5. The Commission issued its first s53 decision, authorising access to land in connection with EDF Energy's proposed development of a nuclear power station at Hinkley Point. This decision is now the subject of legal correspondence.

4. Workload Intelligence

4.1. The new schemes set out above bring the total of schemes at pre-application to 56. Schedule 1 sets out the details of these 56 cases (two at application stage and 54 at pre-application). Proposals which have been withdrawn or otherwise closed remain accessible on the website but are not shown here.

4.2. The breakdown is as follows:

<i>Proposal type</i>	<i>Number</i>	<i>%</i>	<i>Change</i>
EN01 - Generating Stations	34	60%	=
EN02 - Electric Lines	8	16%	Up 3 (+4, -1)
EN03 - Underground Gas Storage Facilities	1	2%	=
EN07 - Other Pipelines	1	2%	=
TR01 - Highways	5	9%	Up 1
TR03 - Harbour Facilities	1	2%	=
TR04 - Railways	4	7%	=
TR05 - Rail Freight Interchanges	1	2%	=
WW01 - Waste Water Treatment Plants	1	2%	=
<i>TOTAL</i>	<i>56</i>		

4.3. There is no significant change to our workload forecasts. Resource planning decisions are based on workload scenarios; the scenarios for applications expected in the financial year 2011-12 are currently:

- Central: 22
- Low: 16
- High: 26

4.4. The profile of the central scenario is shown below and indicates a surge in workload in the high summer and autumn. This will represent a significant step up in tempo for the organisation, and detailed resource and recruitment planning is ongoing. The figure below illustrates the forecast.

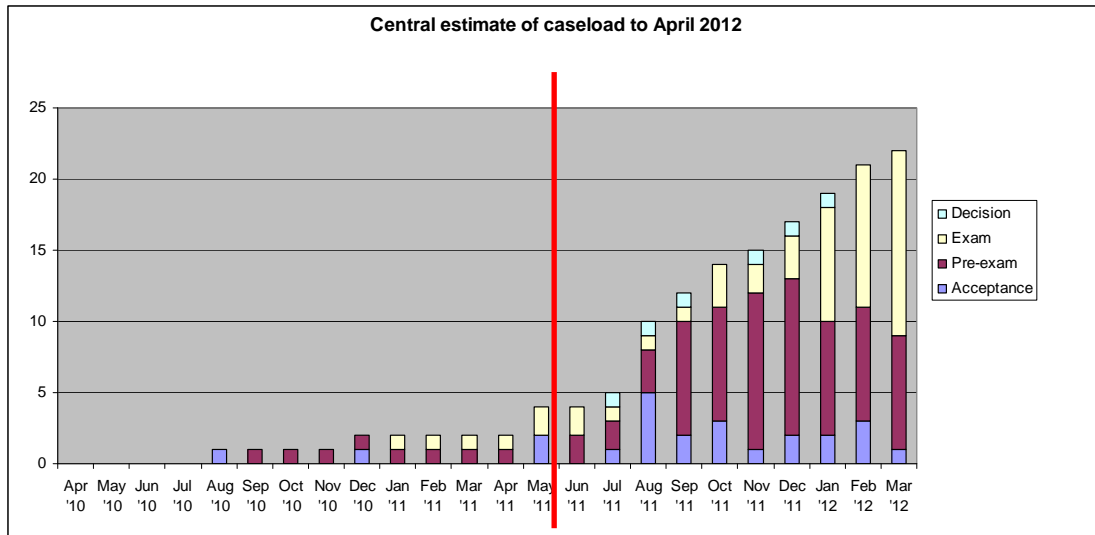


Fig 1

5. Website development

5.1. Development work this month has seen major changes in the presentation of information on the website which has been well received by customers and staff. Board members are encouraged to review the presentation of documents and other information and give feedback to the Case Management and Communications teams.

6. Analysis of s51 advice

6.1. An additional report is annexed providing a detailed quantitative analysis of the s51 advice given by the IPC over the last few months. This is the first such structured analysis, and it is intended to repeat the exercise in six months' time in order to review trends. Among the conclusions which can be drawn at this stage are that:

- the majority of those requesting s51 advice from the IPC are acting in a professional capacity, including a very significant number of legal representatives
- the pre-examination stage has so far seen peaks in enquiries leading to the giving of s51 advice
- the advisory workload is growing steadily, but its complexity can be managed by the production of external and internal advice notes covering important matters regularly raised.

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BOARD PAPER

Meeting Date:	26 May 2011	Item No:	5.0
Paper Title:	Recruitment Update		
Author:	Lucienne Jones		

1. Recommendation

1.1. That the Board note the actions and progress made in relation to current IPC recruitment as at 19 May 2011.

2. Advertising and applications

2.1 The IPC has now advertised the 14 initial posts to be filled. These were advertised on level transfer only, on secondment terms until 31st March 2012. The posts were advertised to IPC, PINS, GO and surplus DCLG staff.

2.2 We received the following applications:

- Case Officer (EO/HEO): 5 (all HEO) for up to 3 EO/HEO vacancies
- We also have 1 additional EO vacancy to replace new leaver.
- Assistant Case Officer (AO): 2 for up to 3 vacancies.
- Case Administrator (AA): 6 for up to 5 vacancies.
- EIA Advisor (HEO): 1 for 1 vacancy (person also applied for HEO Case Officer role).
- Case Administration Manager (HEO): No applications.
- Lawyer (G7): No applications.

2.3 NB. Some applicants work 2-3 days per week and may be able to share one post, so we may have more outstanding vacancies than appears from the above. All applicants came from PINS and the IPC.

3. AA, AO and HEO Interviews scheduled.

3.1 We have now scheduled assessments and interviews for the AA, AO and HEO posts. These will take place between now and w/c 13th June. (HEO interviews were delayed due to candidate availability).

3.2 If there are still vacancies following the interviews the posts will be advertised to all surplus staff across the civil service. Then we may wish to open them to staff on promotion when we advertise on Civil Service Jobs. This would be publicised within PINS, GO and IPC.

3.3 If posts remain unfilled we shall seek approval from DCLG to advertise externally.

4. Case Administration Manager

4.1 This post has now been advertised on CS VACS to all surplus staff within the Civil Service. The Closing date is 1st June. If we have no successful applicants following this, the post will be advertised on Civil Service Jobs and we may decide to offer on promotion.

5. Lawyer

5.1 This post has now been advertised on CSVacs, Civil Service Jobs (exclusively to current civil servants or accredited NDPBs) and has been circulated to those in the Government Legal Services.

5.2 If we receive any applications following this advertisement, we will interview any suitable candidates.

5.3 If there are no successful candidates we would then like to advertise externally. In anticipation that we may be unable to find a suitable candidate from within the Civil Service we have sought approval from Richard McCarthy to advertise externally and as a permanent position. We have sought this approval because there is a risk that advertising as a temporary contract for less than a year is unlikely to attract external candidates and will not meet the needs of national infrastructure planning for legal support.

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**FRAMEWORK DOCUMENT FOR THE
INFRASTRUCTURE PLANNING
COMMISSION**
May 2011

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1. Introduction

- 1.1 This framework document has been drawn up, and agreed, by the Department for Communities and Local Government (DCLG) and the Infrastructure Planning Commission (IPC). This is a living document that will evolve over the life-span of the IPC and terminate upon the IPC's abolition in 2012.
- 1.2 This document sets out the broad framework within which the IPC will operate and the key responsibilities in respect of that on the IPC and DCLG. It lays down requirements and makes general provision about governance and accountability; management and financial responsibilities; budgeting; financial delegations and matters relating to the employment of IPC staff.
- 1.3 The document confirms the arrangements by which DCLG, as Sponsor Department, will monitor the performance of the IPC in recognition of the IPC as an independent public body but with DCLG Ministers ultimately accountable to Parliament for its efficiency and effectiveness.
- 1.4 This document does not convey any legal powers or responsibilities.
- 1.5 This framework document has been signed and dated on behalf of both DCLG and the IPC by the Director of Planning in DCLG and the Chief Executive of the IPC. Revisions to the document will require further consultation and agreement and will need to be signed again on behalf of both parties.

2. Role of the Infrastructure Planning Commission

- 2.1 The IPC was created to examine and take decisions or make recommendations on applications for development consent for Major Infrastructure Projects in respect of energy, transport, water and waste facilities. The IPC will examine applications and take decisions based on the policy framework set out in National Policy Statements (NPSs) as ratified by Parliament, and on the individual issues raised in respect of each application. Where NPSs are in draft form the IPC will make recommendations only on applications, with the decision being taken by Government Ministers.
- 2.2 The IPC is accountable to Government in respect of how it operates and spends money but independent in terms of the decisions or recommendations it makes on major infrastructure applications. The IPC may have to account to Parliament for decisions taken.
- 2.3 The IPC's statutory duties are to perform all its functions in accordance with the Planning Act 2008, associated secondary legislation and any Secretary of State (SoS) guidance.

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- 2.4 The IPC's strategic aim is to help deliver a faster, fairer, more efficient and unified planning consent regime that will provide:
- a responsive planning system which integrates economic and social objectives;
 - a streamlined, efficient and predictable system;
 - full and fair opportunities for public consultation and engagement; and
 - a transparent and accountable system.
- 2.5 NPSs will set the policy for individual infrastructure sectors. These will be subject to an Appraisal of Sustainability (AoS), public consultation and Parliamentary scrutiny and ratification before they are designated. This will ensure they integrate environmental, social and economic policies with the aim of contributing to sustainable development. The IPC is expected to contribute to the achievement of sustainable development and act in accordance with current Government strategy and legalisation in its operation.
- 2.6 By statute the IPC has no policy role. Its duty is to implement the policy set out in the agreed NPSs. The IPC is, however, a consultee for the development of NPSs in order to comment on their 'fitness for purpose'.
- 2.7 The IPC's powers and duties stem from Parts (1) to (4), (5) and (6) and Schedule 1 of the Planning Act 2008 and from associated secondary legislation and SoS guidance.

3. Over-arching IPC and DCLG responsibilities (including to Parliament)

- 3.1 The Secretary of State for Communities and Local Government will account for the IPC's overall operational effectiveness in Parliament. However the Secretary of State will not account for the individual decisions of the IPC. As an independent body operating within the framework of designated NPSs the Chair of the IPC will account to Parliament for individual decisions when required.
- 3.2 The IPC and DCLG will provide each other with information as requested by either party to enable Parliamentary Questions, Freedom of Information requests and correspondence from Members of Parliament or the public, on IPC related issues, to be answered within specified deadlines. Where relevant, the Secretary of State may encourage MP's or the public to write directly to the IPC, or may pass correspondence to the IPC to reply.
- 3.3 The overarching responsibilities of the Secretary of State include:

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- making sufficient funds available to the IPC to enable it to perform its functions as required by the 2008 Planning Act while ensuring value for money to the public purse;
- ensuring the policy framework, through National Policy Statements, within which the IPC will operate is in place or in draft;
- agreeing the Corporate plan and the Business plan;
- agreeing the Annual Report and Accounts and laying the Annual Report and Accounts before Parliament;
- informing the IPC of any policy changes which may impact upon its operation;
- monitoring and challenging IPC operational performance and keeping Parliament informed as necessary;
- setting and approving the fee recovery method and rate;
- carrying out the duties of the 2008 Act to appoint and approve the terms and conditions of the Chair, CEO, Deputy Chairs, Board members, Commissioners and for approving strategic workforce planning and the Terms and Conditions policy for IPC staff.

3.4 The overarching responsibilities of the IPC include:

- Performing its legal requirements in respect of the 2008 Planning Act and relevant secondary legislation and responsibilities in respect of National Policy Statements while accepting, examining and deciding or making recommendations on major infrastructure applications, within statutory time-scales.
- Submitting draft Corporate and Business plans to DCLG by end February each year unless otherwise agreed;
- Submitting an Annual Report and audited Accounts to DCLG by June each year unless otherwise agreed;
- Keeping DCLG informed of IPC operational performance through key milestone information and other information as appropriate to enable DCLG to effectively monitor IPC workload and performance.
- Providing DCLG with monthly information on spend and forecast spend (as described at 5.17 to 5.23) and as requested to enable DCLG to monitor the IPC's draw down in grant-in aid and its cash management
- Complying with Spending Control and Transparency guidance issued from the Cabinet Office

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4. The IPC Board and Chair

The IPC Board

- 4.1 The members of the IPC are the Chair, the two Deputy Chairs and other Commissioners (“Commissioners”) appointed by the Secretary of State. This is distinct from membership of the IPC Board.
- 4.2 The IPC Board operates under the IPC’s scheme of delegation (attached at annex A).
- 4.3 Composition of the Board - In line with the Government’s Code of Practice on Corporate Governance, the IPC Board will include a chairman and at least four executive members with a balance of skills and experience appropriate to directing the IPC’s business. Board members should have experience of IPC business, operational delivery, performance management and corporate services such as HR, IT, Finance, Procurement and communications. The Board will also include two independent non-executive members to ensure that executive members are supported and constructively challenged in their role. Board members may also include Deputy Chairs of the IPC.
- 4.4 Audit & Risk - The Board should ensure that effective arrangements are in place to provide assurance on risk management, governance and internal control. The Board must set up an Audit and Risk Committee and assure itself of the effectiveness of other internal control and risk management systems.
- 4.5 General Requirements - The Board is specifically responsible for:
 - establishing and taking forward the strategic aims and objectives of the IPC consistent with its overall strategic direction and within the policy and resources framework determined by the Secretary of State;
 - ensuring that the Secretary of State is kept informed of any changes which are likely to impact on the strategic direction of the IPC or on the attainability of its targets, and determining the steps needed to deal with such changes;
 - ensuring that any statutory or administrative requirements for the use of public funds are complied with; that the Board operates within the limits of its statutory authority and any delegated authority agreed with the sponsor department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching financial and management decisions, the Board takes into account guidance issued by the sponsor department;

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- ensuring that they receive and review regular financial information concerning the management of the IPC; that they are informed in a timely manner about any concerns about the activities of the IPC; and that they provide positive assurance to DCLG that appropriate action has been taken on such concerns; and
- demonstrating high standards of corporate governance at all times, including by using the independent audit committee to help the Board to address key financial and other risks.

The IPC Chair

- 4.6 The Chair is appointed by the Secretary of State for a minimum period of five to a maximum of eight years. The appointment is made in accordance with the Code of Practice issued by the Commissioner for Public Appointments. The Chair's remuneration is determined by the Secretary of State.
- 4.7 The Chair is responsible to the Secretary of State for the overall operation of the IPC and to Parliament for the recommendations and decisions of the IPC. Communications between the IPC Board and the Secretary of State should normally be through the Chair. The Chair is responsible for ensuring that the decisions of the IPC are in accordance with the Planning Act and that its affairs are conducted with probity.
- 4.8 In addition, the Chair has the following leadership responsibilities:
- ensuring the IPC is recognised as a respected independent body which takes forward the vision and recommendations as set out in the Planning Act for a single entity planning regime;
 - leading the Board in formulating strategy;
 - ensuring that the Board, in reaching decisions, takes proper account of guidance provided by the responsible minister or the department;
 - promoting the efficient and effective use of staff and other resources;
 - delivering high standards of regularity and propriety; and
 - representing the views of the Board to the general public.
- 4.9 The IPC Chair also has an obligation to ensure that:
- the work of the Board and its members are reviewed and are working effectively;

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- advising the SofS on the balance of Board skills appropriate to directing the IPC business, as set out in the Government Code of Good Practice on Corporate Governance;
 - Board members are fully briefed on terms of appointment, duties, rights and responsibilities;
 - he together with the other Board members, receives appropriate training on financial management and reporting requirements;
 - the Secretary of State is advised of IPC needs when Board vacancies arise; and
 - he annually assesses the performance of individual Board members and provides a performance assessment when they are being considered for re-appointment.
- 4.10 Code of Practice for Board Members - The Chair will ensure that there is a code of practice for Board members in place consistent with the Cabinet Office model Code. The Code shall commit the Chair and other members to the Nolan seven principles of public life.
- 4.11 Conflicts of Interest - The Nolan principles include a requirement for a comprehensive and publicly available register of members' interests. IPC Board Members, Secretariat Staff and Commissioners will be required, when asked to serve in any role, to disclose any financial or other interests that might be regarded as giving rise to a conflict of interests. The Chair will ensure that there is up to date guidance on conflicts of interest for members of the Commission; this will be operated jointly with the Chief Executive in respect of member specific conflicts of interest.

Individual Board members' responsibilities

- 4.12 Individual Board members should:
- comply at all times with the *Board Members' Code of Practice* and with the rules relating to the use of public funds and to conflicts of interest;
 - not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations;
 - comply with the Board's rules on the acceptance of gifts and hospitality, and of business appointments; act in good faith and in the best interests of the IPC.

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5. Finance

General Principles

- 5.1 Unless notified by DCLG and, as necessary, HM Treasury, the IPC shall follow the principles, rules, guidance and advice in Managing Public Money, referring any difficulties or potential bids for exceptions to the sponsorship team in CLG in the first instance.
- 5.2 The IPC will allow DCLG the right of access to all IPC records, excepting some matters where staff permission is considered appropriate, and to staff for any purpose as requested including, for example, checks on Grant-in-Aid expenditure, sponsorship audits and operational investigations.

DCLG and IPC Accounting Officers Responsibilities

DCLG Principal Accounting Officer's (PAO) specific accountabilities and responsibilities

- 5.3 DCLG's Permanent Secretary, as the Principal Accounting Officer (PAO), has designated the IPC's Chief Executive Officer to be the IPC's Accounting Officer. The PAO has authority to withdraw financial delegation in certain circumstances as laid down in the letter of delegation.
- 5.4 The PAO is responsible for ensuring the financial and other management controls applied by DCLG to the IPC are sufficient to safeguard public funds and for ensuring that the IPC's compliance with those controls is effectively monitored. ("Public funds" also includes the receipt of fees). The PAO is also responsible for advising the responsible minister:
- on an appropriate budget for the IPC in the light of CLG's overall public expenditure priorities;
 - for providing advice for setting appropriate fee level structures for cost recovery; and
 - on how well the IPC is performing against its commitments and objectives as set out in its Corporate and Business Plans and whether it is delivering value for money.
- 5.5 DCLG's PAO is also responsible for ensuring arrangements are in place to:
- monitor the IPC's operational activities on an ongoing basis;

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- address significant problems in the IPC, making such interventions as are judged necessary;
- periodically carry out an assessment of the risks both to the department and to IPC objectives and activities;
- bring concerns about the activities of the IPC to the full IPC board, requiring explanations and assurances that appropriate action has been taken;
- ensure that the internal controls applied by the IPC conform to the requirements of regularity, propriety and good financial management.

Responsibilities of the IPC Chief Executive Officer as the IPC's Accounting Officer

5.6 The Chief Executive Officer (CEO) of the IPC is designated as the IPC's Accounting Officer upon appointment. The CEO as Accounting Officer is personally responsible for safeguarding the public funds for which he has charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of the IPC. In addition, he should ensure that the IPC as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management that are set out in Managing Public Money.

5.7 In particular the IPC AO has responsibility to:

- safeguard public funds at all times, maximising efficiency throughout the IPC and ensuring Government spending control protocols are enforced to manage expenditure in the most efficient and effective manner;
- sign the accounts and ensure that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Secretary of State;
- sign a Statement of Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- sign a Statement on Internal Control regarding the system of internal control, for inclusion in the annual report and accounts;
- ensure that effective procedures for handling complaints about the IPC are established and made widely known within the IPC;
- act in accordance with the terms of this document, Managing Public Money and other instructions and guidance issued from time to time by DCLG, the Treasury and the Cabinet Office; and

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- give evidence, normally with the PAO of DCLG, when summoned before the Public Accounts Committee on the IPC's stewardship of public funds.

5.8 Responsibilities to DCLG include:

- establishing, in agreement with DCLG and with regard to DCLG's wider strategic aims, the IPC's corporate and business plans;
- informing DCLG of progress in achieving the policy objectives laid down in the National Policy Statements and in demonstrating how resources are being efficiently used to achieve those objectives;
- ensuring that timely forecasts and monitoring information on performance is provided to DCLG and that DCLG is notified promptly if over or under spends are likely and that corrective action is taken; and that any significant problems whether financial or otherwise, and whether detected by internal audit or by other means, are notified to DCLG in a timely fashion.
- approving and signing off each monthly claim for Grant in Aid payments and ensuring a supporting narrative, if appropriate, is provided with each claim (see 5.17 to 5.23 on Grant In Aid)

5.9 Responsibilities to the IPC Board include

- advising the Board on the discharge of its responsibilities as set out in this document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time;
- advising the Board on the IPC's performance compared with its aims and objectives;
- ensuring that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that appropriate financial appraisal techniques are followed; and
- taking action as set out in paragraphs 3.7.5 of Managing Public Money if the Board, or its chair, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity or does not represent prudent or economical administration, efficiency or effectiveness, questionable feasibility, or is unethical.

IPC Audit Arrangements

Internal Audit

5.10 The IPC shall:

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- establish and maintain arrangements for internal audit in accordance with the Treasury's Government Internal Audit Standards (GIAS);
- ensure DCLG is satisfied with the competence and qualifications of the Head of Internal Audit and the requirements for approving appointments in accordance with GIAS 5.2;
- set up an audit committee of its board in accordance with the Cabinet Office's Guidance on Code of Practice for Public Bodies and the Audit Committee Handbook;
- forward the audit strategy, periodic audit plans and annual audit report, including the IPC's Head of Internal Audit opinion on risk management, control and governance as soon as possible to the sponsor department; and
- keep records of, and prepare and forward to the department an annual report of any fraud and theft suffered by the IPC and notify the sponsor department of any unusual or major incidents as soon as possible.

5.11 DCLG's internal audit service has a right of access to all documents prepared by the IPC's internal auditor, including where the service is contracted out.

External Audit

5.12 The Comptroller & Auditor General (C&AG) examines, certifies and reports on the IPC's annual accounts.

5.13 The C&AG:

- will inform DCLG and the IPC as to who – the NAO or a commercial auditor – will undertake the audit(s) on his behalf, though the final decision rests with the C&AG;
- has a statutory right of access to relevant documents, including by virtue of section 25(8) of the Government Resources and Accounts Act 2000, held by another party in receipt of payments or grants from the IPC;
- will share with DCLG information identified during the audit process and the audit report (together with any other outputs) at the end of the audit, in particular on issues impacting on DCLG's responsibilities in relation to financial systems within the IPC; and
- will, where asked, provide departments and other relevant bodies with Regulatory Compliance Reports and other similar reports which departments may request at the commencement of the audit and which are compatible with the independent auditor's role.

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- 5.14 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which the IPC has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under section 8 of the National Audit Act 1983. In addition, the IPC shall provide, in conditions to grants and contracts, for the C&AG to exercise such access to documents held by grant recipients and contractors and sub-contractors as may be required for these examinations; and shall use its best endeavours to secure access for the C&AG to any other documents required by the C&AG which are held by other bodies.
- 5.15 The C&AG must (a) examine, certify and report on the annual accounts and (b) provide a copy of the C&AG report to the Secretary of State.
- 5.16 In respect of each financial year the Secretary of State must lay before Parliament a document consisting of (a) a copy of the annual accounts for the year and (b) a copy of the C&AG's report on the annual accounts.

Grant in Aid Budget

- 5.17 Grant-in-Aid (GiA) provided by DCLG for the year in question will be voted in DCLG's Supply Estimate and be subject to Parliamentary control.
- 5.18 The GiA will normally be paid in monthly instalments on the basis of written applications showing evidence of need. The IPC will comply with the general principle, that there is no payment in advance of need. Cash balances accumulated during the course of the year from GiA or other Exchequer funds shall be kept to a minimum level consistent with the efficient operation of the IPC. GiA not drawn down by the end of the financial year shall lapse. Subject to approval by Parliament of the relevant Estimates provision, where GiA is delayed to avoid excess cash balances at the year-end, the department will make available in the next financial year any such GiA that is required to meet any liabilities at the year end, such as creditors.
- 5.19 Once the GiA budget has been approved by DCLG, the IPC shall have authority to incur expenditure approved in the budget without further reference to DCLG, on the following conditions:
- the IPC shall comply with the requirements of the financial delegation – the grant-in-aid budget – as set out in a letter to the IPC Accounting Officer each financial year.

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- the IPC shall comply with Managing Public Money regarding novel, contentious or repercussive proposals;
- the IPC must ensure a control mechanism is in place to prohibit spend that will either exceed or predict to exceed its delegated budget;
- the IPC will ensure that it uses GiA funds for the distinct purposes ascribed to it by DCLG;
- inclusion of any planned and approved expenditure in the budget shall not remove the need to seek formal departmental approval where any proposed expenditure is outside the delegated limits or is for new schemes not previously agreed; and
- the IPC shall provide DCLG with such information about its operations, performance individual projects or other expenditure as CLG may reasonably require.

Information to be provided with Monthly Grant in Aid Claims

5.20 As a minimum, the IPC shall provide DCLG with information monthly that will enable the department satisfactorily to monitor:

- the IPC's cash management;
- its draw-down of grant-in-aid;
- forecast outturn by resource headings;
- income generated by fees;
- other data required for the Combined On-line Information System (COINS).
- updated current and forecasted caseload

5.21 The GiA claim should be signed off each month by the Chief Executive as the Accounting Officer (or by a person delegated to do so by the Accounting Officer) who should ensure that each claim, when necessary, has an accompanying narrative highlighting any significant new or irregular spend/forecast spend. In addition to this, the DCLG Sponsorship Team may, from time to time, request further information on individual aspects of a Grant in Aid claim.

5.23 The Sponsorship Team will ensure that the IPC's monthly Grant-In-Aid claims are checked, amended if necessary after discussion with the IPC, and processed at least four working days before the end of each month to ensure that payment is received by the IPC by the last working day of the month.

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6. Corporate governance

Appointment of Members of the IPC

6.1 The IPC Chair, Deputy Chairs and permanent Commissioners are appointed for a period of five to eight years by the SoS and recruitment for these public appointments will comply with the Code of Practice of the Office of the Commissioner on Public Appointments (www.ocpa.gov.uk/the_code_of_practice.aspx). Although recruitment for Registered Commissioners is not subject to OCPA procedures the appointment process follows best practice as set out in the Office of the Commissioner for Public Appointments (OCPA) guidance.

Appointment of the Chief Executive

6.2 The Secretary of State is responsible for appointing a Chief Executive to the IPC. An appointment commenced on 1st January 2010. The Chief Executive is a member of the Commission's staff and must not be a Commissioner. The Chief Executive's terms and conditions of service are determined by the Secretary of State.

Risk management

6.3 The IPC shall ensure that the risks that it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and develop a risk management strategy, in accordance with the Treasury guidance: Management of Risk - Principles and Concepts. The IPC should adopt and implement policies and practices to safeguard itself against fraud and theft, in line with the Treasury's guide: Managing the Risk of Fraud. It should also take all reasonable steps to appraise the financial standing of any firm or other body with which it intends to enter into a contract.

Annual Report and accounts

6.4 The IPC must publish, by June unless otherwise agreed, an annual report of its activities together with its audited accounts after the end of each financial year. The IPC shall provide DCLG its finalised audited accounts each year as required by HMT.

6.5 The annual report must:

- comply with the Treasury's Financial reporting Manual (FReM);
- outline main activities and performance during the previous financial year and set out in summary form forward plans.

6.6 The report and accounts shall be laid in Parliament and made available on the IPC's website, in accordance with the guidance in the FReM. A draft of the report should be submitted to DCLG at least two weeks before the proposed publication date. The accounts should be

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prepared in accordance with the relevant statutes and specific accounts direction issued by the department as well as the FReM.

Corporate and business plans

- 6.7 By March the IPC shall annually submit a draft of the corporate plan to DCLG. The IPC shall agree with DCLG the issues to be addressed in the plan and the timetable for its preparation. The plan shall reflect the IPC's statutory duties and the policy parameters of the National Policy Statements, and the priorities set from time to time by the Secretary of State (including decisions taken on policy and resources in the light of wider public expenditure decisions).
- 6.8 The draft Business plan will be submitted by end February each year, unless otherwise agreed, to DCLG. The business plan shall be updated to include key targets and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by DCLG. Subject to any commercial considerations, a digest of the corporate and business plans should be published by the IPC on its website and be made available to the IPC's staff.
- 6.9 The following key matters should be included in the plans:
- key non-financial performance targets;
 - key objectives and associated key performance targets for the forward years, and the strategy for achieving those objectives;
 - a review of performance in the preceding financial year, together with comparable outturns for the previous 2 years (when available), and an estimate of performance in the current year;
 - alternative scenarios and an assessment of the risk factors that may significantly affect the execution of the plan but that cannot be accurately forecast; and
 - other matters as agreed between DCLG and the IPC.

Budgeting process

- 6.10 Each year, in the light of decisions by DCLG on the updated draft corporate plan, DCLG will send to the IPC by end of July unless otherwise agreed:
- a formal statement of the annual budgetary provision allocated by DCLG in the light of competing priorities across DCLG and of any forecast income approved by DCLG; and
 - a statement of any planned change in policies affecting the IPC.

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6.11 The approved annual business plan will take account both of approved funding provision and any forecast receipts, and will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any departmental funding and/or other income over the year. These elements form part of the approved business plan for the year in question.

Delegated authorities

6.12 The IPC shall obtain DCLG's prior written approval before:

- entering into any undertaking to incur any expenditure that falls outside the IPC's delegated authorities or which is not provided for in the IPC's annual budget as approved by CLG;
- incurring expenditure for any purpose that is or might be considered novel or contentious, or which has or could have significant future cost implications;
- making any significant change in the scale of operation or funding of any initiative or particular scheme previously approved by the department;
- making any change of policy or practice which has wider financial implications that might prove repercussive or which might significantly affect the future level of resources required; or
- carrying out policies that go against the principles, rules, guidance and advice in Managing Public Money.

Reporting performance to DCLG

6.13 The IPC shall operate management, information and accounting systems that enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in the corporate and business plans. The IPC shall inform DCLG of any changes that make achievement of objectives more or less difficult. It shall report financial and non-financial performance, including performance in helping to deliver ministers' policies, and the achievement of key objectives on a quarterly basis. The IPC's performance shall be regularly monitored by DCLG but due to abolition in 2012 there is unlikely to be a formal review undertaken, unless circumstances warrant it. A DCLG Minister will meet the Chair and CEO once a year at least.

7. DCLG Sponsorship of IPC – Working Level Liaison

7.1 The DCLG sponsorship team for the IPC is the primary day-to-day contact for the IPC. They are the main source of advice to Ministers on the discharge of their responsibilities in respect of the IPC. They also support DCLG's PAO on their responsibilities toward the IPC. It is the

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responsibility of the DCLG sponsorship team to supply the IPC with any advice or guidance requested and to regularly and promptly send relevant HM Treasury guidance i.e. DAO letters, pay guidelines etc to the IPC.

- 7.2 The DCLG sponsorship team will liaise regularly with IPC officials to review the IPC's financial performance against plans, achievement against IPC targets and the IPC's expenditure against its DEL allocation. The IPC sponsorship team will liaise as necessary for day to day functions and any ad-hoc duties as required. The IPC sponsorship team will also take the opportunity to explain wider policy developments that might have an impact on the IPC. This particularly includes any changes and updates to National Policy Statements which the IPC must conform to.
- 7.3 The Major Infrastructure Programme Board will provide a formal forum for dialogue and cross-government consultation on the delivery of the programme of legislation, National Policy Statements, operational targets and the management of risks relating to IPC's role. Membership will include DCLG, DECC, DEFRA, DfT, BIS and the IPC. The Board will help DCLG perform a challenge function in relation to the IPC's general performance against its commitments and objectives as agreed in the Corporate and Business Plans.
- 7.4 The Sponsorship Team will ensure that the IPC's monthly Grant-In-Aid claims are checked, amended if necessary after discussion with the IPC, and that payment is received by the IPC by the last working day of the calendar month.
- 7.5 To aid DCLG responses to other Government Departments and in respect of general monitoring, reporting and responding to correspondence, in line with the strong accent on information gathering from DCLG Ministers, the IPC shall provide the following information on major infrastructure projects to the DCLG Sponsorship Team:
- Notification of new Project Proposal (Promoter, type of project, capacity, location, relevant Government Department and approximate date for receipt of application);
 - Date Application received;
 - Date Application Accepted or Rejected;
 - Commissioners Appointed;
 - Start/Finish of Registration Process;
 - Date of Preliminary Meeting;
 - Decision / Recommendation

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Right of access

- 7.6 The DCLG sponsorship team has the right of access to all IPC records and personnel for any purpose including, for example, sponsorship audits and operational investigations.

8. Staff

Responsibilities for IPC staff

- 8.1 Within the staffing arrangements and pay remit approved by the Secretary of State the IPC will have responsibility for the recruitment, retention and motivation of its secretariat staff. The broad responsibilities toward its staff are to ensure that:
- the rules for recruitment and management of staff create an inclusive culture in which diversity is fully valued; appointment and advancement is based on merit: there is no discrimination on grounds of gender, marital status, sexual orientation, race, colour, ethnic or national origin, religion, disability, community background or age;
 - the level and structure of its staffing, including grading and staff numbers, are appropriate to its functions and the requirements of economy, efficiency and effectiveness;
 - the performance of its staff at all levels is satisfactorily appraised and the IPC's performance measurement systems are reviewed from time to time;
 - its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve the IPC's objectives;
 - proper consultation with staff takes place on key issues affecting them;
 - adequate grievance and disciplinary procedures are in place;
 - whistle-blowing procedures consistent with the Public Interest Disclosure Act are in place; and
 - a code of conduct for staff is in place based on the Cabinet Office's Model Code for Staff of Executive Non-departmental Public Bodies.

Staff costs

- 8.2 Subject to its delegated authorities, the IPC shall ensure that the creation of any additional posts does not incur forward commitments that will exceed its ability to pay for them.

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Pay and conditions of service

- 8.3 IPC staff are subject to levels of remuneration and terms and conditions of service (including pensions) within the general pay structure approved by DCLG. The IPC has no delegated power to amend these terms and conditions.
- 8.4 Staff terms and conditions should be set out in an Employee Handbook, which should be provided to DCLG by the IPC together with subsequent amendments.
- 8.5 The IPC shall operate a performance-related pay scheme that shall form part of the annual aggregate pay budget approved by DCLG or the general pay structure approved by DCLG and the Treasury whichever is applicable.
- 8.6 The travel expenses of Non Executive Board members shall be tied to the rates allowed to senior staff of the IPC. Reasonable actual costs shall be reimbursed but costs should be kept to a minimum in line with Cabinet Office spending controls introduced throughout 2010 and subsequently.
- 8.7 The IPC shall comply with the EU Directive on contract workers – the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations and all employment legislation.

Equalities Duties

- 8.8 It is anticipated that the IPC will become subject to the general equality duty and 'specific' equality duties proposed in the Equality Bill which is expected to come into force in April 2011. Until then the IPC should start to work towards the general equality duty by:
- setting equality objectives and reporting progress against them and
 - involving staff and consulting relevant stakeholders when setting equality objectives.

Pensions, redundancy and compensation

- 8.9 IPC staff shall normally be eligible for a pension provided by LGPS. Staff may opt out of the occupational pension scheme provided by the IPC, but that employers' contribution to any personal pension arrangement, including stakeholder pension shall normally be limited to the national insurance rebate level.
- 8.10 Any proposal by the IPC to move from the existing pension arrangements, or to pay any redundancy or compensation for loss of

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office, requires the prior approval of CLG. Proposals on severance must comply with the rules in Chapter 4 of Managing Public Money.

**List of appendices
(revised Central Text awaited - Financial
Delegations/Controls/Transparency)**

This framework document has been agreed by DCLG and the IPC and is signed on behalf of each organisation:

Signed.....

Signed.....

Shona Dunn
Director, Planning Directorate
Department for Communities &
Local Government

John Saunders
Chief Executive
Infrastructure Planning Commission

Date.....

Date.....

**Revised Scheme of Delegation of the Commission's
Functions pursuant to paragraph 15 of Schedule 1 of the
Planning Act 2008 with explanatory guidance**

1 Introduction

- 1.1** The Planning Act 2008 (“the Act”) established the Infrastructure Planning Commission (“Commission”)¹. The Commission is a body corporate and its functions are conferred upon it under the Act and any other Act of Parliament². The purpose of this paper is to set out the current scheme of delegation (“Scheme”) to be adopted by the Commission. The Commission is constituted in accordance with Schedule 1 of the Act and currently comprises the chair of the Commission (“Chair”), two deputy chairs and other commissioners³. Delegation, pursuant to the Scheme and its conditions, shall occur on the adoption of this paper. The delegation is of duties and powers which are expressed to be duties and powers of the Commission within the Act and relevant secondary legislation in force at the time this revised Scheme is adopted⁴. This paper sets out the way these duties and powers are delegated in order that there is clarity as to who may exercise powers and to ensure that the Commission operates effectively in the carrying out of its functions.
- 1.2** Schedule 1 of the Act states that the members of the Commission are the Chair, the deputies to the Chair and other commissioners (“Commissioners”) appointed by the Secretary of State⁵. Schedule 1 also requires that there are to be parts of the Commission with specified purposes and also to whom functions can be delegated. The key ones are the Council⁶ and the chief executive and staff (“Secretariat”)⁷.
- 1.3** The Chair has various functions under the Act. Some of these may be delegated to Commissioners who hold the office of deputies to the Chair; the delegation may be made on such terms as the Chair determines⁸. The Chair’s functions include the appointment and removal of Commissioners from certain roles such as: members of a Panel or the Council, or in connection with providing pre-application advice on a

¹ s1(1) of the Act

² s1(2) of the Act

³ Commissioners as at 31 March 2010 are: Sir Michael Pitt (Chair), Pauleen Lane, (Deputy Chair), Robert Upton (Deputy Chair), Gideon Amos, Jan Bessell, Katharine Bryan, Paul Hudson, Emrys Parry, Andrew Phillipson, Glyn Roberts, Kate Barker, Colin Barnes, Robert Baty, Martin Broderick, Peter Bucks, Jim Claydon, Annie Coombs, Richard Davies, Frances Fernandes, Libby Gawith, Simon Gibbs, John Glasson, Jonathan Green, Michael Hayes, Eira Hughes, Gordon Hughes, Michael Hurley, John Lloyd Jones, Kelvin MacDonald, Bob Macey, Vincent Maher, Barry Pearce, Iwan Richards, Peter Robottom, Austin Smyth, Riki Therivel, Bill Wadrup, Peter Widd and Lorna Walker.

⁴ The Infrastructure Planning (Environmental Impact Assessment) Regulations 2009, the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009, the Infrastructure Planning (Model Provisions) (England and Wales) Order 2009, the Conservation (Natural Habitats, etc. (Amendment) (No. 2) Regulations 2009, the Marine Works (Environmental Impact Assessment (Amendment) (England and Wales) Regulations 2009, the Infrastructure Planning (Interested Parties) Regulations 2010, The Infrastructure Planning (Examination Procedure) Rules 2010, The Infrastructure Planning (Compulsory Acquisition) Regulations 2010, The Infrastructure Planning (Fees) Regulations 2010, the Infrastructure Planning (Miscellaneous Prescribed Provisions) Regulations 2010, the Infrastructure Planning (Decisions) Regulations 2010, the Planning Act 2008 (Railways Designation) Order 2010 and the Overhead Lines (Exempt Installations) Order 2010.

⁵ Schedule 1 paragraph 1 of the Act

⁶ Schedule 1 paragraphs 6 - 10 of the Act

⁷ Schedule 1 paragraphs 11-13 of the Act

⁸ s63 of the Act and Schedule 1 paragraph 8(2)

proposed application. In undertaking his function, the Chair may engage proactively with stakeholders and supply information on the Commission's purposes and functions with the aim of enhancing the Commission's ability to carry out those purposes and functions. He will do so in an open, fair and impartial manner. The Chair will carry out all of his functions, as will all Commissioners, in accordance with the codes of conduct incorporating the Nolan principles of standards in public life which have been published under the Act⁹ and are now available on the Commission's website.

- 1.4** Annex 1 to this paper summarises for information purposes only the functions which do not form part of the Scheme and are provided directly to parts of the Commission within the Act or secondary legislation. These include: powers given to Commissioners once appointed by the Chair to examine applications and functions allocated to the Secretariat to allow staff to provide support and procure support for Commissioners appointed to examine applications.

2 The Commission's functions to be delegated under the Scheme

- 2.1** The Commission's functions fall into two categories:-

- (1) functions that by law can only be the responsibility of Commissioners¹⁰;
- (2) all of the other functions of the Commission that can be delegated to "any one or more of the Commissioners, the chief executive, or any other member of its staff"¹¹.

- 2.2** All functions carried out under delegated powers or otherwise set out in this document shall be carried out in accordance with the applicable law including as set out in the Act and relevant secondary legislation.

3 The Scheme

- 3.1** The conditions under which the delegations under the Scheme are made¹² are set out in section 3.4 of this paper. These describe the manner in which the delegated functions must be exercised.

- 3.2** The Scheme should be read in conjunction with the specified provisions in the Act and relevant secondary legislation.

⁹ s2 of the Act

¹⁰ Schedule 1 paragraph 15(1)

¹¹ Schedule 1 paragraph 15(2)

¹² Schedule 1 paragraph 15(3)

3.3	Part 1	Delegation to Commissioners
	<i>Part 1A</i>	<i>Delegation of reserved powers</i>
	<i>Part 1B</i>	<i>Delegation of other powers</i>
	Part 2	Delegation to the Secretariat
	<i>Part 2A</i>	<i>Delegation to chief executive</i>
	<i>Part 2B</i>	<i>Delegation to staff</i>

Part 1: Functions delegated subject to conditions to Commissioners

Part 1A: Reserved powers under the Act	
The Commission delegates subject to conditions to the Commissioners the following functions:	
Power to give guidance	s37(4) and/or (5) ¹³
Power to issue guidance	s50 ¹⁴
Power to authorise service of notices regarding interests in land	s52
Power to authorise entry onto land in connection with proposed application	s53
Powers and duties in respect of decision to accept an application	s55
Power to give views on tests for intervention by Secretary of	s109(4)

¹³ This guidance must be published and therefore is to be written advice about how to meet requirements for making an application for development consent and about the standards that will be applied to the documents that must be submitted under s37(3)(d) to accompany the application.

¹⁴ Guidance may be issued by the Secretary of State or the Commission on the whole of the pre-application procedure set out in Chapter 2 of the Act.

State	
Duty to order in respect of right of way if acquisition of land is abandoned	s136(5)
Duty to secure examination and report when Secretary of State to carry out examination	Sch 3 para 1(2)
Power to correct errors in development consent	Sch 4 paras 1 and 2(1)
Power to make changes to development consent order	Sch 6 paras 2, 3 and 4
Part 1B: Other powers and duties under the Act	
The Commission delegates subject to conditions to the Commissioners the following functions:	
Duty to have regard to model provisions	s38(2)
Power to give advice to applicants, potential applicants and others (note - specific conditions apply to this delegation)	s51
Duty to refer and supply a single Commissioner's report to the Council	s84
Duties in relation to carrying out screening and adopting a screening opinion	Regulations 6, 9 and 12 of the Infrastructure Planning (Environmental Impact Assessment) Regulations 2009 ("EIA

	Regulations”)
Duty to carry out scoping and adopt a scoping opinion	Regulation 8 of the EIA Regulations
Duty to carry out a review of a development consent order under regulation 50 of the Conservation (Natural Habitats etc.) Regulations 1994 (“Habitat Regulations”)	Regulation 6 of the Conservation (Natural Habitats etc.) (Amendment) (No. 2) Regulations 2009
All other functions not specifically set out here but that are required to enable the carrying out of the Commission’s functions under the Act and relevant secondary legislation in force at the time of adoption of the Scheme are delegated conditionally to the Commissioners.	

Part 2: Functions delegated subject to conditions to the Secretariat

Part 2A: Powers delegated to the Chief Executive	
The Commission delegates subject to conditions to the Commission’s Chief Executive the following functions:	
Duty to publish code of conduct for Commissioners	s2
Duty to establish a procedure for disclosure and registration of Commissioners’ financial and other	s3(1)

interests	
Part 2B: Powers and duties delegated to the staff	
The Commission delegates subject to conditions to the Commission's staff the following functions:	
Duty to arrange for register of Commissioners' interests to be published	s3(2)
Duty to publish any guidance produced on application requirements and standards	s37(6)
Duty to have regard to model provisions	s38(2)
Duty to register accepted applications	s39
Power to give advice to applicants, potential applicants and others	s51
Duty to send notice to local authorities of requirement to submit local impact report	s60
Duty to refer application and supply Single Commissioner's report to the Council	s84
Duty to keep a written record of advice given in accordance with s51(1)	Regulation 5 of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009
Duties in relation to carrying out screening, adopting a screening opinion and notifying applicants	Regulation 6, 9 and 12 of the EIA Regulations
Duty to carry out scoping, adopt a scoping opinion and notify applicants	Regulation 8 of the EIA Regulations

Duties and powers to accept a provision authorising the compulsory acquisition of additional land	Regulation 6 of the Infrastructure Planning (Compulsory Acquisition) Regulations 2010
Duties and powers in respect fees levied	Regulations 3 to 9 of the Infrastructure Planning (Fees) Regulations 2010
All other functions not specifically set out here but that are required to enable the carrying out of the Commission's functions under the Act and relevant secondary legislation in force at the time of adoption of the Scheme are conditionally delegated to the Secretariat.	

3.4 Conditions on which delegation is made under the Scheme

The conditions set out in this section form part of the Scheme. Delegated powers shall only be exercised in accordance with these conditions¹⁵.

3.4.1 General conditions of delegation that apply to all delegations to Commissioners

The exercise of the powers delegated to Commissioners in relation to a potential or accepted or decided application¹⁶ for development consent under this Scheme shall be conditional on the relevant Commissioner's appointment by the Chair to carry out a specified role. Such roles include the exercise of functions in respect of a proposed application, or in relation to an accepted application, or in connection with a decided application, or in connection with any other role determined by the Chair. The Chair will appoint Commissioners to such roles on appropriate conditions.

Commissioners will exercise powers and comply with duties under the Scheme after first having taken relevant advice from appropriate staff within the legal and casework teams of the Secretariat.

3.4.2 General conditions of delegation to the Secretariat that apply to all delegations to the Secretariat

¹⁵Schedule 1 paragraph (3) of the Act

¹⁶ For example, under Schedule 4 (correcting errors in orders) or concerning the discharge of provisions after the grant of a development consent order

The Secretariat shall carry out its delegated functions in accordance with the terms the Chair determines concerning the respective roles to be undertaken by the Commissioners and the Secretariat in relation to specified accepted or decided applications.

3.4.3 Conditions of delegation to Commissioners and the Secretariat in relation to the giving of advice under s51 of the Act and in relation to screening and scoping opinions under the EIA Regulations

The power to give advice to applicants, potential applicants and others under s51 is restricted to matters which are about 'applying for an order granting development consent or about making representations about an application, or a proposed application, for such an order'¹⁷. It is not permitted to give advice about the merits of an application¹⁸. Advice given by the Commission does not constitute legal advice¹⁹.

Advice may be given orally and should refer to relevant published advice where appropriate. It may provide information on who, how, when and what to consult on in relation to an application. Providing advice in relation to screening and scoping opinions to be adopted under the EIA Regulations in connection with an application for development consent will fall within the provision of advice under s51. Such advice may include the standard that normally would be expected in connection with an environmental assessment. Advice may also include information on whether, for example, a flood risk assessment is required. Advice may include information on what ought to be included within a development consent order, or on other consents that may be required. Procedural matters related to all stages of the application process fall squarely within the remit of the s51 power.

The function of giving advice must not be exercised in a manner which would bring into question the Commission's impartiality. It is important to avoid a situation where even the perception of bias on the part of the Commission could arise. Whilst the aim of the Commission is to engage proactively with all those involved in the process of applying for or in any other capacity undertaking any action as part of the process of applying for a development consent order, this can only be undertaken in accordance with the principles of openness, fairness and impartiality. For this reason:

- Advice should not include advice on ways in which an application or environmental statement could be improved so as to have a better chance of obtaining development consent
- Advice should not be given on the interpretation of Government policy, whether in a National Planning Statement or other relevant policy document

¹⁷ s51(1) of the Act

¹⁸ s51(2) of the Act

¹⁹ See the Commission's policy on giving section 51 advice

<http://infrastructure.independent.gov.uk/wp-content/uploads/2010/03/Policy-on-s.51-advice-giving.pdf>

A Commissioner who has been involved in giving pre-application advice in relation to an application for development consent including the screening and scoping process under the EIA Regulations shall not subsequently be appointed by the Chair to examine that application²⁰. Further, the Secretariat will first ensure a Commissioner appointed to give pre-application advice in relation to an application has been involved in the preparation of and has approved a screening or scoping opinion issued by the Commission²¹.

²⁰ Regulation 11 (3) of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009

²¹ The process by which a Commissioner is involved in and approves screening and scoping opinions is determined by internal management procedures and will be set out in a separate note.

Annex 1

Functions not contained within the Scheme

As explained in paragraph 1.4 of this paper, specified functions are provided to specified parts of the Commission (rather than the Commission itself) and these are not included within the Scheme. These are summarised below for information.

The Members of the Commission

The members of the Commission are the Commissioners. The Commissioners are the Chair, two deputies to the Chair and other Commissioners appointed by the Secretary of State.

Commissioners have specific functions allocated to them under Chapters 1 to 4 of Part 6 of the Act. The primary functions comprise:

- The Chair's duties as described in the introduction to this paper and also to decide whether an application is to be handled by a panel or by a single Commissioner²², to appoint Commissioners to panels²³, to appoint single Commissioners²⁴, and to appoint assessors and lawyers²⁵.
- The examination of an accepted application, and reporting on it where appropriate²⁶. This occurs after the Commissioner's appointment to a panel or as a single Commissioner.
- Making a decision on the application²⁷

The Council

The Council is a body of Commissioners including the Chair, each deputy and Commissioners appointed as ordinary members of the Council by the Chair.

The Council has specific functions allocated to it in Chapter 3 and 4 of Part 6 of the Act. These relate to making a decision on an application for development consent having first received a report from a single Commissioner²⁸.

²² s61 of the Act

²³ s64 of the Act

²⁴ s79(1) of the Act

²⁵ s100 and s101 of the Act

²⁶ s74, s77, s83, s86-96, s98-99; see also Infrastructure Planning (Examination Procedure) Rules 2010 and Infrastructure Planning (Environmental Impact Assessment) Regulations 2009

²⁷ s74, s85, s103 and s104 of the Act; see also Infrastructure Planning (Decisions) Regulations 2010

²⁸ s85 and s104 of the Act

The Secretariat

The Secretariat has specific functions allocated to it under Chapters 2 and 3 of Part 6 of the Act and Schedule 1. These functions are to provide and procure support for members of the panel in relation to examining, reporting on and deciding on the application²⁹ and for Single Commissioners in relation to examining and reporting on the application³⁰, and for members of the Council in relation to deciding an application and responding to consultation³¹.

The Chief Executive has the role of Accounting Officer within the Commission and is responsible for certifying the annual accounts of the Commission; although he can authorise any other member of the Commission's staff to do anything authorised or required to be done by the Chief Executive, he cannot so authorise staff in relation to the certification of the annual accounts³².

²⁹ s74(4) of the Act

³⁰ s83(4) of the Act

³¹ Schedule 1 paragraph 6(6); see also paras 124 and 125 - 'Planning Act 2008: guidance for the examination of applications for development consent for nationally significant infrastructure projects'

³² Schedule 1 paragraph 16 (2) of the Act

Annex 2

Notes for reading of paper

The notes in this Annex do not form part of the paper to be adopted.

1. Part 1B in section 3 of the paper sets out powers that are not reserved powers i.e. they can be delegated to Commissioners and/or the Secretariat.
2. Part 1B includes a delegation of any available powers that might also be required to enable the proper carrying out of the delegated functions, for example where a referral of a report by a Single Commissioner is referred and supplied to the Council, other functions such as informing the applicant of this step, would be within the Commissioners' powers. It is not intended to here provide for incidental powers but instead to catch any minor steps that are set out in related sections of the Act or secondary legislation which relate to the primary function delegated.
3. Part 2B includes a delegation of any available powers that might also be required to enable the proper carrying out of the delegated functions, for example where a referral of a report by a Single Commissioner is referred and supplied to the Council, other functions such as informing the applicant of this step, would be within the Secretariat's powers. It is not intended to here provide for incidental powers but instead to catch any minor steps that are set out in related sections of the Act or secondary legislation which relate to the primary function delegated.
4. Powers and duties in secondary legislation that are provided to a 'competent authority', for example the duty to carry out an appropriate assessment under the Conservation (Natural Habitats, &c.) Regulations 1994 do not need to be delegated under this Scheme for the reason that the competent authority is defined as a person holding public office, which definition includes Commissioners.

15th April 2010

BOARD PAPER

Meeting Date:	26 May 2011	Item No:	6.0
Paper Title:	IPC Framework Document		
Author:	Anne Moore		

1. Recommendation

1.1. That the Board approve the attached Framework Document.

2. Background

When the IPC was established in October 2009, DCLG issued a Framework Document, based on Treasury best practice model. This document expired at the end of February 2010. Since then, the IPC has been in discussion with DCLG on the detail of a revised document that will take us through to abolition.

The attached draft has been reviewed on several occasions by DCLG, the Audit and Risk Committee (including internal and external auditors), and senior staff in the IPC. At the last Audit and Risk Committee meeting in March of this year, a final draft was approved for recommendation to the IPC Board (subject to a few minor amendments which have now been taken into account).

The document sets out the broad framework within which the IPC operates and details the relationship and responsibilities of both IPC and DCLG. It is not a legal document.

It is therefore recommended that the Framework Document now be signed off by both the relevant parties.

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**Item 7.0, Annex 1
IPC Board, May 2011**

Draft - IPC Annual Report and Accounts 2010 / 2011

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Chair's Foreword

This Report covers the year 1 April 2010 to 31 March 2011.

The two key tasks that the Infrastructure Planning Commission has faced during this period have been the need to continue to implement the system introduced by the Planning Act 2008 while responding to the changes planned by the Coalition Government and set out in the Localism Bill.

During this time two projects were accepted for examination, and one was rejected and subsequently withdrawn. We now have a further 49 projects at various stages of the pre-application process. The theoretical value of these projects has been estimated at £150 billion, of which nearly 80% would be funded through inward investment. Three-quarters of the projects are energy proposals, representing a theoretical potential addition or replacement of 52 giga-watts in generating capacity. This portfolio of projects thus represents the prospect of major investment in the United Kingdom, coupled with a big shift towards a low-carbon economy and energy security.

The organisation is very aware of its responsibility to ensure that the operation of the Planning Act 2008 is efficient and fair. We have continued our policy of complete openness, which we believe is equally in the interests of applicants, local authorities and community groups. Openness is the groundwork of trust in the process.

We have continued to produce guidance and advice to assist all parties involved in the system. We now have a suite of 14 advice notes and two guidance notes, and we intend to develop more as the need arises. Beyond this we have continued to arrange outreach and inception meetings to help communities and participants understand the process which we administer.

We are aware that for many people our system is still novel – particularly its emphasis on public engagement before the application is made, its strict timescales once the examination has started, its emphasis on written evidence, its various types of hearing and the innovation of an inquisitorial approach led by the examining authority.

Our website is an important source of information for all parties. On it the public can track the progress of all our cases, and see all the documents which form part of the examination, as well as access all our advice and guidance. We encourage those who wish to register as 'interested parties' in specific cases to do on-line.

The Localism Bill when enacted will abolish the IPC but continue and improve the operation of the system brought in by the Planning Act 2008. The major difference will be that after the Bill becomes law all decisions will be taken by the appropriate Secretary of State.

We have made good progress on the process of integrating the IPC with the Planning Inspectorate. The two bodies are now working together under me to design the new organisation. We are already benefiting from close co-operation, sharing resources and learning from each other. We face the future with confidence, knowing that we have a very talented and dedicated team committed to making this part of the planning system work for the benefit of the nation as a whole and the local communities directly affected.

Sir Michael Pitt

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1.0 Introduction and summary

The IPC was established on 1 October 2009, under the Planning Act 2008, to examine applications for development consent for nationally significant infrastructure projects in England and Wales and for cross border pipelines only in Scotland.

We came into legal existence on 1 October 2009 and we were switched on to start receiving applications from the energy and transport sectors from 1 March 2010.

Over the past year, our work has had two key areas of focus. We have delivered a range of activities to enable us to meet our statutory duty of providing advice on the major infrastructure planning process. This has included detailed work with developers, statutory consultees as defined by the Act, local authorities and communities, to foster greater understanding of the requirements and to enable meaningful participation.

In particular we have worked in detail with developers to ensure that they understand the very high standards they need to demonstrate from the outset of the development of a proposal at pre application stage, and with the public to ensure that they have confidence to participate and influence a proposal.

During the reporting period, we began to process our first applications. We produced new advice notes to dovetail our progression through each of the key stages and created an online presence able to support the effective handling of applications. In the background, intensive work has also continued to further develop the complex back end systems necessary to support that process.

We have worked with an extensive range of organisations, benefiting from a wealth of experience and expertise and agreeing ways of working which will support an efficient process.

For the IPC, the way in which we have carried out our core business has been as fundamental to our performance as the outcomes we have delivered. We have continued to reflect our strong commitment to openness by ensuring transparency in all we do. Publication of our online Record of Advice and notes of meetings ensures that the same information is available to all parties as is available to us. The continued expansion of our online Programme of Projects means that developers' plans are captured, regularly updated and visible to all.

As a new and growing organisation we have continued to invest in staff and Commissioner resources to ensure that we are able to respond to existing and future workload. We have harnessed the enthusiasm and adaptability of our dynamic workforce to approach the numerous challenges of implementing complex legislation for the first time. And we have provided feedback to

Government on areas of the existing legislation which we feel could be improved in future.

The IPC has also continued its work with sponsoring department, DCLG and the Planning Inspectorate to prepare for future changes which will see a single organisation delivering major infrastructure and planning appeals work in future.

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2.0 Management Commentary

What we do:

The IPC is the non departmental body established through the Planning Act 2008 to examine nationally significant infrastructure proposals.

How we are governed:

The IPC comprises two functions: the Commission, which examines proposals and makes decisions or recommendations to the relevant Secretary of State, and the Secretariat, which provides professional and administrative support. The organisation is governed by the Chair and the IPC Board.

The Commission

Sir Michael Pitt is the Chair of the Commission and is supported by two Deputy Chairs, Dr Pauleen Lane and Robert Upton. Other Commissioners are appointed by the Secretary of State, on a full-time, part-time or call-off contract basis. Commissioners are appointed for their professional judgement and their expertise in a range of areas. Their role is to conduct examinations and determine applications for development consent for nationally significant infrastructure proposals.

At the end of the reporting period, there were 36 appointed Commissioners in post.

The responsibility of Commissioners is to make recommendations to the Secretary of State unless the relevant National Policy Statement has been formally designated, in which case Commissioners make the final decision on the application. No Policy Statements have yet been designated.

The Secretariat

Professional, management and administrative support for Commissioners is provided by Secretariat staff, led by Chief Executive and Accounting Officer, John Saunders.

John is supported by three Executive Directors, who are responsible for operations, corporate and legal services.

The IPC has continued to recruit a flexible workforce including permanent, fixed term and seconded employees, in order ensure the ability to respond to a variable caseload.

The Board

The IPC provides oversight and challenge to the organisation in accordance with good governance practice of non-departmental public bodies. During the reporting period it comprised:

- Sir Michael Pitt, Chair
- Robert Upton CBE, Deputy Chair
- Dr Pauleen Lane CBE, Deputy Chair
- John Saunders OBE, Chief Executive
- Ian Gambles, Director of Operations
- Anne Moore, Director of Finance and Corporate Services
- Douglas Evans, Director of Legal Services (to 29 June 2010)
- Helen Adlard, Director of Legal Services (from 12 May 2010)
- Sheila Drew Smith OBE, Non Executive Director
- David Clements, Non Executive Director

The biographies and a register of the interests of all current Board Members, together with all IPC Commissioners, can be viewed at our website:

www.independent.gov.uk/infrastructure

How we work

The IPC is independent, impartial and inclusive. We have made five public commitments which are reflected in all areas of our organisational policy and practice.

1. Openness

We do not hold confidential conversations. All our communications with others are summarised and published at our website. We are open and transparent at every stage of the process.

2. Engagement

Effective, early and ongoing public engagement is one of the key benefits of the Planning Act 2008. Local authorities and local communities play a pivotal role in the new process, and the Commission will reject an application if the consultation undertaken by the applicant has been inadequate.

3. Sustainability

Climate change, carbon emissions, and environmental impacts are fundamental considerations for Commissioners in every case.

4. Independent Decisions

The IPC is not a rubber stamp. Commissioners must make their decisions within the framework of National Policy Statements and they will reject an application if they decide that adverse impacts outweigh the national benefit.

5. Consensus

The IPC is moving away from the confrontational win-lose approach of the past. We are encouraging all parties to build consensus on proposals for

nationally significant infrastructure through early and meaningful engagement.

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What we delivered

1. Compliance with Legal Duties

The IPC will comply with all its statutory duties including those set out in the Planning Act 2008.

The IPC's legal duties are prescribed in the Planning Act 2008 and other regulations which apply to our work. During the reporting period, the IPC provided almost 500 instances of Section 51 advice to a wide range of stakeholders and published this weekly in our Record of Advice at our website, www.independent.gov.uk/infrastructure. We continued to expand our suite of advice notes, which focus on specific aspects of the streamlined process, providing clarity on a wide range of issues.

We produced 25 comprehensive EIA scoping opinions within the 42 day time limit set in regulations. We received three applications and issued decisions on whether or not to accept them for examination within the 28 day statutory time limit, and we managed the registration and representation process in accordance with our duties.

We have also issued decisions on all requests under the Freedom of Information Act and Environmental Information Regulations within the 20 day statutory time limit.

Case Study: From application to examination – our first application

The IPC accepted its first application to proceed to examination on 26 August 2010. The application, from Covanta Rookery South, for an energy from waste generating station to be located at Rookery South in Bedfordshire was submitted to us on 5 August. The timeline below shows a brief history.

8 October 2010	The applicant publicises and provides notification of the accepted application and sets a deadline of 19 November for the public and organisations to register as interested parties and submit relevant representations. The IPC makes provision for on and off line registration.
22 Oct and 9 Nov	IPC outreach events, in liaison with Planning Aid, are held at 5 venues in the locality of the application to explain the process and answer questions from the general public.
By 19 November	Over a thousand members of the public and organisations register as interested parties and make relevant representations on the application.
26 November	All relevant representations are published on the IPC website.
29 November	A panel of three Commissioners is appointed to examine the application.
16 December	The Rule 6 letter issued setting out the draft timetable for examination, the Examining Authority's initial assessment

	of principle issues and giving notice of the Preliminary Meeting.
17 January 2011 Bedford	Over 100 people attend the Preliminary Meeting held in Bedford
18 January	The IPC examination of the application commences.
21 January	The procedural decision (known as the Rule 9 letter) stating the time table for the examination and setting out the Examining Authority's first round of questions, is issued.
4 February	An accompanied site visit is undertaken by the examining Commissioners.
28 February	Deadline for the receipt of written representations, Local Impact Reports, Statements of Common Ground and responses to questions from Interested Parties. Approximately 100 responses are received.
28 March	Deadline for the receipt of comments from Interested Parties on the above responses.

2. Timely decision making

The IPC will make timely recommendations and decisions, as specified in legislation. Where it is not possible to arrive at a recommendation or decision within the statutory timetable, the IPC will inform the Secretary of State well in advance.

The IPC will process all applications in as expeditious manner as possible, so that smaller or less contentious cases are not subject to any unnecessary delay.

In Spring and Summer 2010, we continued to make meticulous preparations for handling of applications, vigorously testing our case management system and its interactions with our public web interface. We also automated many areas of our processes in order to achieve optimum efficiency.

The IPC received its first three applications during the reporting period. We issued acceptance decisions on all three applications within the statutory 28 day timeframe. Indeed, for the Covanta Rookery South application, our decision was issued a week early.

Over a thousand representations on the Rookery Covanta South proposal were published just a few working days after registration closed. The IPC examination of this proposal is currently progressing in line with the timetable adopted following the Preliminary Meeting, which will see completion within the statutory timeframe.

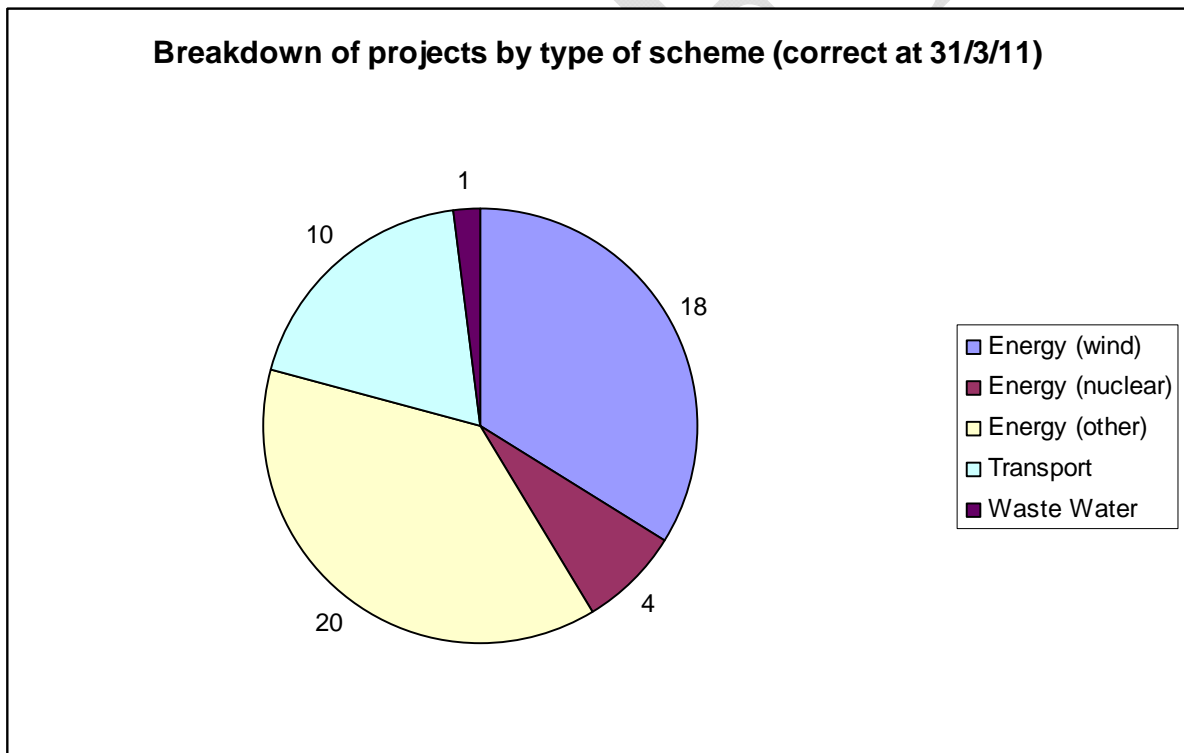
Our online Programme of Projects almost doubled in size during the reporting period. The Programme provides a snapshot for the public of all live applications, as well as proposals which the IPC expects to receive as

applications in future. It is a key indicator of our future workload and the anticipated timetable for submission of applications.

The number of proposals in the programme rose from 28 on 1 April 2010, to a peak of 54 projects and then settled at 53 projects by 31 March 2011, representing a potential investment of 150 billion in major infrastructure overall.

The total number of projects on our programme continued to fluctuate throughout the year. Some projects were added but later withdrawn from the programme because the developer's plans had changed. A common reason for withdrawal of a project was the developer deciding not to proceed with a proposal for commercial reasons.

The anticipated application submission dates for projects which remained on the programme also continued to change for a number of projects, typically moving back, as developers got to grips with the extensive requirements of the front loaded process, and in many cases extended their consultations.



3. Quality

The IPC will secure a significant improvement in consultation with interested parties and the quality of applications for development consent. The advice which the IPC gives to developers, local authorities and other interested parties will be prompt, accurate and helpful, and its decisions will be robust, clearly reasoned and presented.

The IPC has developed all areas of its service provision to stakeholders significantly over the past year to achieve high quality applications based upon full participation in a fair and transparent process. We have carried out a significant amount of work with developers, in particular to enable them to meet the high standards required for applications and their specific duty to consult. The focus of our extensive outreach activity has been upon fostering early and meaningful engagement in applications from pre application stage.

We provided high quality, accurate advice via our helpline to almost 400 developers, statutory consultees, local authorities and other interested parties including the public. All the Section 51 advice we provided was recorded in our online Record of Advice.

We held over 15 outreach events at pre application stage with the full range of stakeholders and a further 10 events for projects where an application had been submitted to us to explain the process of registration to the public.

We developed our website significantly, to enable online public participation in the streamlined process, from registration to submitting and viewing representations. A range of new content was added to the site, including 'a step-by-step walk-through' of the process, dedicated project pages and 'what happens next' project-specific updates. The number of visitors to our website increased in the reporting period to 121,157, an increase from 42,165 from the start of the reporting period. Of these, 52,603 were unique visitors, up from 25,413 previously.

The IPC newsletter, launched in March 2010, increased its subscriber base from 1,225 in April 2010, to 1,865 by the end of the reporting period.

We published 13 new advice notes during the reporting period to guide stakeholders in more detail on the requirements for specific aspects of the streamlined process. See the [Guidance and Advice section](#) on the IPC website.

We attended the further public consultation events on the energy NPSs organised by Government and were on hand to explain the major infrastructure planning process to delegates. We also manned a number of public exhibitions throughout the year and spoke at over 37 events to continue to explain the existing and future plans for major infrastructure consenting to our full range of audiences.

4. Legitimacy

The IPC will earn and sustain the respect of its stakeholders and the wider public for the independence and quality of its examination of, and decision making on, applications for development consent. It will be known for its transparency and fairness.

The IPC has continued to demonstrate its commitment to transparency and fairness in all areas of its operation. In the report period, we published three decisions on application acceptance, including the checklist we applied to those applications on receipt and the letters giving detailed reasons for our decisions.

We held our first Preliminary Meeting in January 2011 for the Covanta Rookery South proposal. The meeting was held in public and we also made video and audio recordings of the proceedings which were published at our website, together with the procedural decision issued following the meeting.

As an organisation, it is our presumption that we will publish all the information we are at liberty to publish, and this has meant that the number of Freedom of Information Act and Environmental Information Regulations requests we receive has remained low. We received 15 requests during the reporting period and all of these were responded to within the statutory timeframe of 20 days.

The IPC signed an Memorandum of Understanding on Friday 1 October 2010 with the Welsh Assembly Government, setting out the roles of the organisations for major infrastructure planning, their working relationship and how the process applies in Wales. Dr Pauleen Lane, our Deputy Chair, also gave evidence to the Welsh Sustainability Committee.

5. Fitness for purpose

From its first day of operation, the IPC will be an effective organisation, able to meet all operational demands.

We have continued to demonstrate best practice governance through a Board model which includes two Non Executive Directors, an Audit and Risk Committee and a Remuneration Committee. The Board has met monthly throughout the reporting period.

Our staff team grew from 42 to 69 (67 full time equivalents) during the reporting period. All employees benefited from a detailed induction programme and our robust performance management framework.

During 2010, the IPC undertook a Staff Engagement Survey. We achieved a Staff Engagement Index of 72%, which is higher than the index for top scoring Civil Service departments. In 2010, we established a Staff Forum to provide staff with a new channel to discuss issues and ideas with senior management.

By the end of the reporting period, there were 37 IPC Commissioners. Throughout the year, Commissioners had the opportunity to participate in a bespoke development programme. Prior to being considered to examine any application, Commissioners were required to undergo a detailed appraisal process, including a review of their skills and their Register of Interests.

6. Value for money

The IPC will operate to the highest standards of economy, efficiency and effectiveness. It will account appropriately for its expenditure to Ministers and to Parliament, and give good value for money both to the taxpayer and to those who pay a fee for its services.

The IPC generated £189k from application fees paid by developers during the reporting period. This amount was lower than originally forecast due to the anticipated submission dates for a number of developers' applications being set back. We were also faced with a budget reduction in our Grant-in-Aid funding of 10.5% early in the financial year (from £7m to £6.265m), resulting in a total revised budget of £6.439m.

The organisation has responded to this challenge by rationalising significantly all variable expenditure. In particular we revised our staff and Commissioner recruitment programme and filled essential roles through flexible resourcing options, which continues to allow us to respond to caseload demand whilst keeping our costs to a minimum.

We ensured spending restraint across all areas of operations. For example, we observed the Government sector-wide spending controls on consultancy, marketing and IT development and began to publish quarterly spend data on our website.

We scaled back on our development plans for our website, prioritising the public project information area of the site, and brought as much of the work in-house as possible.

Across the business, we engaged staff in considering more cost effective ways of delivering the service and utilised the Government's procurement frameworks and accessed shared services arrangements, wherever possible.

How we performed against our key performance indicators:

1. Compliance with legal duties

- **All applications validated (acceptance decision) within 28 days**

Achieved: Three applications were received during the reporting period and, for each, acceptance decisions were issued within the statutory timeframe of 28 days.

- **All validated applications examined within six months of the date of the procedural decision.**

The IPC cannot report against this indicator because no examination of an application was completed during the reporting period.

- **Following completion of the examination phase, all decisions - or recommendations if the NPS(s) has not been designated - to be made within three months.**

The IPC cannot report against this indicator because no application reached recommendation or decision stage during the reporting period.

- **All Environmental Impact Assessments (EIA) screening decisions to be made within 21 days of a valid request.**

One screening request was received on which we have had to stop the clock to seek further information which is awaited.

- **All EIA Scoping Opinions to be made within 42 days of a valid request.**

Achieved: Twenty five comprehensive scoping opinions were received by the IPC in the period. All of these were delivered within the 42 day statutory timeframe.

A further two requests have been received in the accounting period but await determination and remain within the 42 day deadline.

2. Timely decision making

- **Average time from receipt of application to decision 12 months.**

The IPC cannot report against this indicator because no application reached recommendation or decision stage during the reporting period.

3. Quality

- **No more than 1 in 20 determined cases to attract a justified complaint**

The IPC cannot report against this indicator because no application reached recommendation or decision stage during the reporting period.

4. Legitimacy

- **Baseline survey of IPC stakeholders to measure awareness and perception completed by 31 March 2011.**

Not achieved: Given requirements for significant budget reductions and tight spending controls around communications, work on a stakeholder survey has been deferred.

- **Growth in website usage**

Achieved: The number of visitors to our website increased in the reporting period to 121,157, an increase from 42,165 from the start of the reporting period. Of these, 52,603 were unique visitors, up from 25,413 previously.

- **Baseline survey of interested parties' satisfaction with the conduct of the examination completed by 31 March 2011.**

The IPC cannot report against this indicator because no examination of an application was completed during the reporting period.

5. Fitness for purpose

- **Achieve a positive post implementation review rating.**

Achieved: We received an amber/green Gateway 4 assessment of the readiness of the IPC to accept and process applications.

- **Baseline survey of IPC staff engagement completed by 31 March 2011.**

Achieved: We received an engagement index of 72% in our staff survey carried out in September 2010.

6. Value for money

- **Establish efficiency benchmark of IPC corporate services by 31 March 2011.**

IPC receives its finance, procurement, ICT, HR and estates services from DCLG and therefore has little control over costs and value for money. In view of the proposed integration of the IPC's functions into the Planning Inspectorate, we are using CIPFA public sector benchmarks as a comparison for the planned joint corporate service functions. Emerging proposals are in line with these benchmarks.

4.0 Future Developments, Performance and Position

The Coalition Government is bringing forward new legislation that will change the decision-making process for major infrastructure in future.

The IPC is being abolished and replaced by a Major Infrastructure Planning Unit (MIPU). It is anticipated that this change will take effect early in April 2012. The legislation needed to make this change, the Localism Bill, is currently before Parliament.

For the major infrastructure planning process the key changes it lays out are:

- The abolishment of the IPC
- The creation of MIPU within a restructured Planning Inspectorate
- The transfer of IPC functions and the streamlined process to MIPU
- The transfer of all IPC staff to MIPU via TUPE arrangements
- Major infrastructure decisions to be made by the Secretary of State in all cases.

Government Ministers have stated that the switchover to any new arrangements will be seamless and any application already undergoing the IPC process at the point that the change is implemented, will not have to start the process again.

Financial Summary

The IPC's initial expenditure budget for the year ended 31 March 2011 was £8.1m (£4.9m in 2009/10). This was to be funded by £1.1m fee income from developers and £7.0m grant-in-aid from the Department for Communities and Local Government.

The grant funding was subsequently cut by 10½% to £6.265m and fee income projections reduced to £0.2m, resulting in a revised funding envelope of £6.5m.

The out-turn figure was £6.1m (£3.8m in 2009/10). This is £2m (25%) less than the initial budget and £400k (6%) less than the revised budget.

Annual Accounts

The accounts for the year to 31 March 2011 have been prepared in accordance with the 2010-11 Government Financial Reporting Manual (FReM) issued by HM Treasury and the accounts direction on pages x-x.

Payment Performance

IPC policy is to pay all undisputed invoices within 5 days of receipt, or within the agreed contractual terms if less.

The average prompt payment performance for the year ending 31 March 2011 was 96% of invoices paid within 5 days.

Pension Liabilities

For the purposes of IAS 19, pension scheme assets of £154k have been recognised in the Statement of Financial Position.

Auditors

The accounts of the IPC are audited by the Comptroller and Auditor General under Schedule 1, Section 20 (4) of the Planning Act 2008. His certificate and report appear on pages x-x.

The auditors received no fees for non-audit services.

As Accounting Officer I confirm:

- there is no relevant audit information of which the auditors are unaware; and
- I have taken all the steps I ought to have taken to make myself aware of any relevant audit information and to establish that the IPC's auditors are aware of that information.

John Saunders OBE
Chief Executive and Accounting Officer
date

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Remuneration Report (Unaudited Information)

Remuneration of the Chairman, Chief Executive and Commissioners is set by DCLG. A Remuneration Committee, chaired by a Non-Executive Director, reviews the pay remit for all other staff. In line with the Government's two year pay freeze, IPC pay ranges were not increased during the year.

Commissioners

The remuneration and allowances of the Chair, deputies and other Commissioners are determined by the Secretary of State. All appointments are for a fixed period which must not be less than 5 years or more than 8 years. These posts are not pensionable.

Executive Management Team

The salary of the Chief Executive is determined by the Secretary of State. The IPC's sponsor department (DCLG) recruited and set remuneration levels for Executive Directors during the organisation's set up phase. All executive appointments are on a permanent contract basis.

Non-Executive Directors

The remuneration and allowances of Non-Executive Directors are determined by the Secretary of State. One appointment is for 3 years, the other 4 years. These posts are not pensionable.

All senior appointments have a 3 month notice period apart from the Chief Executive's which is 6 months.

(Audited Information)

Remuneration for IPC Board Members in the year to 31 March 2011 was as follows:

	Remuneration (£5k bands)	Performance related payments (£5k bands)	Benefits in kind (relocation expenses) (£5k bands)
Sir Mike Pitt (Chair)	180-185		
Dr Pauleen Lane (Deputy Chair)	70-75		
Robert Upton (Deputy Chair)	120-125		
John Saunders (Chief Executive)	155-160	10-15	0-5
Douglas Evans (Director of Legal Services to 29 June 2010)	30-35		
Helen Adlard (Director of Legal Services from 12 May 2010)	75-80	0-5	
Ian Gambles (Director of Operations)	95-100	0-5	0-5
Anne Moore (Director of Corporate Services)	90-95	0-5	
Sheila Drew-Smith (non-executive director)	10-15		
David Clements (non-executive director)	10-15		

The Chief Executive and Executive Directors are employed full time. Other Board members have varying contractual arrangements.

Pension values for the Chief Executive and Executive Directors are as follows:

£	Real increase in pension	Real increase in lump sum	Pension at 31 March 2011	2010 Cash equivalent transfer value (CETV)	2011 CETV	Real increase in CETV
John Saunders	3,698	3,843	14,203	166,323	230,353	(139, 838)
Douglas Evans	1,602		2,498	12,849	12,354	(915)
Helen Adlard	1,651		2,123	4,908	22,735	11,511
Ian Gambles	1,681		2,445	7,562	24,930	9,761
Anne Moore	1,524		2,323	6,816	20,428	6,426

Other senior posts are not pensionable

Statement of Accounting Officer's Responsibilities

Under the Planning Act 2008, the Secretary of State has directed the Infrastructure Planning Commission to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are to be prepared on an accruals basis and must give a true and fair view of the state of affairs of the Infrastructure Planning Commission and of its net expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by Communities and Local Government, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the accounts on a going concern basis.

The Accounting Officer of CLG has designated John Saunders, the Chief Executive, as Accounting Officer of the IPC. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the IPC's assets, are set out in the Non-Departmental Public Bodies' Accounting Officers' Memorandum, issued by HM Treasury and published in 'Managing Public Money'.

The Accounting Officer must take all reasonable steps to ensure that the IPC's auditors are aware of any relevant audit information.

Statement on Internal Control

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the IPC's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money, the Government's Financial Reporting Manual and the draft Framework Document which is being agreed with the sponsor department.

I am accountable to the Department for Communities and Local Government Permanent Secretary for the performance of the IPC; the draft Framework Agreement sets out in detail our joint and shared responsibilities, including access to Ministers.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the IPC's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the IPC for the year ended 31 March 2011 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

Capacity to handle risk

The IPC's risk management policy and procedures were approved by the Audit and Risk Committee in August 2010 and the IPC Board recognised and supported the implementation of these as a priority. Between October and December 2010 all staff completed on-line training on risk management (through National School of Government) and attended a combined training session on IPC procedures and workshop to capture current risks.

The policy, guidance, risk templates and FAQ's are available on the intranet and staff have a one page handout with key information relating to management of risks to keep on their desks.

Leadership is given to the risk management process through senior management team endorsement of the IPC's risk policy and procedures and through the organisational methods used to manage risk. IPC Directors ensure risks are managed effectively in their business areas and projects.

Administrative responsibility for risk management lies with the Head of Project and Performance Management. Meetings are held with directors and heads of service each month to review and update their risk registers. The Strategic Risk register is updated and reviewed regularly by the SMT, the Audit and Risk Committee and the IPC Board.

The Risk and Control Framework

The IPC's risk management procedures provide for risks to be identified and managed at all levels and areas of the business. Risk registers are maintained for directorates and projects.

Major projects maintain their own individual risk registers and review and report on risks to successful completion through project or programme boards. Any strategic risks are escalated through SMT.

Project and directorate risk registers are reviewed monthly by the business areas. The strategic risk register is reviewed by the senior management team each month and by the Audit and Risk Committee on a quarterly basis, who then refer it to the IPC Board with assurance comments for review.

All strategic risks are owned at director level, and they are responsible for identifying and managing mitigations.

Where appropriate, IPC Board papers include an assessment of risks and mitigating actions.

Risk appetite is determined through discussion at Board level of the developing risk registers.

Information

Risks to information are managed in line with the IPC's Records Management Policy and Clear Desk Policy which stipulates how information is marked, controlled, shared, stored and disposed of. Adherence to the policy is audited at least annually and reported to the Information Asset Owner (Head of IT) and copied to the Senior Management Team.

Other Controls

We have enhanced our controls around payroll during the year, to minimise the risk of errors and unauthorised payments. This includes introducing a log of all payroll amendment requests as the number of staff on our payroll has increased. We have additionally requested a monthly summary of the bank account reconciliations carried out on behalf of the IPC by the finance shared service team for 2011/12.

We have also implemented the Government's spending controls and transparency reporting requirements. All expenses payments to senior staff and all payments to suppliers over £500 are published regularly on the IPC web-site.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and senior managers within the IPC who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the IPC Board and the Audit and Risk Committee.

No fraud or significant control issues were reported during the year.

The effectiveness of our control systems has been demonstrated by the IPC delivering business objectives within a significantly reduced funding envelope, whilst fully complying with the Government's new spending controls.

The IPC Board, supported by the Audit and Risk Committee, ensures that controls are effective through reviews of business plans, audit plans, management accounts, risk management, audit reports and improvement plans.

In response to the Government's new spending controls I have reviewed the reports on senior staff expenses and supplier payments over £500 prior to publication and am satisfied that all payments were in line with my delegated authority.

An audit of risk management was carried out by the internal auditors, Moore Stephens, in February 2011, and their report supported our approach and included some minor recommendations to further enhance the framework.

John Saunders
Accounting Officer
date

Statement of Comprehensive Net Expenditure
for the year ended 31 March 2011

	Note	2010-11 £000	2009-10 £000
Expenditure			
Staff costs	3	4,708	1,834
Other expenditure	4	1,662	1,979
		6,370	3,813
Income			
Fees	5	188	0
		188	0
Net expenditure		6,182	3,813
Interest Payable	4	41	2
Net expenditure after interest		6,223	3,815

Statement of Financial Position
as at 31 March 2011

	Note	2011 £000	2010 £000
Current assets			
Trade and other receivables	8	2	1
Cash and cash equivalents	9	758	1,664
Total current assets		760	1,665
Current liabilities			
Trade and other payables	10	460	26
Other liabilities	10	431	1,647
Total current liabilities		891	1,673
Net current assets		(131)	(8)
Non-current liabilities			
	11	29	118
Total non-current liabilities		29	118
Assets less liabilities		(160)	(126)
Taxpayers' Equity			
General reserve		(160)	(126)
Total		(160)	(126)

The financial statements on pages x to y were approved by the Board on [date] and were signed on its behalf by;

(Signed) (Chairman)[date]

(Signed) (Chief Executive)[date]

Statement of Cash Flows
for the year ended 31 March 2011

	Note	2010-11 £000	2009-10 £000
Cash flows from operating activities			
Net deficit after interest		(6,223)	(3,815)
Increase in trade and other receivables		(2)	(1)
Increase (Decrease) in payables		1,321	1,780
<i>Net cash outflow from operating activities</i>		<i>(4,904)</i>	<i>(2,036)</i>
Cash flows from financing activities			
Grants from parent department		5,810	3,700
<i>Net financing</i>		<i>5,810</i>	<i>3,700</i>
Net (decrease) / increase in cash and cash equivalents in the period		(906)	1,664
Cash and cash equivalents at the beginning of the period		1,664	0
Cash and cash equivalents at the end of the period		758	1,664

Statement of Changes in Taxpayers' Equity
for the year ended 31 March 2011

	Note	General Reserve £000	Total Reserves £000
Balance at 1 October 2009		-	-
Changes in taxpayers' equity for 2009-10			
Grant from parent		3,700	3,700
Comprehensive expenditure for the year		(3,815)	(3,815)
Actuarial gain from pension scheme		(11)	(11)
Balance at 1 Apr 2010		(126)	(126)
Changes in taxpayers' equity for 2010-11			
Grant from parent		5,810	5,810
Comprehensive expenditure for the year		(6,223)	(6,223)
Actuarial gain from pension scheme		379	379
Balance at 31 Mar 2011		(160)	(160)

Notes to the IPC's Accounts

1 Statement of Accounting Policies

1.1 These financial statements have been prepared in accordance with the 2010-11 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the IPC for the purpose of giving a true and fair view has been selected. The particular policies adopted by the IPC are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.2 Accounting Convention

1.2.1 These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.3 Going Concern

1.3.1 In the Coalition Agreement *Our Programme for Government*, the Government announced its intention to bring forward legislation to replace the Infrastructure Planning Commission (IPC) with an efficient and democratically accountable system that provides a fast-track process for major infrastructure projects.

1.3.2 Ministers have confirmed that their intention is to establish a Major Infrastructure Planning Unit in the Planning Inspectorate to continue fast-tracking major infrastructure projects, with Ministers taking decisions on applications. The Department has also confirmed it intends to make provision in the Localism Bill to enact the proposal for the abolition of the IPC. Until the legislation is enacted, the IPC will continue to consider and determine applications where the National Policy Statements have been designated to ensure there is no delay in handling applications. Where the relevant National Policy Statement has not been designated, the Commission will make a recommendation to the Secretary of State, who will take the decision. In light of this, management has reviewed the appropriateness of the preparation of the financial statements on a 'going concern' basis.

1.3.3 The IPC notes that Parliament will need to enact the legislation necessary to abolish it, and that the timing and eventual decision of Parliament on this matter is currently uncertain. Management have therefore concluded that due to the uncertainty surrounding the timing and eventual decision of Parliament on this matter, there exists a material uncertainty that casts doubt upon the IPC's ability to continue as a going concern.

1.3.4 Nevertheless, after making enquiries and discussing the situation with the sponsor Department, management have a reasonable expectation that they will have adequate resources for the foreseeable future and will be able to meet their obligations as they fall due. Ministers have confirmed both their intention for the majority of the IPC's existing functions to continue, albeit through an alternative organisational structure, and that there will be an orderly transition to any new arrangements. For these reasons, management continue to adopt the going concern basis in preparing the annual report and financial statements.

1.4 Inventories

1.4.1 The IPC has no significant inventories and all non-capital purchases are expensed.

1.5 Operating Income

1.5.1 Income is recorded on an accruals basis at the transacted amounts, or the amounts at which developers are committed to pay.

1.5.2 Operating income is income which relates directly to the operating activities of the IPC. It principally comprises fees and charges for services provided to external customers (developers).

1.6 Value Added Tax

1.6.1 The activities of the IPC are outside the scope of VAT and, in general, output tax does not apply. Irrecoverable VAT is charged to the relevant expenditure category or, if appropriate, capitalised with additions to fixed assets.

1.7 Pensions

1.7.1 IPC staff are entitled to join the Local Government Pension Scheme (LGPS) which is administered by the London Pension Fund Authority (LPFA). This is a defined benefit occupational pension scheme set up under the Superannuation Act 1972. Benefits are based on the length of membership and final salary. Actuarial gains and losses are recognised in the statement of changes in reserves in the period in which they occur.

1.8 Provisions

1.8.1 The IPC provides for legal or constructive obligations, which are of uncertain timing or amount, at the statement of financial position date on the basis of the best estimate of the expenditure required in settling the obligation. At the statement of financial position date the IPC had no provisions other than the accommodation and pension assets and liabilities shown in note 11.

1.9 Leases

1.9.1 The terms of all IPC leases are reviewed and, where the rewards and risks of ownership rest with the IPC, leases are treated as finance leases. There were no finance leases in the year ended 31 March 2011.

1.9.2 Leases other than finance leases are classified as operating leases. Operating leases are charged to the expenditure account on a straight-line basis over the term of the lease, taking account of any lease incentives in accordance with the terms of IAS 17.

1.9.3 The IPC also reviews all service contracts (eg contracts for the supply of IT services) to determine whether the contracts include an embedded finance lease under the terms of IAS 17 as interpreted by IFRIC 4. Although there are no embedded finance leases, the IPC is provided accommodation and ICT through shared service arrangements that are in effect operating leases.

1.10 Contingent Liabilities

1.10.1 The IPC had no contingent liabilities at the statement date.

1.11 Third Party Assets

1.11.1 The IPC does not hold any assets owned by third parties.

2 Segmental Reporting

The IPC has adopted IFRS 8 Operating Segments for the year ended 31 March 2011. IFRS 8 requires operating segments to be identified on the basis of internal reports about components that are regularly reviewed by the chief decision-makers. The management accounts, which are used to manage the operations of the IPC, are in the same format as these accounts and are not segmented at this time. Therefore, no further segmentation of operations has been included here.

3 Staff Numbers and Related Costs

Staff Numbers	Directly employed	Secondment or loan	Agency or temp	Total
Commissioners	9	-	-	9
Secretariat	40	10	6	56
Total	52	10	6	67

Figures are average full-time equivalents for the year ended 31 March 2011. The Commissioners figure is the average full-time equivalent of 10 core and 28 registered Commissioners.

Commissioner Costs	Directly employed £'000	Secondment or loan £'000	Agency or temp £'000	Total £'000
Wages & salaries	999	-	-	999
Social security	119	-	-	119
Total	1,118	-	-	1,118

Secretariat Costs	Directly employed £'000	Secondment or loan £'000	Agency or temp £'000	Total £'000
Wages & salaries	1,733	1,002	393	3,128
Social security	158	-	-	158
Contributions to pension schemes	181	-	-	181
Other pension costs	123	-	-	123
Total	2,195	1,002	393	3,590
Overall Total	3,313	1,002	393	4,708

There were no loans to employees other than season ticket advances; these were to 3 staff and totalled £6k.

The pension fund disclosures required under IAS 19 are as follows:

Reconciliation of opening & closing balances of the present value of the defined benefit obligation	2010-11 £'000	2009-10 £'000
Opening Defined Benefit Obligation	206	0
Service cost	442	138
Interest cost	41	2
Actuarial losses (gains)	(325)	17
Estimated benefits paid in (net of transfers in)	563	-
Past service cost	(98)	-
Contributions by Scheme participants	116	49
Closing Defined Benefit Obligation	945	206

Reconciliation of opening & closing balances of the fair value of Scheme assets	2010-11 £'000	2009-10 £'000
Opening fair value of Scheme assets	145	0
Expected return on Scheme assets	42	2
Actuarial gains (losses)	54	6
Contributions by employer (including unfunded)	179	88
Contributions by Scheme participants	116	49
Estimated benefits paid (net of transfers in and including unfunded)	563	-
Fair value of Scheme assets at end of period	1,099	145

Net pension asset as at	31 March 2011 £'000	31 March 2010 £'000
Present value of funded obligation	945	206
Fair value of Scheme assets (bid value)	1,099	145
Net Liability	(154)	61

The amounts recognised in the statement of comprehensive net expenditure are	2010-11 £'000	2009-10 £'000
Current service cost	442	138
Interest on obligation	41	2
Expected return on Scheme assets	(42)	(2)
Past service cost	(98)	-
Total	343	138

Actual return on Scheme assets	44	8
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Actuarial gain (loss) recognised in the statement of changes in taxpayers' equity	2010-11 £'000	2009-10 £'000
Actual return less expected return on pension scheme assets	1	6
Experience gains and losses	67	4

Changes in assumptions underlying the present value
of the scheme liabilities

Actuarial gains (losses) recognised

311	(21)
379	(11)

The return on the fund (on a bid value to bid value basis) for the year to 31 March 2011 is estimated to be 7.1%. This is based on the estimated fund value used at the previous accounting date and the estimated fund value used at this accounting date. The actual return on fund assets over the year may differ.

Employer asset share	31 March 2011		31 March 2010	
	£'000	%	£'000	%
Equities	758	69%	102	70%
Target return portfolio	132	12%	15	10%
Alternative assets	154	14%	20	14%
Cash	33	3%	7	5%
Other bonds	22	2%	1	1%
Total	1,099	100%	145	100%

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 April 2010 for the year to 31 March 2011). The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The scheme has adopted the following expected returns:

Asset class	Expected return at		
	1 April 2011 % pa	1 April 2010 % pa	2 October 2009 % pa
Equities	7.4%	7.5%	7.0%
Target return portfolio	4.5%	4.5%	4.5%
Alternative assets	6.4%	6.5%	6.0%
Cash	3.0%	3.0%	3.0%
Other bonds	5.5%	5.5%	5.4%
Total	6.7%	6.8%	6.2%

The financial assumptions used for the purposes of the IAS19 calculations are as follows:

Assumptions as at	31 March 2011		31 March 2010		1 October 2009	
	%pa	Real	%pa	Real	%pa	Real
RPI increases	3.5%	-	3.9%	-	3.4%	-
CPI increases	2.7%	-0.8%	n/a		n/a	

Salary increases	4.5%	1.0%	5.4%	1.5%	4.9%	1.5%
Pension increases	2.7%	-0.8%	3.9%	-	3.4%	-
Discount rate	5.5%	1.9%	5.5%	1.5%	5.4%	1.9%

These assumptions are set with reference to market conditions at 31 March 2011. The discount rate is the yield on the iBoxx AA rated over 15 year corporate bond index as at this date which has been chosen to meet the requirements of IAS19. The RPI increase assumption is set based on the difference between conventional gilt yields and index-linked gilt yields at the accounting date using data published by the Bank of England. This measure has historically overestimated future increases in the RPI and so we have made a deduction of 0.25% to get the RPI assumption of 3.5%. As future pension increases are expected to be based on CPI rather than RPI, we have made a further assumption about CPI which is that it will be 0.8% below RPI i.e. 2.7%.

Salary increases are then assumed to be 1.0% above RPI in addition to a promotional scale but we have also assumed that there is a pay freeze for all members earning over £21,000 per annum until 31 March 2012.

Sensitivity Analysis	£'000	£'000	£'000
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	912	945	980
Projected service cost	273	287	302
Adjustment to mortality age rating assumption	+1 year	None	-1 year
Present value of total obligation	915	945	975
Projected service cost	274	287	300

Amounts for the current and previous periods	Year to 31 March 2011 £'000	Period to 31 March 2010 £'000	As at 1 October 2009 £'000
Defined benefit obligation	(945)	(206)	-
Scheme assets	1,099	145	-
Surplus (Deficit)	154	(61)	-
Experience adjustments on Scheme liabilities	14	4	-
Percentage of liabilities	1.5%	1.9%	-
Experience adjustments on Scheme assets	54	6	-
Percentage of assets	4.9%	4.1%	-
Cumulative actuarial gains and losses	368	(11)	-

Projections for the year to 31 March 2012	Year to 31 March 2012 £'000
Service cost	287

Interest cost	78
Return on assets	(103)
Total	262
Employer contributions	213

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4 Other expenditure

Expenditure Group	2010-11 £'000	2009-10 £'000
Accommodation	456	233
Geographic Information Systems	246	-
IT Development (Casework & Web)	195	838
Shared Services	202	467
ICT – Non Shared Service	53	35
Marketing & Communications	51	76
Audit	49	25
Legal	27	6
HR - Non Shared Service	15	132
Other Admin	370	168
Other Expenditure	1662	1979
Interest Cost	41	2
Total Expenditure	1703	1981

5 Income

Income	2010-11 £'000	2009-10 £'000
Fees from developers	188	-
Total	188	-

6 Property, Plant and Equipment

The IPC's capitalisation threshold is £5,000, including VAT. No property, plant or equipment is owned by the IPC. Accommodation and ICT equipment is provided through the sponsor department's shared services

7 Financial Instruments

As the cash requirements of the IPC are met through Grant-in-Aid provided by DCLG and fee income from developers, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the IPC's expected purchase and usage requirements and the IPC is therefore exposed to little credit, liquidity or market risk.

8 Trade receivables and other current assets

	2010-11 £'000	2009-10 £'000
Amounts falling due within one year:		
Trade Receivables	2	1

Total	2	1
--------------	----------	----------

9 Cash and cash equivalents

	2010-11
	£'000
Balance at 1 April 2010	1,664
Net change in cash equivalent balances	(906)
Balance at 31 March 2011	758

The following balances at 31 March were held:

Cash at bank	758
Balance at 31 March 2011	758

10 Trade payables and other current liabilities

	2010-11	2009-10
	£'000	£'000
Amounts falling due within one year:		
Trade Payables	460	26
Accruals and deferred income	431	1,647
Total	891	1,673

11 Non-current liabilities

	2010-11	2009-10
	£'000	£'000
Amounts falling due after more than one year:		
Accruals and deferred income	183	57
Pension (asset) / liability	(154)	61
Total	29	118

12 Commitments Under Leases

The total future minimum lease payments under operating leases are given in the table below for each of the following periods.

Accommodation shared service (ends March 2021)	2010-11	2009-10
	£000	£000
Not later than one year	472	518
Later than one year and not later than five years	1,890	2,592
Later than five years	2,362	2,592
Total	4,724	5,702

There is no minimum commitment for ICT services as the amount payable varies with the total number of users of the service and with the number of

IPC users. The current shared service contract is due to be re-tendered by 2013.

13 Related Party Transactions

The IPC's sponsor department is the Department for Communities and Local Government (DCLG). DCLG is also the parent department of the Planning Inspectorate (PINS), which provides IPC accommodation.

The IPC has had various material transactions with DCLG and PINS during the year ended 31 March 2011.

No board members, key managers or other related parties have undertaken material transactions (over £5k) with the IPC or its related parties during the year ended 31 March 2011.

DRAFT

Audit opinion

To follow

DRAFT

**ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE IN
ACCORDANCE WITH PARAGRAPH 20 OF SCHEDULE 1 TO THE
PLANNING ACT 2008**

1. The annual financial statements of the Infrastructure Planning Commission (hereafter in this accounts direction referred to as “the Commission”) shall give a true and fair view of the income and expenditure and cash flows for the year and the state of affairs at the year end. Subject to this requirement, the financial statements for 2009/10 and for subsequent years shall be prepared in accordance with:-

(a) the accounting and disclosure requirements given in *Managing Public Money* and in the *Government Financial Reporting Manual* issued by the Treasury (“the FReM”), as amended or augmented from time to time;

(b) any other relevant guidance that the Treasury may issue from time to time;

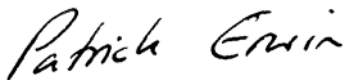
(c) any other specific disclosure requirements of the Secretary of State;

insofar as these requirements are appropriate to the Commission and are in force for the year for which the financial statements are prepared, and except where agreed otherwise with the Secretary of State and the Treasury, in which case the exception shall be described in the notes to the financial statements.

2. Schedule 1 to this direction gives additional disclosure requirements of the Secretary of State.

3. This direction shall be reproduced as an appendix to the financial statements.

Signed by authority of the Secretary of State for Communities and Local Government



An officer in the Department for
Communities and Local
Government

Date 31 March 2010

Schedule 1: additional disclosure requirements

The following information shall be disclosed in the financial statements, as a minimum, and in addition to the information required to be disclosed by paragraph 1 of this direction.

- (a) an analysis of grants from:
 - (i) government departments
 - (ii) European Community funds
 - (iii) other sources identified as to each source;
- (b) an analysis of the total amount of grant from the Department for Communities and Local Government, showing how the grant was used;
- (c) an analysis of grants included as expenditure in the income and expenditure account and a statement of the total value of grant commitments not yet included in the income and expenditure account;
- (d) details of employees, other than board members, showing:-
 - (i) the average number of persons employed during the year, including part-time employees, agency or temporary staff and those on secondment or loan to the Agency, but excluding those on secondment or loan to other organisations, analysed between appropriate categories (one of which is those whose costs of employment have been capitalised)
 - (ii) the total amount of loans to employees
 - (iii) employee costs during the year, showing separately:-
 - (1) wages and salaries
 - (2) early retirement costs
 - (3) social security costs
 - (4) contributions to pension schemes
 - (5) payments for unfunded pensions
 - (6) other pension costs

(7) amounts recoverable for employees on secondment or loan to other organisations

(The above analysis shall be given separately for the following categories:

- I employed directly by the Agency
- II on secondment or loan to the Agency
- III agency or temporary staff
- IV employee costs that have been capitalised);

(e) in the note on receivables, prepayments and payments on account shall each be identified separately;

(f) a statement of debts written off and movements in provisions for bad and doubtful debts;

(g) a statement of losses and special payments during the year, being transactions of a type which Parliament cannot be supposed to have contemplated. Disclosure shall be made of the total of losses and special payments if this exceeds £250,000, with separate disclosure and particulars of any individual amounts in excess of £250,000. Disclosure shall also be made of any loss or special payment of £250,000 and below if it is considered material in the context of the Agency's operations.

* (h) particulars of material transactions during the year and outstanding balances at the year end (other than those arising from a contract of service or of employment with the Agency), between the Agency and a party that, at any time during the year, was a related party. For this purpose, notwithstanding anything in the accounting standard, the following assumptions shall be made:

(i) transactions and balances of £5,000 and below are not material

(ii) parties related to board members and key managers are as notified to the Agency by each individual board member or key manager

(iii) the following are related parties:

(1) subsidiary and associate companies of the Agency

(2) pensions funds for the benefit of employees of the Agency or any subsidiary companies (although there is no requirement to disclose details of contributions to such funds)

(3) board members and key managers of the Agency

- (4) members of the close family of board members and key managers
- (5) companies in which a board member or a key manager is a director
- (6) partnerships and joint ventures in which a board member or a key manager is a partner or venturer
- (7) trusts, friendly societies and industrial and provident societies in which a board member or a key manager is a trustee or committee member
- (8) companies, and subsidiaries of companies, in which a board member or a key manager has a controlling interest
- (9) settlements in which a board member or a key manager is a settlor or beneficiary
- (10) companies, and subsidiaries of companies, in which a member of the close family of a board member or of a key manager has a controlling interest
- (11) partnerships and joint ventures in which a member of the close family of a board member or of a key manager is a partner or venturer
- (12) settlements in which a member of the close family of a board member or of a key manager is a settlor or beneficiary
- (13) the Department for Communities and Local Government, as the sponsor department for the Agency.

For the purposes of this sub-paragraph:

- (i) A key manager means a member of the Agency's management board.
- (ii) The close family of an individual is the individual's spouse, the individual's relatives and their spouses, and relatives of the individual's spouse. For the purposes of this definition, "spouse" includes personal partners, and "relatives" means brothers, sisters, ancestors, lineal descendants and adopted children.
- (iii) A controlling shareholder of a company is an individual (or an individual acting jointly with other persons by agreement) who is entitled to exercise (or control the exercise of) 30% or more of the rights to vote at general meetings of the company, or who is able to control the appointment of directors who are then able to exercise a majority of votes at board meetings of the company.

* Note to paragraph (h) of Schedule 1: under the Data Protection Act 1998 individuals need to give their consent for some of the information in these sub-paragraphs to be disclosed. If consent is withheld, this should be stated next to the name of the individual.

BOARD PAPER

Meeting Date:	26 May 2011	Item No:	7.0
Paper Title:	IPC Annual Report & Accounts		
Author:	Neil Hartley		

1. Recommendation

- 1.1 That the Board reviews and provisionally approves the draft annual report and accounts (attached as Annex 1), subject to a detailed consideration at the Audit & Risk Committee on June 7 2011. Depending on the ARC's view, we can then either proceed to an early laying date, or bring the report to the board meeting provisionally booked for 30 June.

2. Background

- 2.1. Good progress has been made drafting the report and agreeing the accounts with the auditors. Subject to any substantive issues raised during the final NAO review or by the ARC, we may soon be in a position to sign off the accounts.
- 2.2. Originally we had planned to approve and sign off the report and accounts at a Board specially convened for this purpose on June 30 2011, and to lay the accounts early/mid July 2011. As the bulk of the work is now complete, it may be possible to sign off following the ARC meeting and to lay in June 2011, and avoid the need for an additional Board meeting.

. Document control table for Board papers	
Version number	1.0
Classification/Status	Unclassified/Final
File location	See document footer

BOARD PAPER

Meeting Date:	26 May 2011	Item No:	8.0
Paper Title:	Quarter 4 Dashboard Report - Jan to Mar 11		
Author:	Catriona Flear		
Approved by:	Anne Moore, Ian Gambles		

1. Recommendation

The Board is asked to:

- 1.1 note the period, target and change information presented in the Dashboard Report (Annex A), this covering paper and the narrative to the information (Annex B), and
- 1.2 note and consider any areas of concern in Section 2.

2. Status and Issues

The overall RAG of the report is **GREEN**, but the Board may want to note the following areas:

B12 System downtime

Due to resource issues within DCLG IT, they were slow in providing figures for March and have advised that this is unlikely to improve until after the restructure has been completed. Jan Ryan is taking forward directly with DCLG.

Document control table for Board papers	
Version number	1.0
Classification/Status	Unclassified/Final
File location	See document footer

**Item 8.0, Annex A -- Dashboard
IPC Board, May 2011**

A: CASE PROCESSING		This Period	Target	Change	RAG
Workload data					
A1	Applications decided (recommended or decision)				
A2	Applications received and in process	2	n/a	0	
A3	Expected applications in Programme of Projects	53	n/a	4%	
A4	Rolling 12-month caseload forecast	23	n/a	-14%	
Process performance					
A5	Average application to decision period (months)				
A6	Average examination period (months)				
A7	Average decision period (months)				
A8	Breaches of statutory limits	0	0%	0	
A9	Judicial Reviews (successful/applied for)				

B: MANAGEMENT OF RESOURCES		This Period	Target	Change	RAG
People					
B1 a	FTE headcount (Core Commissioners)	7.30	7.68	-5%	
B1 b	FTE headcount (permanent, secondees & fixed term staff)	66	77	8%	
B1 c	FTE headcount (Agency staff)	1	0	-3.2	
B2	Turnover (losses/FTE headcount)	14.49%	n/a	-14%	
B3	Sickness absence (days/FTE headcount)	1.81%	3.70%	-15%	
B4	Staff engagement (index)	n/a	n/a	n/a	
Money					
B5	Forecast of outturn (current FY)	5.86	6.265m	-2%	
B6	% budget spent YTD	94%	100%	n/a	
B7	Forecast fee income	0.1	0.1	0%	
Efficiency					
B8	Cost per decision (gross)				
B9	Person days per case				
B10	Core Commissioner utilisation (Casework)				
B11	Registered Commissioner days used (Casework)				
B12	System downtime	99.9%	98.8%	.001%	

C: STANDARD OF SERVICE		This Period	Target	Change	RAG
Information provision					
C1	Customers advised	1112	n/a	24%	
C2	Website hits	34,987	n/a	22%	
C3	FOI & EIR requests received	1	n/a	-11	
C4	FOI & EIR requests answered within 20 days	2	100%	-8	
C5	FOI & EIR requests refused (incl. part refusals)	1	n/a	-3	
Customer satisfaction					
C6	Stakeholder opinion (survey data)				
C7	Interested party opinion (post-decision survey data)				
C8	Website visitor opinion (web survey data)				
C9	% of Complaints received that are justifiable	1	0	0	
C10	Balance of media coverage	Deleted			
C11	Independent process quality score				

Item 8.0, Annex B - Narrative IPC Board, May 2011

A2 Applications received

No application were received in the period at 31 March 11. 2 applications have been received overall and are in process.

A3 Expected applications in the overall programme of projects

The expected applications as at the end of December have increased by 2 to 53 since the last period.

A4 Rolling 12 month caseload forecast

The rolling 12 month forecast as at end of March is 23, which is a decrease of 4 from the last period.

A8 Breaches of statutory limits

There have been no breaches of statutory limits in this period.

B1 FTE Headcount

The FTE headcount for Core Commissioners reduced by 5% to 7.3 due to a resignation in January.

Permanent, secondees and fixed term staff increased by 8% to 66 due to recruitment of 4 EIA staff and appointment of 1 fixed term contract, but is still below the profile of 73 FTE. In the period 2 individuals left and 1 was converted from secondment to fixed term.

Agency staff reduced from 4.2 to 1 as planned.

B2 Turnover

The rolling 12 month average for turnover has reduced by 14% to 14.49%. In the period, there were 3 voluntary leavers and no involuntary.

B3 Sickness absence

The rolling 12 month average sickness absence for the period reduced from 2.15% to 1.81%, which is still well below the public sector rate of 3.7%. Training on managing sickness has been given to managers and all staff made aware of the process for recording absences.

B5 Forecast of outturn

The budget for the whole year remained at £6.265m, the spend to the end of March was £5.867m, which was a 2% increase from the last period.

B6 % budget spent YTD

The % of budget planned to be spent as at the end of the financial year, was forecast to be 100% and the actual was 94%.

B7 Forecast fee income

Fee income to the end of March did not change from the last period.

B12 System downtime

The average service received was 99.9, which is 1.14% over the average SLA level of 98.8%.

The actual level of service received was:-

System availability	Jan	Feb	Mar	Average
Email	100	99.9	99.9	98.9
Filing	99.8	100	100	99.9
Internet	99.9	99.8	100	99.9
Phones	100	100	100	100
Overall average	99.9	99.9	100	99.9
% downtime				0.1

C1 Customers advised

There was an overall 24% increase in the number of customers advised in this period, with helpdesk queries remaining higher.

	Direct	Helpdesk
Jan to Mar 10	93	97
Apr to Jun 10	150	150
Jul to Sept 10	132	658
Oct to Dec	160	738
Jan to Mar	190	922

C2 Website hits

Website hits to date are 34,987, which is an increase of 22% from the last period and showing an upward trend with the highest monthly peak to date in March of 14,898, possibly due to the current cases in progress.

C3, C4, FOI request received & answered

In the current period, no FOI requests and 1 EIR request were received. The EIR request was answered within 20 days and one FOI request received at the end of December, was answered in January, within the 20 days.

C5, FOI request refused.

There was one EIR request refused in the period.

C8 Website visitor opinion (web survey data)

No further progress has been made on exploring a cost effective solution for this survey.

C9 % of complaints received that are justifiable

1 complaint about the outreach meeting for Merthyr was received in the last period and this was accepted as it matched the internal view which was that more outreach was required.

Weeks	Now	12	13	14	April	15	16	17	18	May	19	20	21	22	23	June	24	25	26	27	July	28	29	30	31	Aug	32	33
Purpose of the IPC. Adopt and use the IPC/MIPU Purpose and Quality Policy Presentation to staff at Staff meeting																												
Process control Initial fact finding- all depts Listing of what we have and where it is. Reading to understand content/background /history/links Document control procedure - draft 2 Investigate storage options Investigate synergies with K&I team Develop Requirements doc for JR. (w KH) Request temporary Livelink folder Refine lists of known docs based on further investigations/discoveries.																												
Operations processes [timetable agreed with JW] Assign owners to each top level process. Set priorities Project launch meeting and workshop Change/edit documents Publish Priority 1: Acceptance																												
Non - ops processes Assign owners to each top level process. Set priorities Change/edit documents Publish Set up single area for document storage. (TEMP) Create Intranet page for The Way We Work (including - Audit plan, quality tools, etc) Adopt process change control. Set up single area for document storage. (PERM) [dependency - ICT based on requirements doc.]																												
Corrective Processes Complaints process written, reviewed published. Case leader training Ops staff training																												
Set up stage completion reviews Write guide document Review and buy in Publish Include review step in Operations Procedures Findings feed into Projects Review																												
Develop an internal process audit capability. Create process audit plan based on risk Identify/volunteer 8 process auditors Train internal process auditors Implement process audit regime (include s51 advice audit)																												
Learning and Development [agreed w LJ] Planning session - LJ, KH, CD Identify knowledge and skills strengths and needs using matrix for each role. Implement development plans for organisation.																												
Preventive Processes Process Failure mode & effects analysis Prioritise processes for PFMEA plan. Plan approved PFMEA training for first team (2hrs) PFMEA for first process. Active Risk Management Registers reviewed with emphasis on primary controls. Reduction activity linked to projects Risk Register actively used as live document																												
Management Review Collate improvement activity into one list and Set up a Projects Review of change/improvement activity attended by SMT + Heads of and Team leaders. Regular bi-weekly improvement project review - inc audit results, complaints, stage review findings, IICT change overview, etc...) Set up a Management Review of process performance (not just SMT). Mini dashboard. Regular monthly performance review (include refining dashboard) Develop graphical measures																												

BOARD PAPER

Meeting Date:	26 May 2011	Item No:	10.0
Paper Title:	IPC Quality Management System		
Author:	Chris Dagnan		
Approved by:	Ian Gambles		

1. Recommendation

- 1.1. That the Board agrees to the establishment of a Quality Management System, which will be known as “The Way We Work”. This will:
- a) achieve greater consistency
 - b) reduce the risk of successful Judicial Review
 - c) increase efficiency by improving use of time and resources
 - d) constantly improve the IPC’s service
 - e) support the transition into PINS-2012.

2. Background

- 2.1. The following paper follows on from the Quality Management paper of 25 March 2011. The paper and work plan (attached as Annex 1) were reviewed and approved by SMT on 21 April 2011.
- 2.2. Going forward, there will need to be a single integrated quality management system for PINS 2012, building on the areas of strength in the existing PINS quality function as well as meeting the needs of the new National Infrastructure Directorate. Implementation of “The Way We Work” will both provide essential quality management to the IPC over the critical coming months of application handling, and contribute directly to shaping the integrated approach to quality we will need to take in the future.

Document control table for Board papers	
Version number	1.0
Classification/Status	Unclassified/Final
File location	See document footer

IPC Quality Proposal “The Way We Work”

“Generally, inventions come from the operatives”
(House of Lords, Select Committee, 1851)

Purpose

To propose a quality strategy for the IPC which builds quality into the way we work now and prepares the way forward for an integrated MIPU/PINS approach later.

Recommendation

That the SMT/Board endorses this approach and support its implementation.

Overview

Quality is not a matter of luck, in order to produce a quality service (right first time to internal and external customers) quality has to be designed into processes and managed to ensure predictable and reliable outputs.

The designing in and management of quality itself cannot be left to chance. A management system which ensures business activities are undertaken in a controlled and measured way will ensure that the organisation operates as expected.

The expectations of an organisation are described in its Mission, Vision and Values:

- Mission – What we are here to do - our Purpose
- Vision – What we want to be
- Values – How we want to behave

The process of running an organisation typically consists of the following key elements:

- Understanding requirements, planning and organising (managing the system)
- Getting work and doing work (the core processes)
- Managing resources (supporting the core processes)
- Understanding performance - reviewing and improving (managing the system)

Taking a systematic approach will:

- Minimise the risk of Judicial Review
- Establish a culture of learning and continuous improvement
- Identify improvement opportunities to reduce waste(cost) and risk

- Provide reassurance to the Board that the IPC is delivering its purpose.

Without a systematic approach, we can only cross our fingers and hope!

Management Systems

A management system comprises the elements of policy, planning, implementation and operation, performance assessment, improvement and management review.

A system to manage the delivery of quality is often referred to as a quality management system, or QMS. This terminology however can have the effect of suggesting that the QMS is separate from the way the business itself is run; an added burden or cost.

It in fact covers all aspect of the organisation; from employing the right people, to identifying and managing risk, to buying the right computer system to answering queries effectively and includes assurance and control activities throughout the organisations activities.

A 'system' exists whether or not it has been defined (in the same way as a process exists even if it has not been described in narrative or flowchart format). In smaller organisations people know what to do (and do it) without having to refer to forms, checklists or written procedures. As an organisation increases in size, both of workflow and staff, the need emerges for a defined management system.

Some key objectives of a defined management system are to achieve compliance, to encourage standardisation and reduce variation and to help staff to understand what they have to do and how they fit into the organisation. It should also provide a sound basis for managing change and making improvements.

A simple, clear and comprehensive approach is proposed following the March 2010 board paper's recommendation of a light touch approach, which will help the IPC focus on the key elements needed to plan, implement and manage in order to accomplish its mission now, and as it transforms into MIPU.

One common approach is to use the Deming cycle

- Study – understand customer and stakeholder requirements understand the organisation's performance against these requirements.
- Act – in light of the results of Study - what needs to change / be done to meet them
- Plan – how we need to work to meet the findings of study, what is to be done and how should it be done (mission, objectives processes)
- Do – follow the defined processes to meet customer and stakeholder requirements. -

The cycle is continuous; from 'Do' continue on to Study the results of 'Do' and Act accordingly. (see Figure 1 on page 4 below):.

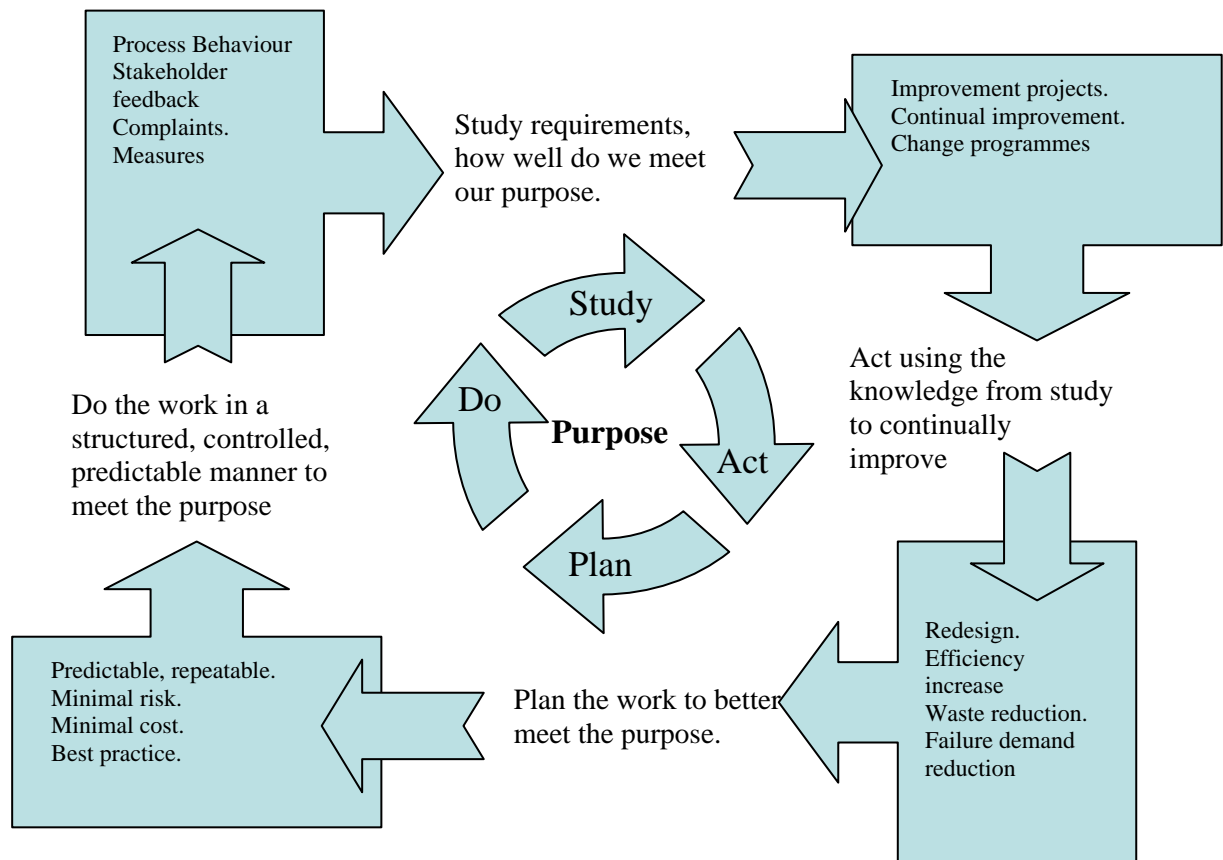


Figure 1: The continuous improvement cycle

A Management system should consist of:

- Customer/stakeholder requirements (Study)
- Mission – Vision – Values (Act)
- objectives of the organisation (Plan)
- policies (Plan)
- planning (Plan)
- implementation and operation, including controls(Do)
- performance assessment (Study)
- management review (Study)
- improvement (Act)

The IPC Approach

The IPC has many of the elements of a management system as described above, already in place or partly in place, for example there is a management dashboard of measures and many processes are defined, there is planning of case workload and risk management for example.

Documentation is not the system and by even referring to 'a system' the perceived purpose is changed from being an enabler of results to a repository of policies and rules for managing the organisation. Therefore it is proposed that the IPC adopts the term:

The Way We Work in context

The IPC is currently in transition; it is both growing, and maturing whilst it is merging into a larger organisation. This creates an environment where we need to:

- Consolidate and control existing and developing processes.
- Provide an environment to learn and change in a controlled manner.
- Be flexible to allow integration to take place.

In this context a complete management system approach should be the long term goal, which would be post integration. In the meantime the approach should still communicate to all colleagues a clear purpose of the IPC and the approach to Quality it will take. The focus should then be on consolidation of the process knowledge and control of change within an innovative learning environment.

The Purpose has been derived from the existing Corporate Plan (with the Director of Resources) and will provide clarity of purpose during and after the transition phase into the new organisation for staff at all levels.

Purpose for the IPC (and MIPU):

- To examine applications for the development of Nationally Significant Infrastructure Projects and to decide or recommend whether to grant development consent and if so on what conditions.

The adoption of a quality policy shapes the approach of the business to how it will ensure it meets its purpose through getting things right.

Quality Policy

- We will understand our customers and stakeholder's requirements and will understand how well we meet those requirements. We will learn and continuously develop to improve customer and stakeholder satisfaction, manage risk and reduce waste in all that we do.

The policy provides direction for management and staff (and commissioners) in the design and measurement of the work; customer in this context customer can be internal as well as external.

In order for this proposal to become 'the way we work', the IPC approach to Quality must be driven and supported by the Chair and CEx; without visible leadership from the top any attempts to change will fail.

This could be achieved through a short presentation at the next staff meeting, on April 20th. Visible top management support and authority to the Quality

programme can be demonstrated through the sharing of the Purpose and Quality Policy and set out to all staff the IPC Quality approach plus their part in it together with my role in delivering it.

The Work Programme

The work programme is organised across four themes with a management review component bringing it together. Described below are the outcomes of the five themes; the work plan is attached as an appendix. Some work is already underway and is described below.

Process document control

- One set of documents describing the what, when, where, who and how of the IPC. Stored in a single controlled location, using common templates, with a controlled mechanism to change the content. This will mean we can make changes from a position of knowing what we do and that we can check through process audit that we are doing what we have said we do. We can also measure how well we perform against what we have decided is the way we work. We will have one agreed method to operate and this will enable a consistent approach and reduce risk of error,

Process correction

- Robust mechanism for logging and solving external complaints and internal complaints (where something has gone wrong). Providing method to find root cause and ensure corrective action is taken and that systemic learning takes place to change how we allowed ourselves to get into the situation.
- Review step built into the end of operations stages (e.g. acceptance, prelim hearing) to learn what went well and where we could improve, done as a group with secretariat and commissioners.
- Annual programme of internal process audits (approved by SMT) led by QAO to check for conformance to documented processes. Are we doing what we say we should be? Train approx 6 staff to undertake internal process audits, utilising 3 days per year each in total, performing 1 to 2 audits and including audit training.

Learning and Development.

- Skills and knowledge matrix for each team identifying strengths and gaps against relevant knowledge e.g. how to use COSMO, how to give advice on the format for application documents or using records management. This would be used to provide targeted training, and where development is required. Additional L&D requirements come from changes, new risks and issues, complaints etc.

Process Development

- A preventive approach, identifying where there are opportunities for error before they occur. Key processes analysed, identifying where there is the possibility of failure (errors, mistakes, missed steps, inadvertent release etc), what the likelihood of detection is (easily caught by next person, no further check before release to applicant) and what the effect of that could be (minor rework, to financial loss, and JR). The analysis is done with a group of users ('operatives') and goes down to a detailed level, often observing how the steps are performed. The output of this is a set of improvement actions which could include physical changes and/or learning and development. This technique is known as Process Failure Mode and Effects Analysis (PFMEA) and feeds up into the risk management process. It is proposed this activity is introduced during the latter half of the financial year, and is directed at high risk areas.
- The risk register is used as a live document, supporting change decisions and being a driver of improvement activity. Risk mitigation actions are recorded and tracked through the Projects Review (see below). Corporate and Process level risks are identified together with their primary controls, the effectiveness of the controls and the level of residual risk. Virtually all change activity should be related to a Risk or Issue.

Management Review

All of the items above generate potential improvement work. This work needs to be managed deciding firstly whether it should be done and then when and with what resources. This improvement activity, (if it doesn't improve our delivery of the purpose it shouldn't be done), itself needs to be managed, and the mechanism proposed to do this is through a regular "Projects Review".

The Projects Review would be a regular (fortnightly?) update of progress against the agreed key change activity. The projects would be approved by the Director responsible for Quality.

The projects could be activity or groups of activity identified from:

- Process performance
- Complaints (internal and external)
- Process stage reviews, e.g. Merthyr acceptance, Rookery reps.
- Process Audits
- Learning and Development gaps
- Risk Profile
- Issues

The Project Review would be attended by staff that own a project and should have a broad membership from across the business to encourage sharing and discovery of the change projects. The session provides a chance to update everyone else on the projects' progress, and share findings and learning and

what work is coming up. This provides everyone with a view of what is going on that is not directly related to processing cases through the IPC. The forum would also allow any linkages to the integration project to be highlighted.

It is proposed that the Projects Review is managed by the QAO, being sponsored and chaired by the Director responsible for Quality.

These change projects should make a difference to the performance of the business which would be reflected in the dashboard. A monthly dashboard performance session should include input and attendance from staff and commissioners at a range of levels, not just SMT.

Some elements of the above are already underway; in particular, the process document control work package has discovered and logged over a hundred documents, written a specification for a Livelink system with the Head of K&I and set up a team in the Case team to bring their processes together. The complaints process is live with a workflow in COSMO and Case Leader training has taken place, also some stage reviews have taken place notably 'Merthyr acceptance' and 'Rookery reps receiving' will be on 22/3. Also the collation of Case Team change and improvement activity, following the stage reviews, into a single list is underway with the Case Team.

What difference will it make?

The management system as proposed will provide a framework for the IPC to deliver its purpose through its final 12months and beyond into New PINS and MIPU.

This systematic approach will:

- achieve greater consistency in the IPC's activities
- reduce the risk of expensive mistakes
- increase efficiency by improving use of time and resources
- improve customer satisfaction
- make it easier to integrate new staff
- constantly improve the IPC's service, processes and systems
- support transition into MIPU

It will also engender universal responsibility – the recognition that quality is not solely the responsibility of a 'quality team', but is part of everything the organisation does, with everyone seeking ways to improve their part of the delivery of the IPC's Purpose.

Integration

This proposal and the concepts within it are designed to complement the strategy for Quality proposed for the new PINS organisation. The system proposed can absorb the increased scope of work and purpose within the new organisation, and can provide the basis for the new approach.

Using this model in the development of the management system for the new organisation will support the definition of a clear purpose, process and measures for each element of the new organisation, which will support the CEx in the delivery of the new organisation's Mission/Purpose.

Approved by		Date approved	
Date issued	23/03/11	Date expires	
Version	Purpose / Change	Author	Date
1	Final – no changes post SMT	Chris Dagnan	10/05/2011
0.9	Final Draft	Chris Dagnan	23/03/2011

BOARD PAPER

Meeting Date:	26 May 2011	Item No:	11.0
Paper Title:	External Communications Report		
Author:	Peter Rickett and Ian Gambles		

1. Recommendation

- 1.1. To endorse the principle of taking the fresh external communications initiatives set out in this paper at paragraphs 2.5 and 3.2-3 below.

2. Project-related work

Media handling

- 2.1. Most local, regional and trade media interest in the IPC in 2011 has revolved around specific NSIP proposals. In particular there has been coverage of:
- the demonstration at the site visit by the ExA for Covanta Energy's Rookery South energy-from-waste proposal
 - Helius Energy's proposal for a biomass plant in Southampton, and the IPC pre-application outreach meetings, one of which drew 175 people
 - the acceptance of Covanta Energy's application for an energy from waste facility at Brig y Cwm, and the subsequent registration campaign
- 2.2. As projects approach their expected application dates, we have been contacting the local and regional media to brief reporters on the process and to build relationships. This has proved beneficial notably in respect of the Southampton Biomass and Brig y Cwm EfW proposals. In both cases reporters have maintained contact with the press officer seeking comments and clarification to ensure accurate reporting.

Publicity

- 2.3. Publicity for the Brig y Cwm drop in sessions was obtained both through editorial mentions prompted by the above media contact, and through paid-for advertisements in the local press. The Southampton outreach events were supported by design, production and distribution of posters and leaflets, as well as contact with and advertisement in the local and regional press. Nevertheless it is fair to say that the majority of those attending these events had been alerted by word of

mouth or by viral spread of information from objector groups' presence on social networking sites.

- 2.4. Following a request from The Environment Agency for the IPC to participate in their outreach events associated with Covanta's application for environmental permits for Brig y Cwm, we produced a single A4 leaflet providing information on the current position for the application and explaining the next steps of the process.

Proposed initiative

- 2.5. The critical role of social networking sites in the spread of information about activity on cases attracting significant public interest, when considered alongside the significant time and cash costs of extensive advertising, leafleting etc, suggests that we should consider making proactive use of these communications media to disseminate key messages about the role of the IPC and the IPC process. Clearly great care will need to be taken in handling postings through media such as Twitter, and we will be uncompromising in maintaining our high professional standards in communications and adhering to protocols established by the Government Communications Network. It is recommended that the Board endorse the principle and ask the management team to take this forward.

3. Engaging the print and broadcast media

- 3.1. Before the General Election of 2010 and the subsequent abolition announcement, we were proactive and successful in raising and maintaining the profile of the IPC in the national media. This was achieved by offering the media articles and interview opportunities. Following that announcement, the media very quickly lost interest and it has not been appropriate to continue with such efforts.
- 3.2. We are now approaching a point where it would be appropriate to re-engage with the national media on the future of the infrastructure planning regime. The combination of events likely to create the right climate for a story of sufficient interest to warrant the attention at least of the specialist/trade media may point to a campaign towards the end of June.
- 3.3. The objective of any such campaign would be to gain balanced reporting of key messages and to boost investor and public confidence in the continuity, speed and fairness of the regime. As far as the operational aspects of this are concerned, media interest is likely to be in specific developments with major cases and in definite decisions about the future infrastructure planning regime within PINS including key appointments. There would need to be close liaison with DCLG to ensure that our operationally-focused efforts fully complemented ministerial messages and were timed appropriately. The Board is invited to consider the merits and timing of such a campaign.

4. Other activity

Media training

- 4.1. We have provided media training for 8 case leaders. The training, delivered by COI, was at nil cost to the IPC by utilising unspent budget previously allocated to COI by DCLG for marketing activity which was no longer permitted under the marketing freeze. Feedback on the training was very positive and this has increased our ability to respond to local media requests for factual interviews about the process in connection with individual proposals.
- 4.2. Work is in hand to plan an increase in engagement with the Welsh media. This can be put into practice now that the Welsh Assembly elections are over. Media training for our two Welsh speaking case officers will assist with this.

Website

- 4.3. Visitor numbers to the IPC website between 1 February and 30 April 2011 were 32,590, an increase of 3,962 visits from the previous 3 months.
- 4.4. Development work has been completed to improve the projects area of the site, including:
 - improving the way the summary of projects is displayed and can be navigated
 - adding RSS feeds to the projects pages to allow people to track the progress of specific projects
 - navigation improvements to make it easier to find information such as scoping documents, correspondence and meeting notes for each project
 - improvements to the project pages to enable publication and display of written representations, comments and responses to the Examining Authority's further questions.

Other matters

- 4.5. The eNewsletter continues to be prepared and despatched to subscribers on a monthly basis. The number of subscribers in February was 1,739 and grew to 1,777 in April. Click-through rates remain well above benchmarks.
- 4.6. Three Advice Notes were designed and published in the past three months. Bringing design in house has achieved substantial savings.

.Document control table for Board papers	
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BOARD PAPER (WORKING DOCUMENT)

Meeting Date:	26 May 2011	Item No:	12.0
Paper Title:	IPC Board Forward Agenda to July 2011		
Author:	Katherine Finlayson		

1. The Chair of the IPC Board recommends that IPC Board meetings are scheduled from hereon on a bi-monthly basis through to the close down of the IPC.
2. PINS Board meetings are also now running to a bi-monthly schedule.
3. It is expected that a "PINS-2012 designate board" be established by September 2011 consisting of the PINS CEO (Chair), designate Senior Director (PINS-2012), designate Directors (PINS-2012) and newly appointed PINS NEDS (for which a recruitment process is currently underway).
4. The forward schedule for IPC Board meetings and other integration meetings attended by IPC Board members would therefore be:

Tuesday 28 June, 10.00 – 13:00

Integration Group meeting

Thursday 30 June 2011

Being held provisionally for an IPC Board meeting for re-consideration of IPC Annual Report and Accounts 2010-2011 following any substantive issues raised by the Audit & Risk Committee meeting. This item could potentially be taken by correspondence.

Thursday 7 July 2011, 10.00 – 15:00

Integration Group workshop with DCLG colleagues on content of Final Business Case

Thursday 21 July 2011 – IPC Board

• Final Business Case
• Q1 2011-12 Financial report
• Q1 2011-12 Dashboard report
• Report from Audit & Risk Committee & Strategic Risk Register
Standing Items:
• Declaration of Interests (MP)
• Minutes of Previous Meeting (KF)
• Operations Report (IG)
• Forward Agenda Items (AM)
• AOB (MP)

Thursday 25 August 2011

Holding scheduled Board date in light of any urgent business

Thursday 29 September 2011 – IPC Board

Full IPC Board meeting

Thursday 27 October 2011

Holding scheduled Board date in light of any urgent business

Thursday 24 November 2011

Full IPC Board meeting

Thursday 15 December 2011

Holding scheduled Board date in light of any urgent business

2012 Dates yet to be scheduled but expect 4th Thursday of month in question.