

**CAMBRIDGE CITY COUNCIL**  
Record of Executive Decision

<b>PLANNING APPLICATION FEES-THE GOVERNMENT'S OFFER</b>
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**Decision of:** Councillor Blencowe, Executive Councillor for Planning Policy and Transport

**Reference:**

**Date of decision:** Friday 10 March      **Recorded on:** Friday 10 March

**Decision Type:** Non Key Decision

**Matter for Decision:** To approve the submission of a response to the Secretary of State Communities and Local Government confirming Cambridge City Council's agreement to a 20% increase in nationally set planning fees from July 2017

**Why the decision had to be made (and any alternative options):** In a letter to the City Council on 21 February 2017, the Government confirmed their proposal in the white paper to increase nationally set planning fees by 20% subject to each authority committing to invest the additional fee income solely towards the improvement of planning services. Government further required a declaration from Council S151 officers to the Secretary of State by 13<sup>th</sup> March 2017

**The Executive Councillor's decision(s):** To approve the submission of a response to the Secretary of State Communities and Local Government confirming Cambridge City Council's agreement to a 20% increase in nationally set planning fees from July 2017

**Reasons for the decision:** As set out in the briefing paper from the Joint Director of Planning and Economic Development

**Scrutiny consideration:** The Chair and Spokesperson were advised of the action taken.

**Report:** A background report from the Joint Director of Planning and Economic Development detailing the background and financial considerations is attached.

**Conflicts of interest:** None

**Comments:** Background paper: letter from Simon Gallagher, Director of Planning at DCLG 21.2.17

## **BRIEFING NOTE - URGENT DECISION – PLANNING APPLICATION FEES**

08/03/2017 Executive Councillor Planning Policy and Transport

### **DECISION**

The Executive Councillor Planning Policy and Transport is recommended to approve the submission of a response to the Secretary of State Communities and Local Government confirming Cambridge City Council's agreement to a 20% increase in nationally set planning fees from July 2017, in line with the attached response.

### **BACKGROUND**

On the 7th February 2017, the Government published a white paper; "Fixing our broken housing market." The white paper outlined a number of ways that the government was proposing to address matters impacting housing affordability, delivery and quality. Reflecting longstanding calls from the development industry, Local Government Association and professional housing and planning bodies to improve the resources available to Local Planning Authorities, the white paper contained proposals that from July 2017 the government would seek to increase nationally set planning application (and related) fees by 20%.

In a letter to the City Council on 21 February 2017, the Government confirmed their proposal in the white paper to increase nationally set planning fees by 20% subject to each authority committing to invest the additional fee income solely towards the improvement of planning services. Government further required a declaration from Council S151 officers to the Secretary of State by 13<sup>th</sup> March 2017 confirming (and evidencing) that the additional income arising will be retained within the Planning Service as additional to the existing budget.

Like most planning authorities, the City Council subsidises the delivery of planning services – topping up the national and locally set fee income from its main budget to pay for professional and technical staff and the specialist expertise to ensure that applications are processed in a way that secures the high quality outcomes expected by the Council and the community. The nationally set planning fees are insufficient to cover the costs of the service but contribute some £1,469,120[planning application income only] annually towards the total service cost of cost of £3,341,380[total cost of Policy, DM and NC services plus consultancy team and application support team]. Work carried out by the Planning Advisory Service in 2014, suggests that this requirement for a subsidy from the Council each year to cover the gap between cost of service and fee income is commonplace among LPA's cross the UK.

Cambridge City and South Cambridgeshire District are experiencing significant growth pressures, comprising a number of challenging and complex planning applications alongside more mainstream planning

proposals arising from the buoyant local economy. The two Councils have resolved to respond to the aspiration to increase housing delivery, improve affordability, support economic growth and sustain quality and environmental performance by creating a “Greater Cambridge” shared planning service. To deliver the aspirations of the service, both Council’s are expecting to have to invest in staff and in the service – including a comprehensive review of systems and processes. This will also include a comprehensive review and re-procurement of IT infrastructure, recruitment of professional staff and investment in new skills to support the existing team and replace temporary resources to enable the timely delivery of high quality planning decisions – and outcomes. These objectives are entirely consistent with the objectives behind the governments proposed ring-fenced fee increase for planning services.

The proposed increased in nationally set planning fees is estimated to result in an additional £220,370 for the remainder of the 2017/18 financial year and a whole year increase in funding for the service of £293,820 (at current costs). This additional resource will allow both improvements to the capacity and capabilities of the existing planning service, and will facilitate, with South Cambridgeshire District Council, the timely delivery of the proposed shared service without the need to divert resources from the range of transformation projects already underway across the Council.

For the above reasons, the Executive Councillor Planning Policy and Transport is recommended to agree to the Secretary of States’ proposals to increase nationally set planning fees in the Council area and via the S151 officer, to agree to the submission of the attached response to government by 13<sup>th</sup> March 2017 confirming the Councils commitment to invest and retain the increased income for the improvement of planning services (Appendix 1).

**OFFICER CONTACTS:**

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