

Planning Delivery Grant

1. Purpose of Report

- 1.1 To inform Members of any potential impact on the planning revenue budget when the Government withdraws the Planning Delivery Grant (PDG)

2. Links to the Corporate Business Plan

- 2.1 There is no direct link to the 2006/07 Corporate Plan

3. General Background Information

- 3.1 At the December Finance and Performance Sub-Committee it was resolved to receive a paper to consider the possible risk to the planning base budget if the PDG ran out in 2007/08
- 3.2 At this stage it is not certain that the PDG will cease in 2007/08. The likelihood is that the grant will continue until 2008/09, although this has not been confirmed by Government.

4. Future Considerations

- 4.1 To help set the scene and to inform discussion, the following information is included as appendices to this report :

- Development Control income between 2002/07
- Projected Development Control income between 2007/09
- PDG received since 2003
- Projected level of PDG 2007/09
- Number of planning applications received between 2002/06
- Projected number of planning applications between 2006/08

- 4.2 This report deals only with the Development Control service (excluding enforcement) Members will note that since 2004/05, £250k of the PDG has been included within the planning revenue budget to resource additional posts that were introduced at that time. This increase in revenue funding was required to ensure that the planning service was transformed from being one of the worst performing to one of the most effective. This investment was key to the Council being awarded a high level of PDG in 2004/05 and 2005/06

- 4.3 In 2005/06 the Executive approved that £265k of the PDG allocation for that year should be used to fund one-off projects across the Council (see appendix 3). These included IT projects where there was an expectation of future efficiencies, and other areas that delivered Council priorities.

- 4.4 Although the Government did not specify how long it would continue to reward high performance with PDG, the understanding was that over the longer term, an increase in planning fees would assist in bridging the revenue gap, once the PDG was withdrawn. To a certain extent this has been achieved, with income having increased by circa £200k since 2002/03. Although it is predicted that the number of applications will fall slightly over the next two years, the level of future income may be stable , on the basis of a possible increase in the fees for the submission of

applications and the possible introduction of other charges , such as for pre application advice.

- 4.5 As previously mentioned, PDG is likely to continue for a further two years. If the Council receives £250k and £200k PDG respectively over this period, then there will be a shortfall of £50k in revenue funding after 2009 and then potentially a further £200k after 2010.
- 4.6 Although it is predicted that there will be a shortfall in revenue funding after 2009 when the PDG may reduce to £200k, it will be necessary to carry out a comprehensive resource allocation assessment, and to establish what level of planning service Members may wish to see provided in the future. This work has been included within the 2006/07 planning business plan and the outcome will inform future budget considerations.

5. Financial Implications

- 5.1 This is a financial report

6. Community & Environmental Implications

- 6.1 There are many positive aspects associated with the delivery of a high quality planning service

7. Equalities and Diversity Implications

- 7.1 Equality impact assessments have been undertaken within development control and actions appear within the current business plan

8. Human Resources Implications

- 8.1 There are likely to be human resource implications as service reviews and resource allocation work is undertaken

9. Legal Implications

- 9.1 None at this stage

Documentation used in the preparation of this report:

Background papers associated with the PDG

REPORT OF THE PLANNING SERVICES STRATEGIC MANAGER TO THE OVERVIEW AND SCRUTINY COMMITTEE

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