

FAREHAM

BOROUGH COUNCIL

Report to Planning Committee

Date **17 January 2024**

Report of: **Assistant Chief Executive Officer**

Subject: **Spending Plans 2024/25**

SUMMARY

This report sets out the overall level of revenue spending on this Committee's services and seeks agreement for the revised revenue budget for 2023/24, the discretionary planning charges for 2024/25 and the base budget for 2024/25 before being recommended to Full Council for approval.

RECOMMENDATION

That the Planning Committee: -

- (i) agrees the revised budget for 2023/24;
- (ii) agrees the base budget for 2024/25;
- (iii) agrees the revised discretionary planning charges for 2024/25 as set out at Appendix B; and
- (iv) recommends the budget to Full Council for approval.

INTRODUCTION

1. The Council has a co-ordinated strategic service and financial planning process and this report allows the committee to consider in detail these plans for the provision of the Planning Committee services during the next financial year.
2. This report and the revenue budgets have been prepared in accordance with the Medium-Term Finance Strategy that was approved by the Executive on 8th January 2024 and will cover the fees and charges and the revenue budget.

FEES AND CHARGES

3. The Planning Committee charges that are shown in the budget figures are mainly statutory and therefore not under the control of the committee.
4. The current level of planning fees were set by Central Government and came into force on 6 December 2023 and saw an increase of 35% for major developments and 25% increase for all other applications.
5. The regulations also allowed for an annual indexation of planning fees capped at 10 % with effect from 1 April 2025.
6. The planning fees had not been increased since 17 January 2018.
7. The revised discretionary planning charges under the control of the Planning Committee for consideration are shown in Appendix B.
8. Inflation(CPI) fell to a headline figure of 3.9% in Novembers and the increase in charges reflects this and also the costs of providing the service.

REVENUE BUDGET

9. Appendix A analyses the overall budget total for the individual Planning Committee services and by the different types of expenditure and income.

BASE BUDGET 2023/24

10. The base budgets for 2023/24 were considered by this committee in January 2023 and were confirmed by Full Council in February 2023. The base budget for 2023/24 amounted to £694,300.

REVISED BUDGET 2023/24

11. The revised budget for 2023/24 is £580,400 which represents a reduction of £113,900 or 16% from the base budget.
12. The main change to the revised budgets is due to an increase in planning application income and pre application advice mainly as a result of fees from Welborne. In addition, employee costs have increased due to the pay award which in turn has increased internal recharges but a review of how internal recharges are apportioned has seen some services have their costs reduced.

BASE BUDGET 2024/25

13. The base budget for 2024/25 is £578,100 a reduction of £116,200 or 17.0% from the base budget in 2023/24.
14. Appendix A of this report shows the analysis of expenditure and income for individual services and the following paragraphs of this report set out issues affecting individual services that have arisen in the current year in order to explain the variations between base 2023/24 budgets and the 2024/25 base budget.

SERVICE ISSUES

15. In preparing the budget there have been changes to the way the employee budgets have been calculated which have also reflected the national pay award.
16. These changes are reflected in the figures in this report and therefore have resulted in some variances across this committee.
17. Internal Recharges costs provided for this committee include ICT, HR, Finance and Audit, Customer Services and accommodation recharges.
18. In addition there are recharges from the various partnerships which support the committee include Southampton Legal Partnership, Environmental Health Partnership and Building Control Partnership which are shown under Third Party Payments heading.
19. The changes to these two areas have been small when compared to the Base Budget for 2023/24.

PROCESSING APPLICATIONS

20. There has been an overall reduction in the 2024/25 base budget for this service of £91,200. The majority of the increase is due to the increase in the planning fees as described in paragraph 4. There will also be additional income from the Welborne applications during the year. There have been increases in employee costs due to the annual pay award.

PLANNING ADVICE

21. There has been a reduction in the 2024/25 base budget for this service of £25,200. This is mainly due to increases in employee costs due to the annual pay award being offset by an increase pre-planning advice fees and also a reduction in the internal recharges.

PLANNING ENFORCEMENT

22. There has been a small reduction in the 2024/25 base budget for this service of £4,100. This is mainly due to a small reduction from internal recharges offset by an increase in employee budgets.

PLANNING APPEALS

23. There has been a small increase in the 2024/25 base budget for this service of £4,300. This is mainly due to a small increase in employee budgets and an increase to internal recharges.

RISK ASSESSMENT

24. There are no significant risk considerations in relation to this report.

CONCLUSION

25. A number of Planning Committee services are partly funded from fees and charges and other types of income. After taking service income into account investment income and the Council's share of business rate income reduce the remainder of the overall cost of services is met by council tax payers.
26. These sources of income are generally outside the Council's control and do not reflect the changes in the overall level of spending on local services.
27. With these sources of income effectively "fixed", members need to be aware that, unless it can be matched by increased service income, additional spending on services has to be fully funded by council tax payers.
28. It follows that Members must give full weight of the Council's overall position and future council tax levels when the revenue budgets for 2024/25 are considered.

Appendix A – Revenue Budget 2023/24 revised and 2024/25 Base Budget.

Appendix B – Discretionary Planning Fees 2024/25.

Background Papers:

Reference Papers:

Enquiries:

For further information on this report please contact Neil Wood on 01329 824506

APPENDIX A

GENERAL FUND REVENUE BUDGET 2024/25

	Budget 2023/24 £	Revised Budget 2023/24 £	Budget 2024/25 £
Planning Committee			
Planning Applications	243,700	104,900	152,500
Planning Advice	219,500	191,600	194,300
Planning Enforcement	131,400	124,200	127,300
Planning Appeals	99,700	159,700	104,000
	<u>694,300</u>	<u>580,400</u>	<u>578,100</u>

	Budget 2023/24 £	Revised Budget 2023/24 £	Budget 2024/25 £
Subjective Analysis			
Employee Expenditure	858,000	858,500	899,300
Transport Expenditure	10,900	8,800	9,500
Supplies and Services Expenditure	110,700	162,000	106,000
Third Party Payments	101,500	99,600	99,600
Internal Recharges	200,900	165,900	169,400
Gross Expenditure	<u>1,282,000</u>	<u>1,294,800</u>	<u>1,283,800</u>
Fees and Charges	<u>-587,700</u>	<u>-714,400</u>	<u>-705,700</u>
Gross Income	<u>-587,700</u>	<u>-714,400</u>	<u>-705,700</u>
Net Expenditure	<u><u>694,300</u></u>	<u><u>580,400</u></u>	<u><u>578,100</u></u>

	Budget 2023/24 £	Revised Budget 2023/24 £	Budget 2024/25 £
Processing Applications			
Employee Expenditure	554,100	546,300	582,000
Transport Expenditure	7,000	6,200	6,900
Supplies and Services Expenditure	36,100	38,000	38,000
Third Party Payments	87,400	85,400	85,400
Internal Recharges	130,800	117,700	120,200
Gross Expenditure	815,400	793,600	832,500
Other Charges	-571,700	-688,700	-680,000
Gross Income	-571,700	-688,700	-680,000
Net Expenditure	243,700	104,900	152,500

	Budget 2023/24 £	Revised Budget 2023/24 £	Budget 2024/25 £
Planning Advice			
Employee Expenditure	175,200	179,600	181,900
Transport Expenditure	1,300	1,300	1,300
Supplies and Services Expenditure	6,400	2,000	2,000
Third Party Payments	9,400	9,500	9,500
Internal Recharges	43,200	24,900	25,300
Gross Expenditure	235,500	217,300	220,000
Other Charges	-16,000	-25,700	-25,700
Gross Income	-16,000	-25,700	-25,700
Net Expenditure	219,500	191,600	194,300

	Budget 2023/24 £	Revised Budget 2023/24 £	Budget 2024/25 £
Planning Enforcement			
Employee Expenditure	100,900	102,900	105,700
Transport Expenditure	2,600	1,300	1,300
Supplies and Services Expenditure	2,900	1,000	1,000
Third Party Payments	4,700	4,700	4,700
Internal Recharges	20,300	14,300	14,600
Gross Expenditure	131,400	124,200	127,300
Net Expenditure	131,400	124,200	127,300

	Budget 2023/24 £	Revised Budget 2023/24 £	Budget 2024/25 £
Planning Appeals			
Employee Expenditure	27,800	29,700	29,700
Supplies and Services Expenditure	65,300	121,000	65,000
Internal Recharges	6,600	9,000	9,300
Net Expenditure	99,700	159,700	104,000



PLANNING FEES

The majority of Planning Fees are set by central government and are updated from time to time. The current fees apply from 6 December 2023 and can be found on planningportal.co.uk or the fee will calculate when you fill in your application online.

Alternatively the current fees are available on application to the Head of Development Management.

The following fees are discretionary.

Planning Advice - Residential	Fee payable 2023/24 £	Fee payable 2024/25 £	% Increase
Extensions or other alterations to an existing dwelling including ancillary development within its curtilage	Free	Free	NIL
1 – 9 dwellings*	£285 for first dwelling + £55 for every additional dwelling thereafter	£300 for first dwelling + £58 for every additional dwelling thereafter	5.3 5.5
10 – 49 dwellings*	£865 for first ten dwellings + £12 for every additional dwelling thereafter	£910 for first ten dwellings + £13 for every additional dwelling thereafter	5.2 8.3
50+ dwellings*	£POA	£POA	NIL
New dwellings but where numbers not known	£POA	£POA	NIL
Elderly persons accommodation, retirement living developments, sheltered apartments, residential care homes falling within Use Class C2,			
- 1-9 bedspaces	£285	£300	9.6
- 10 – 50 bedspaces	£575	£605	5.2

- More than 50 bedspaces	£865	£910	5.2
Other residential uses (including hotels, residential institutions, houses in multiple occupation, etc)	£POA	£POA	NIL
* = including change of use of existing floorspace			

Planning Advice – Non-residential	Fee payable 2023/24 £	Fee payable 2024/25 £	% Increase
Provision of floorspace (gross internal area), change of use of existing floorspace (gross internal area) or change of use of land (gross area):			
- Up to 100 m2	£230	£245	6.5
- 101 – 499 m2	£285	£300	5.3
- 500 – 999 m2	£575	£605	5.2
- More than 1,000 m2 where it relates to proposed uses with Classes B1, B2, B8, or a mix of these uses	£805	£850	5.6
- More than 1,000 m2 where it relates to any uses outside of Classes B1, B2 or B8	£POA	£POA	NIL

Planning Advice – Other	Fee payable 2023/24 £	Fee payable 2024/25 £	% Increase
Small scale development not falling into any of the above categories (for example: engineering works, new shop fronts, moorings, means of enclosure, renewable energy plant on existing business premises)	£230	£245	6.5
Installation or replacement of telecommunications mast	£230 per site	£245 per site	6.5

Minor amendments to an extant planning permission	£115	£125	8.7
Advertisements / signage:			
- For the purposes of a community use which is non-profit making (not including education providers)	Free	Free	NIL
- On business premises less than 100 m2 gross internal floor area	Free	Free	NIL
- All other adverts	£170	£180	5.9
Any development or works being carried out by a community use which is non-profit making (not including education providers)	Free	Free	NIL
Follow up advice	50% of the original pre-application planning advice fee/ £POA		

Notes:

1. £POA (Price on Application) indicates that a fee will be calculated on a case by case basis, based on a schedule of rates published by the Council and updated annually.
2. Where advice is sought in relation to mixed use proposals, the fee for each element of the scheme should be calculated using the table above and then added together.
3. Where advice is required from external consultants or consultees to whom a payment must be made, the applicant will be expected to meet these costs and they will be in addition to the pre-application advice fee set out above.

Pre Application Advice – Listed Buildings and heritage Advice	Fee payable 2023/24 £	Fee payable 2024/25 £	% Increase
Pre-application planning advice charges for listed buildings and heritage advice	£170 per initial enquiry plus VAT	£180 per initial enquiry plus VAT	5.9