

From: Barbara Cooper, Corporate Director Growth Environment and Transport

To: Matthew Balfour, Cabinet Member for Environment and Transport

Date: 13 March 2017

Subject: Planning Fees Uplift

Urgent Non-Key Cabinet Member Decision

Classification: Unrestricted

Summary: The Department for Communities and Local Government (DCLG) have invited Local Planning Authorities to confirm whether they wish take advantage of a potential uplift in the nationally set planning application fees.

The Government is proposing that local authorities will be able to increase fees by 20% from July 2017, if they commit to invest the additional fee income in their planning departments.

Recommendation(s):

The Cabinet Member for Environment and Transport is asked to agree:

1. That KCC accept the Government's offer of uplift in the nationally set planning application fees.
2. That KCC commit the additional fee income to the planning applications service for at least the duration of this parliament.

The Executive Scheme of Officer Delegation contained within the council's constitution provides the governance pathway to allow officers to undertake necessary actions to implement the decision once taken. In this instance, it is envisaged that the Head of Planning Applications will make the necessary administrative amendments and that the S.151 officer will respond to the government's letter regarding the commitment of funds in the form provided by DCLG and contained at appendix B of this report.

1. Introduction

- 1.1 DCLG is currently consulting on a White Paper '[Fixing our broken housing market](#)'. The consultation started on 7 February 2017 and will run to 2 May 2017.
- 1.2 Part of the White Paper, paragraphs 2.13 – 2.15, addresses the need to boost local authority capacity and capability to deliver planning services in the way and at the volume and speed required in order to achieve demanding housing

targets.

- 1.3 Local Planning Authorities are being offered the opportunity to benefit from a 20% uplift in nationally set planning fees subject to a commitment that those additional fees are ring-fenced for the work of the planning department going forward.

2. Detail

- 2.1 The Government's White Paper identifies that a lack of capacity, and in some cases capability, in local authority planning departments is restricting the ability of developers to 'get on site and build' houses in the timescales required to deliver ambitious housing targets.
- 2.2 In order to address these issues DCLG proposes to allow an increase in nationally set planning fees by 20% from July 2017.
- 2.3 Those local authorities who wish to take advantage of the proposed increase must commit to re-investing any additional funds raised in the planning department, at least for the life of the current parliament (to 2020).
- 2.4 Following the release of the White Paper for consultation on 7 February 2017, DCLG contacted all Local Authorities by letter dated 21 February 2017, attached as appendix A, inviting each to confirm their intention in relation to the fee increase and to confirm should they wish to take advantage of the uplift that the additional fees would be committed as described.
- 2.5 DCLG provided a template for return, attached as appendix B, which must be completed by the council's section 151 officer and returned by 13 March 2017.

3. Financial Implications

- 3.1 For the 2016/17 financial year, the income from planning fees is anticipated at £297,595. It has been estimated that the figure for 2017/18 would be £462,000.
- 3.2 The estimated additional income generated from the higher fee level for 2017/18, and to be reinvested in the planning department, is expected to be approximately £92,400.
- 3.3 As a result of the commitment made by the S.151 officer, the council will be under an obligation to commit any additional income generated by the uplift of fees to the Planning Applications Group (GET) budget and existing baseline and income assumptions will not be adjusted down for at least the duration of the current Parliament.
- 3.4 The Secretary of State has indicated that those authorities that do not comply with the assurances given may be subject to a reduction to previous levels by amendment to the regulations.

4. Legal and Governance implications

- 4.1 There are no legal implications of accepting the proposed increase. Any legal implications which currently exist will be mitigated, and / or amended when the housing white paper becomes a Bill and related regulations are put in place by the Secretary of State Communities and Local Government.

5. Equalities implications

- 5.1 Fees apply to developers and therefore are not expected to negatively impact upon, or restrict access to planning services for, any person who has particular protected characteristic as set out in the Equalities Act 2010.

6. Other corporate implications

- 6.1 The increased fees would apply to all applicants who seek planning permission, including the County Council where it promotes development.

7. Governance

- 7.1 The letter from DCLG was not received until 21 February 2017 and the response must be sent by 13 March 2017, therefore it is not possible to comply with the usual procedures for decision making and the decision to accept the uplift in planning fees and associated conditions must be taken urgently and consequently the normal call-in period will not be observed.
- 7.2 The constitution sets out at Appendix 4 Part 6 the necessary procedures that should be followed when a non-key decision needs to be taken without recourse to the relevant Cabinet Committee. In addition, any procedural requirements relating to urgent 'key' decisions have been undertaken in line with KCC's best practice approach to openness and transparency.
- 7.3 In addition, all members will have had an opportunity to comment on the proposals, and the Cabinet Member will have regard to these comments on taking the decision.
- 7.4 The following comments were received from Members regarding the proposed decision:
- 7.4.1 That the Government should consider more carefully the timescales that they allow for local government responses in order that urgent decisions aren't necessary.
 - 7.4.2 That the Cabinet Committee should be informed in the future about the impact of the additional funding.
- 7.5 The Executive Scheme of Officer Delegation contained within the council's constitution provides the governance pathway to allow officers to undertake necessary actions to implement this decision once taken.
- 7.6 In this instance, it is envisaged that the Head of Planning Applications will make the necessary administrative arrangements and that the S.151 officer will

respond to the government's letter regarding the commitment of funds in the form provided by DCLG and contained at appendix B of this report.

8. Conclusions

- 8.1 The opportunity to generate additional income in the light of significant financial challenges should be welcomed and the commitment that funds generated will be returned to the planning budget is a necessary and sensible approach to increasing capacity and helping to achieve housing targets for the County. The Cabinet Member is therefore recommended to accept the offer of an uplift as set out in 9. below.

9. Recommendations:

- 9.1 The Cabinet Member for Environment and Transport is asked to agree:
1. That KCC accept the Government's offer of uplift in the nationally set planning application fees.
 2. That KCC commit the additional fee income to the planning applications service for at least the duration of this parliament.

The Executive Scheme of Officer Delegation contained within the council's constitution provides the governance pathway to allow officers to undertake necessary actions to implement the decision once taken. In this instance it is envisaged that the Head of Planning Applications will make the necessary administrative amendments and that the S.151 officer will respond to the government's letter regarding the commitment of funds in the form provided by DCLG and contained at appendix B of this report.

10. Background Documents & Appendices

Appendix A – Letter from DCLG dated 21 February
Appendix B – Template for completion by S.151 officer
Appendix C – PROD

White Paper – 'fixing our broken housing market'

11. Contact details

Report Author: Sharon Thompson
Job title: Head of Planning Applications
Telephone number: 03000 413468
Email address:
Sharon.thompson@kent.gov.uk

Relevant Director: Barbara Cooper
Job title: Corporate Director Growth
Environment and Transport
Telephone number 03000 415981
Email address:
Barbara.cooper@kent.gov.uk