

REPORT TO	ON
CABINET	21 JUNE 2017

Jan 2017



TITLE	PORTFOLIO	AUTHOR	Agenda item No.
STANDING ORDER 38 DECISION - PLANNING APPLICATIONS FEES INCREASE OF 20%	STRATEGIC PLANNING AND FINANCE	J.NOAD, PLANNING MANAGER	

Is this report a KEY DECISION (i.e. more than £75,000 or impacting on more than 2 Borough wards?)	No
Is this report on the Cabinet Forward Plan ?	Yes
Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council?	No

1. PURPOSE OF THE REPORT

1.1 This report informs Cabinet of the making of a Standing Order 38 decision by the Interim Chief Executive and the Leader of the Council regarding opting in to the increase in Planning Fees

2. RECOMMENDATIONS

2.1 That Cabinet is asked to note the information contained within this report.

3. CORPORATE PRIORITIES

3.1 The report relates to the following corporate priorities

Clean, green and safe		Strong and healthy communities	
Strong South Ribble in the heart of prosperous Lancashire	X	Efficient, effective and exceptional council	X

4. BACKGROUND TO THE REPORT

4.1 In the Housing White Paper issued on 7th February 2017 the Government introduced the ability of Local Planning Authorities to opt in to raising Planning Application Fees by 20% provided that the additional money raised is passed directly to the Planning Service to provide for more resources.

4.2 This was subsequently confirmed in a letter from DCLG to the S151 Finance Officer of 21st February 2017. This letter asked for confirmation of whether South Ribble Borough Council wished to opt in to the increase in fees. Officers discussed the benefits of this and agreed it was a good idea. DCLG, however, wished a response by 13th March 2017. We were therefore not able to seek full approval for this given the timescales. Notification was therefore sent to DCLG that South Ribble wished to opt in subject to sign off by Cabinet.

4.3 Given that the next available Cabinet was not until June 2017 DCLG wished for confirmation before that because the fees increase needs to be laid down in statute. Therefore a Standing order 38 urgent decision to confirm this position was sought otherwise there was a very high risk that the ability to charge 20% extra fees on Planning Applications would be lost.

5. RATIONALE,

5.1 Planning Fees were last set nationally in November 2012, over four years ago.

5.2 The cost of delivering a planning service and processing an application is not fully recovered at the current levels of fees. Government have spoken to the development industry who have said that investment needs to be made in planning services so that they function efficiently and effectively. The developers have said that they do not mind paying higher fees for a better service and that the planning application fee is a small percentage of an overall scheme cost. On large schemes it is generally the case that the fee income does not recover all of the costs incurred therefore the increase would go some way towards cost recovery and mean that there would less impact on central Council funds going towards the planning service.

5.3 The opt-in needs to apply for all planning fees therefore householder applications would equally be affected. Currently the fee for alterations to a single dwelling house is £172. Under the new higher fees this would rise to £206. Considering the cost of an extension this is a very small proportion of the overall costs. Residents are also much less affected by such fees due to a higher level of permitted development rights being applied. Officers therefore consider that the impact on local residents would be negligible.

5.4 South Ribble's planning service is one of the top performing authorities nationally and one of the leads in the North West. We have consistent feedback from developers that we are a good service to work with. The service is under considerable pressure with a number of large planning applications coming before it as part of City Deal. It is therefore vital that we invest in the service to maintain this level of performance. Equally we are aware that Members are particularly interested in developing the Planning Enforcement service so this would be an opportunity to provide additional resource to the single officer we have.

5.5 The Planning Manager has spoken to contacts across the North West who have all said that they are opting in to the higher planning application fees. Indeed some of them have already started to advertise for staffing.

5.6 For the financial year 2017/18 it is estimated that the increase in planning fees from July would be around £56,250. In subsequent years it is estimated that this would be around £74,981.

5.7 What the increase in revenue will be used for will be the subject of future decisions.

6. ALTERNATIVE OPTIONS CONSIDERED

6.1 The only alternative considered was to not opt in to the increase in Planning Fees. This was felt to be detrimental to the ability of the Council to continue to provide an excellent and efficient planning service. Furthermore the ability to opt in at a later date is not covered in the information received.

7. WIDER IMPLICATIONS AND BACKGROUND DOCUMENTATION

7.1 Comments of the Statutory Finance Officer

The additional income raised is required to be ring fenced to invest into resourcing the planning process and therefore will not make a contribution to the objectives within the current Medium term

Financial Strategy. Enhanced service and function resilience, however, may provide additional income via facilitating the delivery of a business improvement plan agenda.

7.2 Comments of the Monitoring Officer

The report is for noting. Our Constitution requires the reporting of Standing Order 38 decisions to the next available relevant committee or Cabinet – hence the reason for this report.

By opting in to increase our Planning Fees this will create an opportunity to strengthen our planning service. This is important given the pressures that all council planning teams are currently facing. Greater investment in the planning team may result in even better turn round times for applications; also it may enhance our ability to ensure compliance with planning legislation.

9. BACKGROUND DOCUMENTS

Housing White Paper 7th February 2017

Letter from DCLG 21st February 2017

SRBC Response to DCLG 13th March 2017