

TONBRIDGE & MALLING BOROUGH COUNCIL

OVERVIEW AND SCRUTINY COMMITTEE

06 April 2023

Report of the Director of Planning, Housing and Environmental Health

Part 1- Public

Matters for Recommendation to Cabinet

1 RESPONSE TO THE DLUHC TECHNICAL CONSULTATION: STRONGER PERFORMANCE OF LOCAL PLANNING AUTHORITIES SUPPORTED THROUGH AN INCREASE IN PLANNING FEES

1.1 Background:

1.1.1 On the 28th February a consultation seeking views on improving performance of local planning authorities by increasing planning fees, building capacity and capability, and introducing a more robust performance regime was launched. Proposals include:

1. Increase planning fees for major's applications (which represent approximately 3% of all applications by 35% and an increase in planning fees for all other application by 25%.
2. An annual adjustment of planning fees in line with inflation so that they maintain their value year on year.
3. Double the planning fees for retrospective applications.
4. Removal of the free go for resubmissions of planning applications.
5. Ring fencing additional fee income for spending within the local authority planning department.
6. Supporting the resilience, capacity and capability of local planning authorities.
7. Broadening the planning performance framework - qualitative and quantitative ways to measure performance.
8. Tightening the planning guarantee.
9. Measuring customer experience.

1.1.2 Cllr Oakley requested a report to O&S to look at Planning staffing matters. The Council's recruitment and retention approach, along with specifics around posts and structures, fall within the remit of the General Purposes Committee. However, it was felt that this consultation gave a timely opportunity to provide Members with

an opportunity to review and consider some of the performance and capacity issues both with the TMBC team and more widely in the industry.

- 1.1.3 This report constitutes the Council's proposed response to the consultation, centred around the questions posed. This is included as **Annex 1**.

1.2 The consultation

- 1.2.1 The consultation period opened on 28th February and runs until 25th April 2023. Therefore, the Council has until this date to submit its response, which, once approved, will be actioned through the online survey.
- 1.2.2 Full details and additional information can be found on the government website which gives further explanation and background to the questions posed in the [online survey](#).
- 1.2.3 A key issue in the consultation is the raising of fees and the potential ringfencing of the uplift to specifically help Planning services to improve the resilience, capacity and capability of their teams. This can only practically be brought forward if these monies are ringfenced, given wider financial pressures in local government. The Government recognises the need to make this happen but is only prepared to introduce fee increases if planning performance also improves and this will be assessed through the proposed matrix monitoring system.
- 1.2.4 Members will be aware from the Planning Service restructure that was brought forward in 2022 that TMBC has a lean operating structure – senior managers remain confident that when fully staffed, this structure is capable of managing the workload, however that is not the position at present due to staffing challenges that have been previously outlined to Members. It should therefore be recognised that without the opportunity to utilise some of this uplift in fees for specific skill development and role enhancement in Planning services, the performance requirements laid out in the consultation will be incredibly challenging to meet. Should the proposals in the consultation be implemented, there would need to be a thorough internal review of staffing capacity and skills in order to ensure best use of any uplift. On this basis, subject to the issues laid out in the financial implications below, the draft response currently proposes supporting the ringfencing of the uplift in fees.
- 1.2.5 **Annex 1** to this report sets out the full proposed Council response to the consultation questions.

1.3 Legal Implications

- 1.3.1 There will be no legal implications associated with the Council's response to the consultation.
- 1.3.2 The legal implications of the implementation of the new performance system will need to be fully assessed to understand what legal implications there could be for

the Council should they not be able to meet them. Members are reminded that under the current system, Councils who consistently do not perform can have planning functions removed from them by Government.

1.4 Financial and Value for Money Considerations

- 1.4.1 There will be no direct financial and value for money considerations associated with the Council's response to the consultation, although the consultation is proposing significant fee increases which if adopted by DHLUC will have a significant impact on the Council's finances.
- 1.4.2 The Finance team has raised questions about the proposed ring fencing of fee uplifts, on the basis that the consultation proposes the fee uplift as an opportunity to address the financial shortfall between planning income and the cost of delivery of Planning services, which is on average 33% across the country but sits at 50% at TMBC at present due to the staffing challenges currently being experienced and the need to utilise contract staff. It is noted that even with the proposed increases, there is still a significant shortfall between income and expenditure which has to be met by the local council taxpayer. The definition of "ring-fencing" in this context is unclear, but the Finance team are of the view that increased fees should first and foremost contribute to the existing deficit on the development management budget.
- 1.4.3 They are supportive of the proposal for fees to subject to an annual inflationary uplift, as this would help to address in the future the issue of significant lag in fee increases against inflation. Fees were last increased in 2018 and inflation over the intervening period is in excess of 20% (CPI) and 30% (RPI).

1.5 Risk Assessment

- 1.5.1 There are no defined reputational risks or otherwise relating to the Council's response to the consultation.

1.6 Equality Impact Assessment

- 1.6.1 The recommendation through this paper has a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.7 Recommendations

- 1.7.1 **NOTE** the report and **Annex 1**; and
- 1.7.2 **ENDORSE** the proposed response at **Annex 1**, which will be submitted on behalf of the Council by the Director of Planning, Housing and Environmental Health.

Background papers:

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Annex 1- Council response to the 'stronger performance of local planning authorities supported through an increase in planning fees'

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