

TITLE	National Planning Application Fees
FOR CONSIDERATION BY	The Executive on 25 April 2017
WARD	None Specific
DIRECTOR	Josie Wragg, Interim Director of Environment
LEAD MEMBER	Mark Ashwell, Executive Member for Planning and Regeneration / Anthony Pollock - Executive Member for Economic Development and Finance

OUTCOME / BENEFITS TO THE COMMUNITY

Increased speed and quality of decision making for planning applications

RECOMMENDATION

The Executive is asked to agree that the Department for Communities and Local Government be informed that Wokingham Borough Council accepts the offer to raise planning application fees by 20% on the basis that this will be invested into the planning services.

SUMMARY OF REPORT

Planning applications fees are set nationally by Department for Local Government and Communities (DCLG). The recent Housing White Paper "Fixing our Broken Housing Market" enables local planning authorities (LPAs) to increase planning fees by up to 20% to provide additional resource to planning authorities to improve planning services.

It is proposed to confirm to DCLG that Wokingham Borough Council accepts the offer to increase the planning application fees by 20% to help fund its planning service. This will help to ensure the resilience of the service and its ability to deliver high quality, plan led development and good customer service.

BACKGROUND

Planning application fees are set nationally by Department for Communities and Local Government (DCLG). The Housing White Paper “Fixing our Broken Housing Market” was published on 7 February 2017 and sets out a series of proposed measures to improve delivery of housing across England. The White Paper enables local planning authorities (LPAs) to increase planning fees by up to 20% to provide additional resource to planning authorities to improve planning services. DCLG has asked all local planning authorities in England confirm that they would wish to take up this opportunity on the basis that they commit to invest the additional fee income in their planning department

ANALYSIS OF ISSUES

The Council faces considerable pressure for development with an increase in application numbers over the last 3 years of 8%. Central Government sets planning application fees which cover approximately 2/3 of the cost of the service.

Nationally, local planning authorities have experienced reductions in their budgets as part of the wider austerity measures facing local government. Wokingham Borough Council has been fortunate in attracting national grant to enable it to adopt a proactive approach to plan led development delivery but is still facing pressure to deliver a fast and efficient planning service given the financial constraints it operates within, as the cost of the planning service is not met by planning application fees.

The Council has faced challenges attracting and retaining planning professionals as a result of the shortage of planners nationally, competition from private sector that can offer higher salaries and other benefits, and as a result of the high cost of living in the local area. In order to recruit and retain planning officers, the Council has adopted a proactive approach to investing in its staff through training and development (a well evidenced retention tool) and needs to be able to continue this progress. Officers are currently facing increased workloads given the buoyancy of the local economy placing pressures on the service. Given that the planning application fees do not cover the full cost, this is squeezing the services’ budget and increasing workloads. This not only slows down the planning process, but frustrates applicants and other stakeholders and inhibits the ability of the service to make timely planning decisions and the ability to provide a high quality customer service to all involved in the planning process. Additional workload and pressures without increasing the capacity of the service also exacerbates recruitment and retention issues

The information below sets out the impact of the additional 20% fee increase on the applications that are greatest in volume.

Impact of 20% fee increases on current fees

Types of application	Current fee	Fee with 20% Increase
Householder	£172	£206
Construction of dwellings	£385 per dwelling	£462
Commercial – per 75sqm	£385	£462
Change of use of land and buildings	£385	£462
Agricultural building up to 465sqm	£80	£96
Each 75sqm thereafter	£385	£462
Non Agricultural floorspace per 75sqm	£385	£462

* There are a number of categories of development that fees are applied to. For larger developments such as those that create considerable floor space the fees can be substantially higher.

For many minor proposals, a fee increase of 20% would be relatively modest in absolute terms for applicants compared to the overall costs of the proposed development. However, the ring fenced additional fee income would help to ensure the sustainability and resilience of the service through facilitating the recruitment and retention of planning staff and their training and development needs. This would help to deliver a high quality service and development on the ground. The additional income could also help fund the current Local Plan Review and development delivery. If the housing is being delivered in accordance with Local Plan targets then the Government has indicated that there is the potential for a further 20% increase in planning fees.

The estimated impact upon fee income would be in the order of £180k year on year to be re-invested in the team and this would be for example the equivalent of 3-4 Senior/Planning Officer grade staff.

CONCLUSIONS

At the present time there is not a need to be precise in how any extra fee income would be invested in the planning service and there are considered to be a number of beneficial approaches that can be decided over the coming months. Consequently it is recommended that the Authority accept the offer of increasing application fees by 20% from July 2017.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	Nil	N/A	Revenue
Next Financial Year (Year 2)	Nil	N/A	Revenue

Following Financial Year (Year 3)	Nil	N/A	Revenue
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Other financial information relevant to the Recommendation/Decision
Additional income is dependent on maintaining the current level of application submissions

Cross-Council Implications
None

List of Background Papers
Housing White Paper “Fixing our Broken Housing Market” February 2017: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf

Contact Clare Lawrence	Service Development Management and Regulation
Telephone No 01189746444	Email clare.lawrence@wokingham.gov.uk
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