



Planning application fees: the Government's offer

SUMMARY

- 1.1 The Government white Paper 'Fixing our broken housing market' was published on 7 February 2017. It includes proposals for boosting local authority capacity and capability to deliver, improving the speed and quality with which planning cases are handled.
- 1.2 To boost local authority capacity and capability to deliver, paragraph 2.15 explained that the Government will increase nationally set planning fees. Local authorities will be able to increase fees from 20% from July 2017 if they commit to invest the additional fee income in their planning department.
- 1.3 For the City council to benefit from the higher planning application fees, our section 151 officer, under s230 of the Local Government Act 1972, needs to confirm that commitment and submit information of the 2017/18 budget that demonstrates the additional fee income being spent on planning services. This increase would be in the region of some £170,000 per year dependent on the type and number of applications received.
- 1.4 'Fixing our broken housing market' proposes a further, future, increase of 20% for those authorities who are delivering the homes their communities need.

RECOMMENDATION

- 2.1 To confirm acceptance of the fee increase giving the section 151 officer delegated authority to confirm the commitment to investing in planning.
- 2.2 To approve in principle to the further increase in fees suggested at 1.4 above

REASONS FOR RECOMMENDATION

- 3.1 To provide additional resources in support of the planning function, unlocking any delays and improving performance
- 3.2 The additional income is welcome helping to meet our aspirations of facilitating development and employment across the city.

SUPPORTING INFORMATION

- 4.1 'Fixing our broken housing market' was published on 7 February 2017. It includes proposals for boosting local authority capacity and capability to deliver, improving the speed and quality with which planning cases are handled, while deterring unnecessary appeals.
- 4.2 As set out paragraph 2.13 of the White Paper, developers consistently say 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. To boost local authority capacity and capability to deliver, paragraph 2.15 explained that the Government will increase nationally set planning fees. Local authorities will be able to increase fees from 20% from July 2017 if they commit to invest the additional fee income in their planning department.
- 4.3 We have been invited to confirm our 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'.
- 4.4 'Fixing our broken housing market' proposes a further increase of 20% for those authorities who are delivering the homes their communities need. This would also be on the understanding that the additional fee income generated will be invested exclusively in planning services. The Government will consult further on the detail of this proposal and the timing on it being brought forward.
- 4.5 For our authority to benefit from the higher planning application fees, our section 151 officer, under s230 of the Local Government Act 1972, is required to provide a commitment and submit information of the 2017/18 budget that demonstrates the additional fee income being spent on planning services.
- 4.6 Should we not wish to charge the increased fee, the existing fee structure will remain in place. Where authorities do accept, but do not comply with the assurances it has provided, the Secretary of State will consider reducing the fee level for that authority back to the original fee level through a change in regulations.
- 4.7 It is important that we respond, by 13 March, indicating whether or not the increased fee offer is to be accepted

OTHER OPTIONS CONSIDERED

- 5.1 The alternative is to not increase the fees, which are set nationally and therefore not have the prospect of additional resource to invest in the planning process. This would likely be counterproductive resulting in stifled development housing and employment growth.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Christine Durrant – Strategic Director of Communities and Place
For more information contact: Background papers: List of appendices:	Paul Clarke 641642 paul.clarke@derby.gov.uk None Appendix 1 – Implications

IMPLICATIONS

Financial and Value for Money

- 1.1 Additional income to provide improvements in planning. This increase would be in the region of some £170,000 per year dependent on the type and number of applications received.

Legal

- 2.1 None

Personnel

- 3.1 Possible increased staffing/secondment of staff as demand dictates

IT

- 4.1 None

Equalities Impact

- 5.1 none

Health and Safety

- 6.1 none

Environmental Sustainability

- 7.1 none

Property and Asset Management

- 8.1 none

Risk Management and Safeguarding

- 9.1 none

Corporate objectives and priorities for change

- 10.1 Will assist in increasing development and employment opportunities with timely decisions. A reputational benefit