



# Cabinet

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## REPORT

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**Cllr Noeken : Cabinet Member for Planning & Economic Development**

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### PLANNING DELIVERY GRANT 2004/2005

#### 1. Purpose of Report

- 1.1 The purpose of this report is to inform Cabinet of the Government's allocation of Planning Delivery Grant (PDG) to this Council for 2004/2005 and to make recommendations about its expenditure.

#### 2. Background

- 2.1 The government has made an additional £350 million available to Local Authorities over the 3 year period 2003/2004 – 2005/2006, in the form of Planning Delivery Grant (PDG). The grant is being paid to help Councils improve the planning system and to deliver sustainable communities.
- 2.2 A total of £50 million was distributed in 2003/2004. A basic £75,000 was made available to all authorities, with additional sums being paid for performance against development control targets during the period June 2001 – June 2002. Extra grant was also given to areas of high housing demand, but Salisbury did not qualify for this element.
- 2.3 The allocations were assessed against Best Value Performance Indicator (BVPI) 109, which measures the authority's speed in processing planning applications. This BVPI stipulates that authorities should deal with:
  - a) 60% of major commercial applications within 13 weeks;
  - b) 65% of minor commercial applications within 8 weeks; and
  - c) 80% of other applications within 8 weeks.

During the accounting period, SDC's Planning Office introduced the FASTRACK system, which improved its performance figures and resulted in the Council being awarded £34,688 additional PDG, to give a total sum for 2003/2004 of £109, 688.
- 2.4 Although the grant was not ring fenced, it was allocated on the basis that it should be used to drive up performance in the delivery of planning functions.

This Council took the decision to spend all of its PDG on the planning operation and the money has been used broadly as follows:

<b>TABLE 1: SDC PDG EXPENDITURE, 2003/2004</b>	<b>£ (approx)</b>
New telephone equipment	5,000
Appointment of telephonist	15,000
Appointment of Senior Planning Officer (DC) (roll-over to 2004/2005)	43,000
Appointment of Student Planner (DC)	15,000
Appointment of part-time Senior Planning Officer (DC)	12,000
Upgrade of IT hardware	10,000
Application scanning	10,000
<b>TOTAL</b>	<b>110,000</b>

### 3. PDG Allocation for 2004/2005

- 3.1 The Government has made available a total allocation of £130 million for 2004/05. The allocation criteria have been broadened and are now based on performance against development control targets, plan making performance, housing delivery in areas of housing need, location of Enterprise Areas and performance at appeal. For Salisbury District, only the first two measurements are relevant.
- 3.2 The level of grant potentially available to individual authorities is much greater than last year. Across the country, 24 local authorities have received £700,000 or more, with many others receiving lesser, but still very substantial, sums. Salisbury District Council has received £173,982. Of this sum, £114,163 is allocated for having an up-to-date local plan in place and £53,059 is for improvement in development control performance on major applications during the accounting period (October 2002 to September 2003).
- 3.3 SDC's position compares with other Wiltshire authorities as follows:

<b>TABLE 2: PDG ALLOCATIONS WITHIN WILTSHIRE</b>						
<b>Authority</b>	<b>Housing/ growth areas</b>	<b>Plan making</b>	<b>Enterprise areas</b>	<b>Abatement for poor performance on appeals</b>	<b>Dev't control allocation</b>	<b>Final allocation</b>
<b>Kennet</b>		£121,774			£480,640	<b>£626,764</b>
<b>N. Wilts</b>		£152,217			£501,448	<b>£680,088</b>
<b>Salisbury</b>		£114,163			£53,059	<b>£173,982</b>
<b>Swindon</b>		£91,330	£10,000			<b>£105,401</b>
<b>W Wilts</b>		£76,109			£322,124	<b>£414,330</b>

#### **4. Proposed Expenditure of PDG**

- 4.1 At the full Council meeting of 29<sup>th</sup> March 2004 a number of recommendations concerning improvements to the Council's Development Control arrangements were approved. It was further resolved:

*that the Planning Delivery Grant for 2004/2005 be welcomed and sufficient funding be set aside from that Grant to give effect to [these] recommendations [concerning Development Control]. (Minute 84(E)).*

- 4.2 In light of this resolution, it is recommended that a sufficient proportion of the Council's PDG for 2004/2005 be set aside to support the continuing improvement in Development Control performance. The remainder of the allocation should be reserved to fund the transition to the new plan making arrangements based on Local Development Frameworks (LDFs). The new Planning and Compulsory Purchase Act has received the Royal Assent and its requirements concerning plan making are likely to come into effect in July. Work has already started on the preparation of the Council's first Local Development Scheme (LDS) and this document (which must be submitted to Government Office for the South-West by the end of the year) will be presented to Cabinet shortly. Proposals for the expenditure of PDG on the preparation of the LDF will also be made in due course.

#### **5. Looking Forward**

- 5.1 2004/2005 will be a challenging year for the Council's Planning Office. The need to show improvement in development control performance is well understood and, in addition, the Government will be monitoring the degree to which the Council meets its targets for the preparation of the new Local Development Frameworks (LDFs). Performance in these areas will determine the amount of money that is made available in the final round of PDG settlements, in 2005/2006.
- 5.2 On 18<sup>th</sup> May 2004, the Office of the Deputy Prime Minister wrote to all Chief Executives of local planning authorities in England setting out the broad criteria to be used for the allocation of PDG in 2005/2006. The key passages in relation to Salisbury District Council are reproduced below:

*"ODPM's Public Service Agreement (PSA) 6 target specifies that all local planning authorities are to complete local development frameworks and perform at or above best value targets for development control by the end of 2006/2007.*

*...We will continue to reward progress in plan-making. In 2005/06, we will be altering the way the allocation is made to take account of the requirement for authorities to have submitted to the Secretary of State a completed Local Development Scheme within 6 months of commencement of Part 2 of the Planning Act. Our approach has not been finalised and will be the subject of further consultation. However we will give consideration to an assessment of timeliness and quality in terms of production and content of Schemes.*

*...As part of the drive towards quality of service, we will be considering a level of reward for authorities making arrangements to provide e-planning.*

*...In 2004/2005, there were no minimum allocations. Those authorities whose performance met none of the criteria received no award, and we will continue this for 2005/06.*

*This year we limited the maximum allocation by introducing a cap of £700,000 on*

*allocations (excluding allocations from the top-slice for high housing demand and growth areas). We will continue to cap PDG next year at a level to be determined.*

*...We hope to be able to make an announcement of PDG allocations in February 2005. However, the reward for plan-making may need to be based upon authorities' performance over a different period to that used for development control, to take account of the changes that are coming into force. Therefore there is a possibility that there will be two announcements, one in February 2005 covering the bulk of allocations, with a separate announcement of allocations for plan-making following later in the year.*

*...We can confirm, in response to requests we have received from several authorities, that it is possible to carry PDG over into future years. We will consider issuing further guidance in this area."*

## **6. Recommendations**

5.1 It is recommended that:

- a) the receipt of £173,982 of Planning Delivery Grant for 2004/2005 be noted;  
and
- b) the expenditure of this sum be as outlined in paragraphs 4.1 and 4.2, above.

## **6. Implications:**

**Financial:** There are significant financial advantages for the Council in achieving performance targets for its planning functions. The targeting of the Planning Delivery Grant would be complementary to this aim.

**Legal:** None at this stage.

**Human Rights:** None at this stage.

**Personnel:** As set out in the report.

**Community Safety:** None.

**Environmental:** None.

**Core Values:** Excellent service; Thriving economy; Protecting the environment.

**Wards affected:** All.