

## RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS COMMITTEE

8<sup>th</sup> MARCH 2017

### REPORT OF HEAD OF REGULATORY SERVICES

#### PLANNING FEES

##### 1.0 PURPOSE OF REPORT

- 1.1 To invite members to consider proposals of increasing planning application fees as set out by Department for Communities and Local Government (DCLG) in their recent correspondence to local authorities in February 2017

##### 2.0 RECOMMENDATIONS

- 2.1 **Members note the offer from DCLG and provide authority to the Head of Central Services (section 151 officer) to accept the proposal to increase planning fees by 20%**
- 2.2 **Members agree to provide delegated authority to the Head of Regulatory Services in consultation with the Head of Central Services to establish how the additional income will be spent in order to meet the Councils planning and development management priorities.**

##### 3.0 KEY ISSUES

- 3.1 Correspondence has been received from DCLG proposing an increase of 20% on planning application fees as part of the *'Fixing our broken housing market'* policy. It is expected that the proposal will boost local authority capacity and capability to deliver a planning service.
- 3.2 Developers have fed into the White Paper, consistently telling the government that the lack of capacity and capability in planning departments is restricting their ability to get on site and build. Alongside funding, local authorities also report difficulties in recruiting and retaining planners and others with specialist skills. There may also be wider capacity and skills issues for local authorities. This is related to the Governments increasing scrutiny on planning performance, raising and widening of performance standards within the 'designated authority' regime.
- 3.3 MBC have been invited to confirm its intention in relation to the fee increase. It is intended that the additional revenue should be retained by planning departments and that existing baseline and income assumptions will not be adjusted down as a result during this Parliament. This is an opportunity for all authorities to make improvements to their resourcing, leading to better services, improved performance, and greater capacity to deliver growth as set out in *'Fixing our broken housing market'*. Further details and a copy of the letter are attached in Appendix A.

##### 4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 If this proposal is agreed planning applications fees will increase by 20%, any additional income generated will be committed to investing in the planning department.

##### 5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 The proposal is to increase nationally set planning fees by 20%. The change will effective from July 2017, however the additional income must be reinvested within the planning department. The current 2016/17 forecast on planning income is £600k for a full year so a 20% increase could generate additional income of around £120k which would need to be reinvested on planning / development management expenditure and has to be demonstrable as additional expenditure, over and above existing budget provision.. As the proposals aren't likely to be formally confirmed until July 2017, for 2017/18 on a pro-rata basis the additional income would be in the region of £90k.

**6.0 LEGAL IMPLICATIONS/POWERS**

6.1 If these proposals are to be accepted DCLG require the section 151 officer under s230 of the Local Government Act 1972, to provide a commitment and submit information of the 2017/18 budget that demonstrates the additional fee income being spend on planning services as set out in Annex A of Appendix A.

**7.0 COMMUNITY SAFETY**

7.1 Community Safety issues have been considered. There are no further community safety issues arising from this report

**8.0 EQUALITIES**

8.1 Equalities have been considered. There are no further community safety issues arising from this report.

**9.0 RISKS**

<b>L I K E L I H O O D</b>	<b>A</b>	<b>Very High</b>				
	<b>B</b>	<b>High</b>				
	<b>C</b>	<b>Significant</b>				
	<b>D</b>	<b>Low</b>			1	
	<b>E</b>	<b>Very Low</b>				
	<b>F</b>	<b>Almost Impossible</b>				
			<b>Negligible 1</b>	<b>Marginal 2</b>	<b>Critical 3</b>	<b>Catastrophic 4</b>

**IMPACT**

<b>Risk No</b>	<b>Risk Description</b>
1	Without an increase in resources the planning service will be unable to meet expected service levels demanded through the White paper and the new performance 'regime'

## **10.0 CLIMATE CHANGE**

10.1 There are no climate change issues arising from this report.

## **11.0 CONSULTATION**

11.1 There are no consultation issues arising from this report.

## **12.0 WARDS AFFECTED**

12.1 All wards.

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Contact Officer: Jim Worley – Head of Regulatory Services

Date: 23<sup>rd</sup> February 2017

Appendices : Appendix A – Summarised version of Letter from DCLG regarding 20% increase

Reference : X:\Cttee, Council & Sub Cttees\Rural Economic & Environmental Affairs Committee\2016-17\080317\planning fees 20% increase