



RIKSREVISIONEN
The Swedish National Audit Office

RiR 2009:5 Summary

An efficient and transparent planning and building process - the example of noise

Summary

The Swedish National Audit Office, SNAO, has examined whether the state control of planning and building of housing in noisy environments has provided the necessary conditions for an efficient planning and building process. The government controls this through rules, guidance, supervision and inspection.

Noise is the environmental disturbance that affects the largest number of people in Sweden. Noise influences people's health and can lead to sleeping disorders, hearing damage and other health problems.

To decrease the health risks for residents, the government has drawn up rules for planning and building housing in noisy environments. In the government bill 1996/97:53, the Riksdag backed standard values for traffic noise, which normally shall not be exceeded when constructing new housing or building/rebuilding infrastructure, as far as this is technically possible and financially reasonable. The National Board of Housing, Building and Planning, the Swedish Environmental Protection Agency and the National Board of Health and Welfare have issued general advice and building regulations for planning and building housing in areas exposed to noise.

For the planning and building process to function efficiently, it is important that construction companies are aware of the rules that apply to managing noise, i.e. that they are transparent and predictable. According to the European Court, a lack of transparency may constitute an obstacle to free movement. Assessment criteria that authorities use for issuing permits shall be reported openly, the procedure shall take place during an established framework of time and a basis for decisions by the authorities shall be reported for the procedure to comply with the requirements of EC law.

The OECD has drawn up guidelines for how rules and regulations shall be formulated for them to lead to efficiency. According to the OECD, rules and regulations shall be simple, consistent and possible to follow up.

On the basis of observations in this audit, SNAO considers that state control does not satisfy the basic requirements for transparency and predictability in the planning and building process with respect to noise. The reasons for this are the following:

- The government has not ensured that there is consistency within state offices on how noise shall be assessed during the planning and building of housing.
- The general advice and building rules of the National Board of Housing, Building and Planning, the Swedish Environmental Protection Agency and the National Board of Health and Welfare are not coordinated.
- County Administrative Boards apply standard values for traffic noise differently and lack consistency in how noise is to be assessed.

The National Board of Housing, Building and Planning has not completed its task to follow up how the collective actions of the state have influenced transparency and predictability in the planning and building process.

SNAO's assessments

The SNAO audit has shown that the application of standard values for noise in municipalities' planning and building of housing have large differences that cannot be motivated by local conditions and that to a great extent this is connected with deficiencies in government control. In the longer term, this insufficient government control risks bringing about an application in which deviations from standard values become increasingly widespread. Such a development would undermine the intentions of the Riksdag.

Municipalities have a monopoly on planning and are thus responsible for the planning and building process in each municipality being transparent and predictable. For example, this may include producing guidelines for how noise will be assessed, which very few municipalities have done. According to EC law, the government is accountable for municipalities complying with EU requirements of transparency. Through its insufficient control of the central authorities, the government has not clarified how noise shall be assessed in the planning and building process. This has hampered the municipalities' application of the authorities' general advice on noise in such a way that the planning and building process is neither transparent nor predictable.

The government is able to clearly control how noise is handled in the planning and building process through an environment quality standard. The environment quality standard on ambient noise levels formulated by the government shall be observed by municipalities at the planning stage. A clear environment quality standard could simplify the assessment of noise in the planning and building process both for municipalities and for the authorities. The currently applicable environment quality standard is diffusely formulated, however, and provides no real guidance on how noise is to be assessed.

Within the framework of their individual remit, the central authorities have not taken sufficient measures to coordinate the various authorities' general advice and building regulations. This is true for the National Board of Housing, Building and Planning, which is responsible for the sector for environment issues within its area of operations, and the Swedish Environmental Protection Agency, which has coordination responsibility for ambient noise.

As a result of the lack of consistency and coordination on the part of the central authorities, the County Administration Boards have had limited prospects of coordinating their assessments of how noise shall be managed when planning housing.

In the opinion of SNAO, the above stated problems in the control of planning and building of housing may also be relevant to other areas of application apart from noise. The results of conflicts of interest that are inevitable in the application of the Planning and Building Act and the Environment Code should be given attention in other areas of the planning and building process. Attention should be given to problems that arise when authorities with different starting points for their particular sector instruct County Administration Boards and municipalities in the same area.

The government has given a number of state commissions the task of putting forward proposals for simplified and clearer regulations for the planning and building process. According to SNAO, the proposals made have not taken sufficient consideration to the fact that players in the planning and

building process must observe regulations and general advice from a large number of government authorities.

It is, in the opinion of SNAO, the lack of consistency and coordination in the authorities' rules and regulations that have led to a lack of transparency and predictability, and not the authorities' general advice and building regulations in themselves. The lack of transparency risks resulting in weaker competition and inefficient decision processes in municipalities. Both of these factors may lead to higher building costs since they affect the efficiency of building. In the final analysis it is housing consumers that are the victims of unclear government control in the form of higher living costs. This should be viewed in the light of the government's ambitions to improve competition through long-term, stable conditions for building housing.

In accordance with the constitution, the government is responsible for control of the realm. On the issue of noise, the government has failed in its control. The insufficient transparency is above all a result of the government not clarifying how noise shall be assessed when planning and building housing. This may hamper the fulfilment of Riksdag goals for environment and building.

Consequences of government control

Municipalities have responsibility for planning and building. In this responsibility lies the observance of government guidance on how noise shall be assessed. It is in the municipalities that the consequences of insufficient government control are seen in practice. The results of the investigation show that there are large differences between municipalities' assessments when planning housing in environments exposed to noise. These differences cannot only be explained on the basis of differing circumstances between municipalities, such as the population or local conditions. According to the results of interviews and questionnaires, to a large degree the differences depend on the fact that government authorities have different viewpoints on how noise shall be assessed in the planning and building process.

The Planning and Building Act allows municipalities to make different assessments that are adapted to local conditions. According to EC law, the criteria on which municipalities base their assessments shall be clear, objective, publicised in advance and open to inspection in order to minimise the risk of arbitrary assessments. Developers should be able to obtain information in advance on the principles for how noise is assessed in the municipality in which they wish to build. The audit shows that only a few municipalities have written guidelines in the form of a special policy or included in the general plan for how noise shall be treated when planning and building housing.

The deficient transparency and predictability in the planning and building process in municipalities means that a developer who has worked in a certain municipality or county has better chances of predicting what noise requirements will be included in the planning and building process than a player who has not previously worked in the municipality or county. This results in players who have experience of local or regional practice having a considerable competitive advantage over players who lack such knowledge.

The insufficient coordination in the government authorities' instructions has led to conflicts in municipalities between the interests of development in the planning department and the health perspective of the office for environment and health protection. Officials from the environment and health protection office apply the general instructions from the National Board of Health and Welfare on indoor noise using a stricter assessment of noise than the general instructions for planning by the National Board of Housing, Building and Planning, which are applied by planning architects. The conflicts risk delaying and complicating the municipal decision-making process.

The lack of consistency and coordination between government players also means that it is unclear for parties to a case, such as the Swedish Road Administration or the Swedish Rail Administration, which authorities' general instructions shall be applied and how the instructions are to be interpreted. There is also uncertainty as to whether the planning of housing in accordance with the general instructions for planning by the National Board of Housing, Building and Planning will stand in the case of a possible court trial based on the Environment Code. This uncertainty means that the Swedish Road Administration and the Swedish Rail Administration make agreements with municipalities, which will then settle any costs for noise protection measures which may arise at a later stage.

SNAOs recommendations

SNAO's assessment is that measures taken above all by the government, but also by the state authorities, have resulted in the basic requirements for transparency and predictability in the planning and building process not being fulfilled. SNAO therefore recommends the following:

The government should clarify how noise shall be assessed in a manner that corresponds with the requirements of the Planning and Building Act and the Environment Code when planning and building housing.

The government should observe the importance of thorough impact analyses to counteract deficiencies in transparency as a result of overlapping and contradictory regulations. This audit has shown such deficiencies when both the Planning and Building Act and the Environment Code are applied.

The government should consider providing more detail in the environment quality standards for ambient noise.

The government should ensure that there are common definitions in state instructions on noise.

The Swedish Environmental Protection Agency should, within the framework of its coordinating responsibilities, ensure that there is a systematic follow-up of the state instructions and regulations on noise.

The National Board of Housing, Building and Planning should, within the framework of its supervisory commission, check that the application of general advice and other rules for planning and building are transparent and predictable.

The County Administration Boards should coordinate supervision with the aim of training uniform criteria for the assessment of noise when planning and building in areas exposed to noise, pending the government's creation of conditions for consistency between state authorities.