

<b>Key Decision Required:</b>	<b>YES</b>	<b>In the Forward Plan:</b>	<b>YES</b>
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## **CABINET**

**14 DECEMBER 2018**

### **JOINT REPORT OF THE PORTFOLIO HOLDER FOR FINANCE & CORPORATE RESOURCES AND THE PORTFOLIO HOLDER FOR CORPORATE ENFORCEMENT**

#### **A.4 UTILISATION OF 20% INCREASE IN PLANNING FEES (Report prepared by Sharon Harwood-Bee)**

#### **PART 1 – KEY INFORMATION**

##### **PURPOSE OF THE REPORT**

To seek Cabinet's approval of the utilisation of the additional income created from the 20% increase in Planning Fees introduced in January 2018.

##### **EXECUTIVE SUMMARY**

In January 2018, the Housing White Paper entitled "Fixing Our Broken Housing Market" (February 2017) was introduced.

Prior to the introduction of the new fee levels, Local Planning Authorities (LPAs) were invited to commit to re-investing the income from the increase in Planning Fees to the Planning Department. This report details the proposals for the re-investment of income to support the five targeted areas including improvements to the Planning Service.

- Section 106
- Development Monitoring & Enforcement
- GIS
- Enhancing planning staff capacity and skills
- Overall improvements to the to the delivery of the Planning Service  
(with regard to including e-planning and the office transformation project)

##### **RECOMMENDATION(S)**

**Cabinet is asked to approve the re-investment of income from the 20% increase in planning fees to support the five targeted areas including service improvements, set out in the report.**

#### **PART 2 – IMPLICATIONS OF THE DECISION**

##### **DELIVERING PRIORITIES**

In February 2017 the Secretary of State for Communities and Local Government presented to Parliament a White Paper entitled "Fixing Our Broken Housing Market". The

paper set out a broad range of reforms that the Government planned to introduce to help reform the housing market and increase the supply of new homes.

One proposal was to increase nationally set planning fees enabling Local Authorities to increase fees by 20% on the proviso that the additional fee incomes was invested in the Planning Department. (Section 2.15 : Building Homes Faster).

After consultation and agreement of Cabinet, the 20% fee increase was implemented on 17th January 2018.

The funds made available from the increase will be utilised as part of the overall Planning & Regeneration structure and associated service improvements initially in for the following areas:

- Ss.106 Agreements
- Development Monitoring & Enforcement
- GIS
- Overall improvements to the to the delivery of the Planning Service (with regard to including e-planning and the office transformation project)
- Enhancing planning staff capacity and skills

It should be noted that the funding accrued from the initial period of January to March 2018, was £36,860 and this was used to support additional planning enforcement activities.

## **FINANCE, OTHER RESOURCES AND RISK**

### **Finance and other resources**

The funds available from the 20% increase in fees will naturally be variable depending on the number & scale of applications and the size of developments. It is usual to expect a drop off in the number of major applications received to follow when a 5 year housing land supply can be demonstrated as is the case in Tendring at present. Therefore the estimated income is based on the minimum level expected in line with the overall Department Revenue Budget.

### **Income and Uplift Estimates**

	<b>Estimate</b>	<b>Actual (at 30.09.18)</b>	<b>20% Uplift Estimate</b>
2018/19	£ 974,930.00	£ 462,460.50	£ 154,153.20

The uplift calculation is made on the actual, not estimated, income per quarter. As at Quarter 2 (30.09.18) the available income allocated to the new budget code is £77,076.60 which is on target as per the annual forecast.

In accordance with the requirements of the Housing White Paper, the income from the 20% uplift in fees must be ring-fenced and re-invested by Councils in their planning department.

Prior to the introduction of the fee increase, the Department for Communities and Local Government (DCLG) (now Ministry of Housing, Communities and Local Government (MHCLG)) invited LPAs to commit to investing the additional fee income into planning services. The DCLG requirement was that the existing baseline and income assumptions must not be adjusted down as a result of the uplift. Where an LPA fails to comply with these assurances, the Government will consider, via a change in regulations, reducing the increased fee level back to the original fee level.

### **Risk**

The number of applications and associated fees may not achieve predicted levels of income. However, the submission of reserved matters applications and their associated fees can often offset the reduction in income associated with a fall in application numbers. It is anticipated that the number of 'minor' applications will remain relatively stable year on year.

In addition, given the positive housing trajectory and the trend in uplift for build out rates within the District, the income for the next 3-5 years is estimated as low risk which is being managed effectively.

### **LEGAL**

The Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England)(Amendment) Regulations 2017 (SI 1374/2017) provides an increase of approximately 20% for all existing fees to be paid to local planning authorities in respect of applications, deemed applications, requests or site visits in respect of which a fee is payable under the 2012 Regulations. The increase was offered by Government to all local planning authorities in Command Paper 9352 (paragraph 2.15) if they agreed that the additional money would be re-invested within their planning department. All local planning authorities accepted the offer.

The targeted areas identified within this report would involve potential restructures which would follow the Council's normal Human Resources policies and procedures and be subject to consultation with any affected staff.

### **OTHER IMPLICATIONS**

**Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.**

**Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation/Public Engagement.**

The investment into the improvement of Planning services will see a significant impact on the customer experience, e-planning and process delivery. Remote working applications will enable officers to deliver services direct to the customer on site and the engagement of a planning officer to monitor new development will enhance customer relations during the key development stages. In addition, the promotion and wider use of e-planning will provide for a more accessible service to customers both from the perspective of the applicant and the resident who may wish to interact with the process.

Improved officer training will have a positive impact on the pre-application discussions with developers to ensure due consideration is given to health and social inequalities within the area of the proposed development.

Securing monies due under covenants contained within Ss.106 Agreements will enable the implementation of, and enhancements to, public open space and leisure facilities.

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

The foundation for the improvements is to enhance and build capacity within the Service on the following basis

#### **Ss.106**

Monitoring of Ss.106 Agreements and recovery of obligations due ensuring the benefits of new development are maximised for local communities.

#### **Development Monitoring**

Proactive monitoring of largescale & strategic developments during build out periods, for compliance with planning conditions and Ss.106 commencement triggers.

#### **Planning Enforcement**

Professional evaluation of reactive enforcement complaints and prioritisation of cases in accordance with the harm assessment policy. Addressing issues raised as a result of the impact of new development

#### **GIS Development**

Progressing regulatory requirements with regard to data transparency & geospatial data. Using GIS as an integral part of the planning including the creation of high quality mapping functions and for customer self-service portals.

#### **Service Improvements**

Continuous improvement of the overall Planning Service, including a range of additional activities and sub-projects as part of the office transformation project.

- Procurement of software applications, hardware and technical equipment to enable remote working and better integration with current IT systems
- Enhanced training and development programmes for Planning and Regeneration staff and Planning Committee
- Enhancing staff capacity by supporting the continuation of 'Grow Our Own' staff and upskilling existing staff through new opportunities for CPD in specific specialist areas.
- A programme of customer engagement to assess service delivery and develop continuous improvement actions.

Achieving positive outcomes to support the wider corporate office transformation programme including adopting alternative and more flexible working practices. Maintaining high levels of customer service and satisfaction while ensuring the success of the office transformation programme.

<b>CURRENT POSITION</b>
<p>The uplift calculation is made on the actual, not estimated, income per quarter. As at Quarter 2 (30.09.18) the available income allocated to the new budget code is £77,076.60 which is on target as per the annual forecast.</p> <p>The uplift was introduced in January 2018. The activities to be supported through the additional funding will support continuous improvement across planning services and overall delivery of Council priorities.</p>

<b>FURTHER HEADINGS RELEVANT TO THE REPORT</b>
None

<b>BACKGROUND PAPERS FOR THE DECISION</b>
None

<b>APPENDICES</b>
None