

Wards Affected:

All Wards

ITEM 9(a)**CABINET****12 SEPTEMBER 2017****STATUTORY PLANNING FEES**

Responsible Cabinet Member: Councillor Legg (Cabinet member Customer Service)

Report Sponsor: Anna Rose (Service Director for Growth, Economy & Culture)

Author and contact: Brett Leahy (Head of Development Management)
Tel: 01908 252609**Executive Summary:**

The Government recognise within the Housing White Paper published on 7 February 2017 that there is a lack of capacity and capability within planning services, which is adversely impacting on service delivery across the country. The Government is offering Planning Services the option to increase their statutory planning fees by 20% to help address capacity and capability issues to support better service delivery. This option to increase statutory planning fees is subject to Government approval and Officers have applied to seek this approval. The reason for the approval process is because the Government do not wish to give the 20% increase in statutory planning fees to those Planning Authorities who are under performing in terms of statutory performance and housing delivery. A decision is required from Development Control Committee to accept Government's potential offer to increase statutory planning application fees.

1. Recommendation(s)

- 1.1 That, subject to receiving Government approval, statutory planning fees be increased by 20% (as shown in Annex A) with effect from July 2017.
- 1.2 That the consequent increase in income be applied within the Planning Service's budgets in order to protect and improve service provision.
- 1.3 **That Cabinet be recommended to allocate the additional funding revenue to the Planning Service.**

2. Issues

- 2.1 On the 7 February 2017 the Government published the Housing White Paper. Under paragraph 2.13 of the White Paper it is recognised there is a lack of capacity and capability within planning services across the country. The White Paper also recognises that there are difficulties in recruiting and retaining planners and others with specialist skills. There is also a wider skills issue within the planning profession as fewer students want to undertake university qualifications and therefore have a career within planning. To boost capacity and capability to enable the promotion of better service delivery, the Government has offered to increase statutory planning fees by 20% from July

2017. However, this is subject to investing the 'additional income' within the planning service and help with resource issues.

- 2.2 The Planning Service will have to undertake budgetary salary saving of £210,000 for this financial year (2017/18), which will require a number of posts to be deleted. With the wider public acceptance by Government there is a lack of capacity and capability with planning services the proposed budgetary salary savings are putting a significant strain on the Planning Service and will affect service delivery. In addition to this there have been staff retention issues in light of the significant ongoing change and this is against a competitive employment market where there are other attractive options of employment in terms of salary packages and benefits.
- 2.3 This 20% increase to statutory planning fees is seen as a great opportunity to introduce improvements to the resourcing of the Planning Service, leading to better service delivery, improved performance, greater capacity and helping to ensure that Milton Keynes Council is an attractive option. The improved level of resourcing will allow an opportunity for stability within the service through avoiding further deletions of staff. This will help maintain capacity to meet the current demands placed on the service. There is also the opportunity for greater investment into existing and new staff to help increase capability and options to bring in new skills.
- 2.4 It is considered that the 20% increase to statutory fees will not affect the number or planning applications being received by the Planning Service. The associated costs of the planning application process would still be less than the Building Control process. Also, the cost proportionally to the overall cost associated with the construction process is minimal. The actual increases to the different types of planning applications are referenced under Annex A in bold. It is anticipated based on the income of 2016/17 that the increase in income by raising the statutory planning fees by 20% will be an extra £286,000. This increase will give welcomed and needed resource to support the Planning Service and help with service delivery.

3. **Option Appraisal**

3.1 Option 1 – No Change to Planning Fees

Not to increase statutory planning fees would mean that the Planning Service would come under increasing budgetary pressure, and that this would adversely affect future levels of service delivery. It would also be a missed opportunity to make improvements to the Planning Service.

3.2 Option 2 – Increase Planning Fees

As set out in the body of the report, increases in line with the Government's proposal will protect planning capacity and facilitate improved service delivery, without significant adverse effects.

Option 2 is the recommended decision.

4. Implications

4.1 Policy

This 20% increase will support and promote the expectations of the Governments White Paper on Housing. It will also promote sections 1 Budget, 2 Housing, 7 Economy and 14 Regeneration of the Council Plan, and Delivery Plan Objectives 2.2 and 2.3.

4.2 Resource and Risk

The resource risk by not adopting the 20% increase in statutory planning fees will be continued capacity and capability issues in terms of service delivery.

The potential impact on those (normally professional developers) submitting “large” planning applications is not considered to be significant, since the cost of applications is not significant in relation to the costs of scheme development as a whole, and developers are expected to appreciate that the increased fees will give added certainty that the Planning Service will have the skills and capacity to deal with applications efficiently and effectively.

The potential impact on those (normally individuals and small businesses) submitting “small” planning applications is also not considered to be significant, since the increase in costs will be small in absolute terms.

4.3 Legal

In England, fees in respect of Planning Applications are currently set by Central Government and the amount of each fee is set out in The Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012, as amended. Further regulations, setting out the scale of new fees and the conditions local authorities are required to meet, are expected by July 2017.

The Planning function of the Council is a non-executive function and therefore the decision to take up the fees is also non-executive.

4.4 Other Implications

There are no other implications and a full Impact Assessment is not considered necessary.

Annexes: Annex A (The change in fee levels)

Annex B (Governments White Paper on Housing)

Annex B can be accessed using the below link;

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590463/Fixing_our_broken_housing_market_-_accessible_version.pdf

Background Papers: Housing White Paper (7 Feb 2017)
Council Plan 2016-2020 (13 Jul 2016)