

DEVELOPMENT  
MANAGEMENT  
COMMITTEE  
29th March 2017

HEAD OF PLANNING  
REPORT NO. 1703

## PROPOSED INCREASE IN PLANNING APPLICATION FEES

### 1. INTRODUCTION

- 1.1 The Department of Communities and Local Government (DCLG) have written to all local planning authorities allowing them to increase the nationally set planning application fees if they commit to invest the additional fee income in their planning department. DCLG required receipt of the Council intention to increase fees by 13 March 2017.

### 2. BACKGROUND

- 2.1 In the recent White Paper on Housing ("Fixing our broken housing market" February 2017), the government has included proposals for boosting local authority capacity and capability to deliver, improving the speed and quality with which planning cases are handled. This includes allowing local authorities to increase planning application fees.
- 2.2 Planning application fees are set nationally by the government, and were last increased in 2012 by 15% across the board.

### 3. THE GOVERNMENT'S OFFER

- 3.1 The following is extracted from the Housing White Paper and explains the government's offer to local planning authorities:

Boosting local authority capacity and capability to deliver

2.13 Developers consistently tell us that the lack of capacity and capability in planning departments is restricting their ability to get on site and build. Alongside funding, local authorities also report difficulties in recruiting and retaining planners and others with specialist skills. There may also be wider capacity and skills issues for local authorities.

2.14 We will take steps to secure the financial sustainability of planning departments; ensure that the planning system has the skilled professionals it needs to assess and make the tough decisions we expect; and provide targeted support to address areas of specialist weakness.

2.15 We will increase nationally set planning fees. 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 department. We are also minded to allow an increase of a further 20% for those authorities who are delivering

the homes their communities need and we will consult further on the detail. Alongside we will keep the resourcing of local authority planning departments, and where fees can be charged, under review.

- 3.2 A letter has now been received from DCLG asking local authorities to respond to them to confirm, by 13 March 2017, their intention to raise planning application fees by 20% in July 2017. Due to this tight deadline, the decision was taken as a matter of urgency, by the Head of Financial Services as the Council's S.151 Officer, in consultation with the Leader of the Council, the portfolio holder for Business, Safety and Regulation, and the Chairman of the Environment Policy and Review Panel.
- 3.3 The reply was sent to DCLG on 10 March 2017 accepting the proposed 20% increase in planning application fees, and confirming that the amount raised through these higher fees will be spent entirely on planning functions.
- 3.4 The following table gives an indication of current fees and the increase from July 2017:

| Type of development                  | Current fee    |                |
|--------------------------------------|----------------|----------------|
| Household extension                  | £172           | £206           |
| Development of 50 or fewer houses    | £385 per house | £462 per house |
| Variation of condition               | £195           | £234           |
| Advertisement (business or activity) | £110           | £132           |
| Approval of conditions               | £97            | £116           |

Whilst it is always difficult to accurately predict fee income from future planning applications, it has been estimated that the additional income generated from higher planning fees will be in the region of £45,000 for the financial year 2017-18.

- 3.5 Cabinet are due to receive a report on the urgency decision at its meeting on 4 April 2017.

#### 4. RECOMMENDATIONS

It is recommended that the Committee note the action taken under the urgency decision.

#### BACKGROUND DOCUMENTS:

- "Fixing out broken housing market" Housing White Paper – February 2017
- Letter from Department of Communities and Local Government dated 21 February 2017 on Planning application fees: the government's offer.

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