

1. Cuts proposal

Proposal title:	Planning Service
Reference:	RES11
Directorate:	Resources and Regeneration
Head of Service:	Interim Head of Planning
Service/Team area:	Planning
Cabinet portfolio:	Mayor
Scrutiny Ctte(s):	Sustainable Development Select Committee

2. Decision Route

Cuts proposed*:	Key Decision Yes / No	Public Consultation Yes / No	Staff Consultation Yes / No
a) increase income £200k	No	No	No

3. Description of service area and proposal

Description of the service area (functions and activities) being reviewed:

In early 2018, the Government increased the statutory planning application fees by 20%.

However, we are only able to take advantage of the 20% increase in fees if we do not reduce our base budget. This Government requirement has been introduced to ensure that the application fee increase will be “ring-fenced” to improve planning capacity and customer service. Therefore, the Development Management (E44613) base budget of £1,781,683 cannot be reduced in the budget savings exercise for the foreseeable future.

The Planning Service have therefore looked to identify opportunities to generate additional income as opposed to savings to the base budget.

Cuts proposal

1. £50k increase in income to the DM budget through a further review of and increase to chargeable services. This will predominantly be through a review of our Planning Performance Agreements (PPAs) with developers. Our aim is to ensure that the costs of processing / advising on major schemes is fully recoverable from the developer. This cost recovery will be additional to the statutory fee for the planning application and any costs of reviewing the proposed scheme at the design panel.
2. The current budget for our statutory income from planning applications is £929k. Following the Government’s increase in statutory fees of 20%, we are proposing to increase our statutory fee income by £50k to £979k in 2019/20 and by a further £100k to £1,079k in 2020/21. This staggered increase in income over the next two years reflects a cautious approach to anticipating potential statutory income levels as it is wholly dependent on the number and type of planning application that will be submitted. Recent figures from Central Government show a slight decrease in numbers of planning applications being submitted across the country since the 20% increase in fee and the uncertainty of the impact of Brexit.

3. Description of service area and proposal

Note: As the Planning Service proposed budget savings are all income related, it is impossible to predict any potential saving for 2020/21 for chargeable services, although overall the service is aiming to reduce the net budget. Recent research into the funding positions of other London planning authorities have identified that none are currently fully “cost neutral”.

4. Impact and risks of proposal

Outline impact to service users, partners, other Council services and staff:

1. There will be an impact on service users through the increase of fees for chargeable services. However, we would be seeking to ensure that we are fully recovering the cost of providing the service which will be balanced against estimated take-up of the service at the proposed increase. The Planning Service are continuing to improve the Planning web pages to ensure that a free offer is available to any householders looking to undertake works in the Borough. Discussions with developers has indicated a willingness to pay increased fees if it enables a good level of service to be provided.
2. The increase in budget for statutory services is wholly dependent on numbers and types of planning application received. The actual planning fee is set by Central Government.

Outline risks associated with proposal and mitigating actions:

There is a risk that by increasing fees for chargeable services, less customers and developers will choose to use the service. In order to minimise this, the Planning Service are already looking at ways of delivering good levels of customer satisfaction and methods of promoting and marketing services.

5. Financial information

Controllable budget: General Fund (GF)	Spend £'000	Income £'000	Net Budget £'000	
	2,641	1,852	789	
HRA				
DSG				
Health				
Cuts proposed*:	2019/20 £'000	2020/21 £'000	2021/22 £'000	Total £'000
a) Increase in income budget for chargeable services (PPAs)	50	NIL		50
b) Increase in income budget for statutory fees	50	100		150
Total	100	100		200
% of Net Budget	12.6%	14.5%	%	27.1%
Does proposal impact on: Yes / No	General Fund	DSG	HRA	Health

5. Financial information				
If DSG, HRA, Health impact describe:				

6. Alignment to Lewisham 2020 priorities		
Main priority	Second priority	Lewisham 2020 priorities A. Strengthening Community input B. Sharing Services C. Digitising our Services D. Income Generation E. Demand Management
Income Generation	Demand Management	
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
Medium	Medium	

7. Impact on Corporate priorities		
Main priority	Second priority	Corporate priorities 1. Community leadership and empowerment 2. Young people’s achievement and involvement 3. Clean, green and liveable 4. Safety, security and a visible presence 5. Strengthening the local economy 6. Decent homes for all 7. Protection of children 8. Caring for adults and the older people 9. Active, healthy citizens 10. Inspiring efficiency, effectiveness and equity
Decent Homes for All	Strengthening the local economy	
Impact on main priority – Positive / Neutral / Negative	Impact on second priority – Positive / Neutral / Negative	
Neutral	Neutral	
Level of impact on main priority – High / Medium / Low	Level of impact on second priority – High / Medium / Low	
Low	Low	

8. Ward impact	
Geographical impact by ward:	No specific impact / Specific impact in one or more
	No specific impact
	If impacting one or more wards specifically – which?

9. Service equalities impact			
Expected impact on service equalities for users – High / Medium / Low or N/A			
Ethnicity:	N/A	Pregnancy / Maternity:	N/A
Gender:	N/A	Marriage & Civil Partnerships:	N/A
Age:	N/A	Sexual orientation:	N/A
Disability:	N/A	Gender reassignment:	N/A
Religion / Belief:	N/A	Overall:	N/A
For any High impact service equality areas please explain why and what mitigations are proposed:			
Is a full service equalities impact assessment required: Yes / No			No

10. Human Resources impact

Will this cuts proposal have an impact on employees: Yes / No					No
Workforce profile:					
Posts	Headcount in post	FTE in post	Establishment posts	Vacant	
				Agency / Interim cover	Not covered
Scale 1 – 2					
Scale 3 – 5					
Sc 6 – SO2					
PO1 – PO5					
PO6 – PO8					
SMG 1 – 3					
JNC					
Total					
Gender	Female	Male			
Ethnicity	BME	White	Other	Not Known	
Disability	Yes	No			
Sexual orientation	Straight / Heterosex.	Gay / Lesbian	Bisexual	Not disclosed	

11. Legal implications

State any specific legal implications relating to this proposal:

As increasing income to cover the full cost of undertaking service and for fee increase already implemented by central government there are no legal implications.

12. Summary timetable

Outline timetable for main steps to be completed re decision and implementation of proposal – e.g. proposal, scrutiny, consultation (public/staff), decision, transition work (contracts, re-organisation etc..), implementation:

The main cuts timetable for 2019/20 has been included here FYI. Please amend for proposal if different.

Month	Activity
July / August 2018	Proposals prepared (this template and supporting papers – e.g. draft public consultation)
September 2018	Proposals submitted to Scrutiny committees leading to M&C
October 2018	Scrutiny meetings held with consultations ongoing
December 2018	Proposals to M&C and (full decision) reports returned to Scrutiny for review
January 2019	Transition work ongoing
February 2019	Transition work ongoing and budget set
March 2019	Cuts implemented