

CHIEF EXECUTIVE'S OFFICE
CHIEF EXECUTIVE
Fiona Marshall

07 March 2017

Dear Councillor

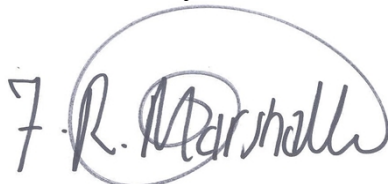
FINANCE AND CORPORATE SERVICES COMMITTEE

Please find enclosed the following urgent report, which had been brought forward for consideration at the above meeting with the agreement of the Chairman, as a response is required to a request from Simon Gallagher, Director of Planning at the Department for Communities and Local Government (DCLG) by Monday 13 March 2017.

13. **Planning Application Fees - An Offer from Government** (Pages 3 - 16)

To consider the urgent report of the Interim Head of Planning Services, (copy enclosed).

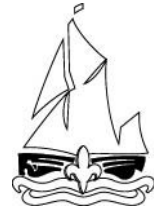
Yours faithfully

A handwritten signature in blue ink, appearing to read 'F. R. Marshall', enclosed within a large, hand-drawn oval.

Chief Executive

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**CIRCULATED AT
THE MEETING**



**REPORT of
INTERIM DIRECTOR OF RESOURCES**

**to
PLANNING AND LICENSING COMMITTEE
2 MARCH 2017**

AND

**FINANCE AND CORPORATE SERVICES COMMITTEE
7 MARCH 2017**

URGENT ITEM OF BUSINESS

PLANNING APPLICATION FEES - AN OFFER FROM GOVERNMENT

1. PURPOSE OF THE REPORT

- 1.1 To seek approval to accept an offer from Government to increase planning fees by 20% from July 2017, on the basis that the Council commits to invest this additional income directly into the planning service.
- 1.2 This matter is brought forward for consideration with the agreement of the Chairmen as a response is required to a request from Simon Gallagher, Director of Planning at the Department for Communities and Local Government (DCLG) by Monday 13 March 2017.

2. RECOMMENDATIONS

To the Planning and Licensing Committee:

- (i) that the Finance and Corporate Services Committee is recommended to support acceptance of the Government's offer to increase planning fees by 20% from July 2017, with a commitment to invest this additional fee income directly into the planning service.

To the Finance and Corporate Services Committee (for recommendation to the Council):

- (ii) that the Government's offer to increase planning fees by 20% from July 2017 is accepted, with a commitment to invest this additional fee income directly into the planning service;

3. SUMMARY OF KEY ISSUES

- 3.1 On 21 February 2017, all Local Planning Authorities (LPAs) in England received a letter from Simon Gallagher, Director of Planning at the DCLG. This letter is attached as **APPENDIX 1**.
- 3.2 The letter offers the opportunity for all LPAs in England to increase their planning fees by 20% from July 2017, as long as the LPA commits to investing the additional fee income directly into the planning service. This offer is a direct result of the White Paper 'Fixing our Broken Housing Market' which was published on 7 February 2017. The letter seeks a response from the Section 151 Officer by Monday 13 March to either accept or reject the proposed 20% increase.
- 3.3 The White Paper acknowledged that there is generally a lack of capacity and capability in planning departments, due to staff shortages, and that this is restricting the delivery of housing. The fee offer is intended to assist LPAs in boosting the capacity and skills base of their planning service, to make it better placed to deliver the Government's housing ambitions.
- 3.4 At this Council, we have experienced difficulties in recruiting new staff and retaining those we have, and there are a number of reasons for this. These reasons are not unique to this Council.
- 3.5 There is a general shortage of built environment professionals nationally, and increasing competition for the existing pool of such staff; indeed, planners and building control officers are amongst the most sought-after built environment professionals at the current time. There are fewer planning schools than there were ten years ago, and this means that the supply side of the equation is increasingly constrained. In terms of demand, nowadays LPAs are not just competing with neighbouring Councils but also with a fast increasing private sector. In short, demand vastly outstrips supply, and this situation has been exacerbated by the rise in the number of planners and building control officers that choose to work on short-term contracts through agencies.
- 3.6 This Council is actively seeking to improve its competitive position in terms of recruitment, through the application of market-based salary supplements. It is also exploring retention initiatives such as apprenticeships (as part of a 'grow your own' strategy) and has implemented a flexible career grade scheme which enables more junior staff to gain experience of the various functions within planning, such as development management, planning policy and enforcement.
- 3.7 Notwithstanding this, a key success factor for Maldon District Council, and the achievement of its performance objectives, will be its ability to resource the planning service in terms of staff numbers.
- 3.8 The Government's offer will equate to approximately £99,000 of additional fee income (based on current forecasts) over the last three Quarters of 2017 / 18. This funding will be able to be potentially invested in a number of initiatives to assist recruitment and retention and, therefore, ultimately capacity and housing delivery.

- 3.9 Revised Development Management Fees will be as set out at **APPENDIX 2** to the report.
- 3.10 The precise utilisation of the additional income is a matter for consideration early in 2017 / 18. However, strategic choices are likely to include the funding of market supplements (where appropriate), the possible introduction of a Planning Apprenticeship programme and bolstering staff numbers in key areas such as Planning Administration and Enforcement.

4. CONCLUSION

- 4.1 Given the Council's need to improve its competitive position in terms of recruitment and retention of planning staff, and the ongoing requirement to build capacity and resilience within the service, it is recommended that the Council accepts the Government's offer and commits to invest the increased fee income directly in the planning service.

5. IMPACT ON CORPORATE GOALS

- 5.1 A well-resourced and resilient planning service will positively contribute towards the achievement of all five of the Council's corporate goals.

6. IMPLICATIONS

- (i) **Impact on Customers** – The proposals should increase the level of customer service.
- (ii) **Impact on Equalities** – No direct impact, although an Apprenticeship Scheme could have a positive impact in equalities.
- (iii) **Impact on Risk** – No direct impact.
- (iv) **Impact on Resources (financial)** – The proposals are neutral in terms of resources as the additional fee income will be reinvested back into services.
- (v) **Impact on Resources (human)** – The proposals may result in the recruitment of additional staff (Full Time Equivalents (FTEs)) and the introduction of recruitment and retention initiatives.
- (vi) **Impact on the Environment** – A well-resourced and resilient planning service will have a positive impact upon a wide range of environmental matters.

Background Papers: Letter

Enquiries to: Simon Rowberry, Interim Head of Planning Services, (Tel: 01621 875756).

ADDENDUM:

The Planning and Licensing Committee considered this report at its meeting on 2 March and recommended that this Committee support acceptance of the Government's offer to increase planning fees by 20% from July 2017, with a commitment to invest this additional fee income directly into the planning service.

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Department for
Communities and
Local Government

Simon Gallagher
Director of Planning

Department for Communities and Local
Government

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2 Marsham Street
London, SW1P 4DF

www.communities.gov.uk

Chief Executives of Local Planning
Authorities in England
[Via Email]

21 February 2017

Dear Chief Executive,

Planning application fees: the Government's offer

'Fixing our broken housing market' was published on 7 February 2017. It includes proposals for boosting local authority capacity and capability to deliver, improving the speed and quality with which planning cases are handled, while deterring unnecessary appeals.

As set out paragraph 2.13 of the White Paper, 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. To boost local authority capacity and capability to deliver, paragraph 2.15 explained that the Government will **increase nationally set planning fees**. Local authorities will be able to increase fees from 20% from July 2017 if they commit to invest the additional fee income in their planning department.

This letter invites you confirm your intention in relation to the fee increase. It is intended that the additional revenue should be retained by planning departments and that existing baseline and income assumptions will not be adjusted down as a result during this Parliament. This is an opportunity for all authorities to make improvements to their resourcing, leading to better services, improved performance, and greater capacity to deliver growth as set out in *'Fixing our broken housing market'*.

'Fixing our broken housing market' proposes a further increase of 20% for those authorities who are delivering the homes their communities need. This would also be on the understanding that the additional fee income generated will be invested exclusively in planning services. We will consult further on the detail of this proposal and the timing on it being brought forward.

For your authority to benefit from the higher planning application fees, we require your section 151 officers, under s230 of the Local Government Act 1972, to provide a commitment and submit information of the 2017/18 budget that demonstrates the additional fee income being spent on planning services. Annex A sets out details the information required.

Should your authority not wish to charge the increased fee, the existing fee structure will remain in place. Where authorities do accept, but do not comply with the assurances it has

provided, the Secretary of State will consider reducing the fee level for that authority back to the original fee level through a change in regulations.

Annex B includes a template for section 151 officers to sign and return. Replies should be sent to planningresources2@communities.gsi.gov.uk by Monday 13th March. It is important that a response is received from all local authorities; indicating whether or not the increased fee offer is to be accepted. You are also asked to confirm the correct legal name of your authority at Annex C, and return this with the template in Annex B. This will be used in the statutory instrument bringing forward the fee increase.

I would be grateful if you could forward a copy of this letter to s151 officers and the officer with lead responsibility for planning services within your authority.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'S. Gallagher', with a stylized flourish at the end.

Simon Gallagher

Annex A: Information section 151 officers should commit to providing

Alongside the condition to spend the additional income generated on planning, we are asking section 151 officers to provide DCLG with certain information to demonstrate that the additional funding is being spent on development management.

We therefore ask that authorities submit the following information, on the basis that your budget has been set, and on the assumption that regulations are in place by July 2017.

- Estimate of final income from planning application fees in 2016/17.
 - Estimate of final expenditure on planning/development management in 2016/17.
 - Estimated income from planning application fees in 2017/18.
 - Estimated additional income generated from higher fees.
 - Estimated expenditure on planning/development management in 2017/18.

The letter in Annex B includes a table in which to provide this information.

Annex B: Template letter for s151 officers to sign

Dear Simon Gallagher,

In reply to your letter of 21st February 2017 I am writing to certify that **[Insert name of authority]** has determined to:

Accept the proposed 20% increase in planning application fees.....

Reject the proposed 20% increase in planning application fees.....

If accepting:

I confirm that the amount raised through these higher fees will be spent entirely on planning functions.

I can also confirm that the full legal name for this authority to be used in regulations is

.....

Please also confirm this legal name in the table in Annex C, and return to planningresources2@communities.gsi.gov.uk with this letter.

I submit the following information, as requested.

	2016/17	2017/18
Estimated expenditure on development management		
Estimated income generated from planning application fees		
Estimated additional income generated from higher planning fees	N/A	

Yours sincerely

[S151 officer]

Fees for Planning Applications in England

31 January 2017 onwards.

This document is based upon 'The Town and Country Planning (Fees for Applications, Deemed

Applications, Requests and Site Visits) (England) Regulations 2012'

Proposed Fees from July 2017 (20% increase rounded to nearest £)

All Outline Applications			
£385 per 0.1 hectare for sites up to and including 2.5 hectares	Not more than 2.5 hectares	£385 per 0.1 hectare	£462 per 0.1 hectare
£9,527 + £115 for each 0.1 in excess of 2.5 hectares to a maximum of £125,000	More than 2.5 hectares	£9,527 + £115 per 0.1 hectare	£11,432 + £138 per 0.1 hectare
Householder Applications			
Alterations/extensions to a single dwellinghouse , including works within boundary	Single dwellinghouse	£172	£206
Full Applications (and First Submissions of Reserved Matters)			
Alterations/extensions to two or more dwellinghouses , including works within boundaries	Two or more dwellinghouses (or two or more flats)	£339	£407
New dwellinghouses (up to and including 50)	New dwellinghouses (not more than 50)	£385 per dwellinghouse	£462 per dwellinghouse
New dwellinghouses (for more than 50) £19,049 + £115 per additional dwellinghouse in excess of 50 up to a maximum fee of £250,000	New dwellinghouses (more than 50)	£19,049 + £115 per additional dwellinghouse	£22,859 + £138 per additional dwellinghouse
Erection of buildings (not dwellinghouses, agricultural, glasshouses, plant nor machinery):			
Gross floor space to be created by the development	No increase in gross floor space or no more than 40 sq m	£195	£234
Gross floor space to be created by the development	More than 40 sq m but no more than 75 sq m	£385	£462
Gross floor space to be created by the development	More than 75 sq m but no more than 3,750 sq m	£385 for each 75sq m or part thereof	£462 for each 75sq m or part thereof
Gross floor space to be created by the development	More than 3,750 sq m	£19,049 + £115 for each additional 75 sq m in excess of 3750 sq m to a maximum of £250,000	£22,859 + £138 for each additional 75 sq m in excess of 3750 sq m to a maximum of £250,000
The erection of buildings (on land used for agriculture for agricultural purposes)			
Gross floor space to be created by the development	Not more than 465 sq m	£80	£96
Gross floor space to be created by the development	More than 465 sq m but not more than 540 sq m	£385	£462
Gross floor space to be created by the development	More than 540 sq m but not more than 4,215 sq m	£385 for first 540 sq m + £385 for each 75 sq m (or part thereof) in excess of 540 sq m	£462 for first 540 sq m + £462 for each 75 sq m (or part thereof) in excess of 540 sq m
Gross floor space to be created by the development	More than 4,215 sq m	£19,049 + £115 for each 75 sq m (or part thereof) in excess of 4,215 sq m up to a maximum of £250,000	£22,859 + £138 for each 75 sq m (or part thereof) in excess of 4,215 sq m up to a maximum of £250,000
Erection of glasshouses (on land used for the purposes of agriculture)			
Gross floor space to be created by the development	Not more than 465 sq m	£80	£96
Gross floor space to be created by the development	More than 465 sq m	£2,150	£2,580

Erection/alterations/replacement of plant and machinery			
Site area	Not more than 5 hectares	£385 for each 0.1 hectare (or part thereof)	£462 for each 0.1 hectare (or part thereof)
Site area	More than 5 hectares	£19,049 + additional £115 for each 0.1 hectare (or part thereof) in excess of 5 hectares to a maximum of £250,000	£22,859 + additional £138 for each 0.1 hectare (or part thereof) in excess of 5 hectares to a maximum of £250,000
Applications other than Building Works			
Car parks, service roads or other accesses	For existing uses	£195	£234
Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)			
Site area	Not more than 15 hectares	£195 for each 0.1 hectare (or part thereof)	£234 for each 0.1 hectare (or part thereof)
Site area	More than 15 hectares	£29,112 + £115 for each 0.1 hectare (or part thereof) in excess of 15 hectares up to a maximum of £65,000	£34,934 + £138 for each 0.1 hectare (or part thereof) in excess of 15 hectares up to a maximum of £65,000
Operations connected with exploratory drilling for oil or natural gas			
Site area	Not more than 7.5 hectares	£423 for each 0.1 hectare (or part thereof)	£508 for each 0.1 hectare (or part thereof)
Site area	More than 7.5 hectares	£31,725 + additional £126 for each 0.1 hectare (or part thereof) in excess of 7.5 hectares up to a maximum of £250,000	£38,070 + additional £151 for each 0.1 hectare (or part thereof) in excess of 7.5 hectares up to a maximum of £250,000
Operations (other than exploratory drilling) for the winning and working of oil or natural gas			
Site area	Not more than 15 hectares	£214 for each 0.1 hectare (or part thereof)	£257 for each 0.1 hectare (or part thereof)
Site area	More than 15 hectares	£32,100 + additional £126 for each 0.1 in excess of 15 hectare up to a maximum of £65,000	£38,520 + additional £151 for each 0.1 in excess of 15 hectare up to a maximum of £65,000
Other operations (winning and working of minerals) excluding oil and natural gas			
Site area	Not more than 15 hectares	£195 for each 0.1 hectare (or part thereof)	£234 for each 0.1 hectare (or part thereof)
Site area	More than 15 hectares	£29,112 + additional £115 for each 0.1 in excess of 15 hectare up to a maximum of £65,000	£34,934 + additional £138 for each 0.1 in excess of 15 hectare up to a maximum of £65,000
Other operations (not coming within any of the above categories)			
Site area	Any site area	£195 for each 0.1 hectare (or part thereof) up to a maximum of £1,690	£234 for each 0.1 hectare (or part thereof) up to a maximum of £1,690
Lawful Development Certificate			
Existing use or operation		Same as Full	Same as Full
Existing use or operation - lawful not to comply with any condition or limitation		£195	£234
Proposed use or operation		Half the normal planning fee.	Half the normal planning fee.

Prior Approval		
Agricultural and Forestry buildings & operations or demolition of buildings	£80	£96
Telecommunications Code Systems Operators	£385	£462
Proposed Change of Use to State Funded School or Registered Nursery	£80	£96
Proposed Change of Use of Agricultural Building to a State-Funded School or Registered Nursery	£80	£96
Proposed Change of Use of Agricultural Building to a flexible use within Shops, Financial and Professional services, Restaurants and Cafes, Business, Storage or Distribution, Hotels, or Assembly or Leisure	£80	£96
Proposed Change of Use of a building from Office (Use Class B1) Use to a use falling within Use Class C3 (Dwellinghouse)	£80	£96
Proposed Change of Use of Agricultural Building to a Dwellinghouse (Use Class C3), where there are no Associated Building Operations	£80	£96
Proposed Change of Use of Agricultural Building to a Dwellinghouse (Use Class C3), and Associated Building Operations	£172	£210
Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwellinghouse), where there are <u>no</u> Associated Building Operations	£80	£96
Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwellinghouse), and Associated Building Operations	£172	£206
Notification for Prior Approval for a Change Of Use from Storage or Distribution Buildings (Class B8) and any land within its curtilage to Dwellinghouses (Class C3)	£80	£96
Notification for Prior Approval for a Change of Use from Amusement Arcades/Centres and Casinos, (Sui Generis Uses) and any land within its curtilage to Dwellinghouses (Class C3)	£80	£96
Notification for Prior Approval for a Change of Use from Amusement Arcades/Centres and Casinos, (Sui Generis Uses) and any land within its curtilage to Dwellinghouses (Class C3), and Associated Building Operations	£172	£206
Notification for Prior Approval for a Change of Use from Shops (Class A1), Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops and Casinos (Sui Generis Uses) to Restaurants and Cafés (Class A3)	£80	£96
Notification for Prior Approval for a Change of Use from Shops (Class A1), Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops and Casinos (Sui Generis Uses) to Restaurants and Cafés (Class A3), and Associated Building Operations	£172	£206
Notification for Prior Approval for a Change of Use from Shops (Class A1) and Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops (Sui Generis Uses) to Assembly and Leisure Uses (Class D2)	£80	£96
Reserved Matters		
Application for approval of reserved matters following outline approval	Full fee due or if full fee already paid then £385 due	Full fee due or if full fee already paid then £462 due
Approval/Variation/discharge of condition		
Application for removal or variation of a condition following grant of planning permission	£195	£234
Request for confirmation that one or more planning conditions have been complied with	£28 per request for Householder otherwise £97 per request	£34 per request for Householder otherwise £116 per request
Change of Use of a building to use as one or more separate dwellinghouses, or other cases		
Number of dwellinghouses	Not more than 50 dwellinghouses	£385 for each
		£462
Number of dwellinghouses	More than 50 dwellinghouses up to a maximum of £250,000	£19,049 + £115 for each in excess of 50 up to a maximum of £250,000
		£22,859 + £138 for each in excess of 50 up to a maximum of £250,000
Other Changes of Use of a building or land	£385	£462

Advertising		
Relating to the business on the premises	£110	£132
Advance signs which are not situated on or visible from the site, directing the public to a business	£110	£132
Other advertisements	£385	£462
Application for a Non-material Amendment Following a Grant of Planning Permission		
Applications in respect of householder developments	£28	£34
Applications in respect of other developments	£195	£234

CONCESSIONS
EXEMPTIONS FROM PAYMENT
For alterations, extensions, etc. to a dwellinghouse for the benefit of a registered disabled person
An application solely for the carrying out of the operations for the purpose of providing a means of access for disabled persons to or within a building or premises to which members of the public are admitted
Listed Building Consent
Planning permission for relevant demolition in a Conservation Area
Works to Trees covered by a Tree Preservation Order or in a Conservation Area
Hedgerow Removal
If the application is the first revision of an application for development of the same character or description on the same site by the same applicant within 12 months of making an earlier application which was withdrawn, or refused and an appeal dismissed, or where an appeal was made on the grounds of non-determination of the application.
If the proposal relates to works that require planning permission only by virtue of an Article 4 Direction of the Town & Country Planning (General Permitted Development) Order 1995. I.e. where the application is required only because of a direction or planning condition removing permitted development rights.
If the application is for a lawful development certificate, for existing use, where an application for planning permission for the same development would be exempt from the need to pay a planning fee under any other planning fee regulation
If the application is for consent to display an advertisement following either a withdrawal of an earlier application (before notice of decision was issued) or where the application is made following refusal of consent for display of an advertisement, and where the application is made by or on behalf of the same person
If the application is for consent to display an advertisement which results from a direction under Regulation 7 of the 2007 Regulations, dis-applying deemed consent under Regulation 6 to the advertisement in question
If the application is for alternative proposals for the same site by the same applicant, in order to benefit from the permitted development right in Schedule 2 Part 3 Class E of the Town and Country Planning (General Permitted Development) Order 1995
If the application relates to a condition or conditions on an application for Listed Building Consent or planning permission for relevant demolition in a Conservation Area
If the application is for a Certificate of Lawfulness of Proposed Works to a listed building
Prior Approval for a Proposed Larger Home Extension

CONCESSIONS continued...
EXEMPTIONS FROM PAYMENTS continued...
Notification for Prior Approval for a Development Consisting of the Erection or Construction of a Collection Facility within the Curtilage of a Shop
Notification for Prior Approval for the Temporary Use of Buildings or Land for the Purpose of Commercial Film-Making and the Associated Temporary Structures, Works, Plant or Machinery required in Connection with that Use
Notification for Prior Approval for the Installation, Alteration or Replacement of other Solar Photovoltaics (PV) equipment on the Roofs of Non-domestic Buildings, up to a Capacity of 1 Megawatt
CONCESSIONS
REDUCTIONS TO PAYMENTS
If the application is being made on behalf of a non-profit making sports club for works for playing fields not involving buildings then the fee is £385 £462
If the application is being made on behalf of a parish or community council then the fee is 50%
If the application is an alternative proposal being submitted on the same site by the same applicant on the same day, where this application is of lesser cost then the fee is 50%
In respect of reserved matters you must pay a sum equal to or greater than what would be payable at current rates for approval of all the reserved matters. If this amount has already been paid then the fee is £385 £462
If the application is for a Lawful Development Certificate for a Proposed use or development, then the fee is 50%
If two or more applications are submitted for different proposals on the same day and relating to the same site then you must pay the fee for the highest fee plus half sum of the others
Where an application crosses one or more local or district planning authorities, the Planning Portal fee calculator will only calculate a cross boundary application fee as 150% of the fee that would have been payable if there had only been one application to a single authority covering the entire site. If the fee for this divided site is smaller when the sum of the fees payable for each part of the site are calculated separately, you will need to contact the lead local authority to discuss the fee for this divided site. The fee should go to the authority that contains the larger part of the application site.

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