

# REPORT TO CABINET

**REPORT OF:** Economic Development Portfolio Holder

**REPORT NO:** CHSC0017

**DATE:** 7<sup>th</sup> September 2009

<b>TITLE:</b>	Proposals for use of Housing and Planning Delivery Grant Reserves	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	Key Decision	
<b>PORTFOLIO HOLDER: NAME AND DESIGNATION:</b>	Councillor Frances Cartwright: Economic Development Portfolio Holder	
<b>CONTACT OFFICER:</b>	Teena Twelves, Corporate Head, Sustainable Communities	
<b>INITIAL IMPACT ASSESSMENT:</b>	Carried out and Referred to in paragraph (7) below:	Full impact assessment Required:
<b>Equality and Diversity</b>		
<b>FREEDOM OF INFORMATION ACT:</b>	This report is publicly available via the Local Democracy link on the Council's website: <a href="http://www.southkesteven.gov.uk">www.southkesteven.gov.uk</a>	
<b>BACKGROUND PAPERS</b>	PLA491 PLA420 PLA556 PLA612 Report CHSC003 to Cabinet Report CHFCS15 to Cabinet on 9 <sup>th</sup> February Report CHFCS25 to Council on 2 <sup>nd</sup> March 2009	

## 1. RECOMMENDATIONS

**The report recommends:**

- That the Cabinet approves the expenditure outlined in this report**

## 2. PURPOSE OF THE REPORT/DECISION REQUIRED

This report sets out revised proposals for expenditure of available Housing and Planning Delivery Grant (HPDG – formerly known as Planning Delivery Grant or PDG) reserves and proposes the use of the reserves to:

- support delivery of the Local Development Framework (LDF) - the delivery of the LDF is a key area of work within the Good For Business priority, as well as supporting the other objectives within that priority plan

- support improved Development Control service – this will contribute to the Quality Organisation priority
- support for site acquisition in Grantham – this is a key area within the Good for Business priority

This report follows on from previous reports to Cabinet on the use of HPDG, which is awarded to local authorities by the Department for Communities and Local Government (CLG) to reward authorities' performance in housing delivery, plan making (LDF) and e-planning. HPDG is not ring-fenced but is targeted at enabling the authority to continue to improve its performance in these areas. The grant is split 32.5% capital, 67.5% revenue: previously PDG was split 25% capital and 75% revenue.

### **3. DETAILS OF REPORT (SUMMARY – USE APPENDICES FOR DETAILED INFORMATION)**

Report CHSC003 summarised previous reports regarding HPDG, and gave details of what funding has been used, which projects had not materialised, and what funding remained to be spent. It put forward proposals for the use of the remaining revenue and capital reserve, which were approved by Cabinet.

The current position in relation to the revised expenditure plan for HPDG as presented in that report is that there are underspends as a result of projects being financed through other sources, or where funding remained unallocated (particularly for the capital element of the budget).

As at 31<sup>st</sup> March 2009, therefore, the Council had a total of ££330,562 in uncommitted Housing Planning Delivery Grant reserves, split across £126,264 in revenue and ££204,298 in capital.

The use of the latest Housing and Planning Delivery Grant funding allocation of £403,412 received in 2008/9 was considered by Cabinet in report number CHFCS15 dealing with the 2009/10 budget and it was agreed that the funding would be used to support the LDF (£272,303 revenue) and Project Pretty (£50,000 capital).

However, this report did not address the use of the accumulated reserves funding and this report therefore seeks to bring these proposals forward for consideration.

#### **Revenue Reserve**

It is proposed that this funding should be used for the following projects:

- (a) in line with the use of the 2008/9 funding, to support the delivery of the LDF through funding of two policy officer posts to deliver Grantham Area Action Plan and Supplementary Planning Documents for the two Grantham urban extensions. These documents will provide the planning framework for the Grantham Growth agenda
- (b) to procure Development Control software for permitted development enquiries and monitoring of pre-application cases. The former software will provide a 'self-service' facility for those making enquiries regarding the need for planning permission, thereby releasing officer time which would otherwise be spent

responding to enquiries. The pre-application software will provide a more efficient administrative system and also lead to savings in officer time.

### Capital Reserve

It is proposed that this funding should be used for the following project:

(a) Contribution to capital programme to support strategic land acquisition in Grantham

Whilst some funding has been secured to acquire Grantham Growth sites, there remains a gap and a Council contribution to the project may assist in promoting a bid to secure further funding from external agencies.

## **4. OTHER OPTIONS CONSIDERED**

A number of alternative proposals were considered for the use of HPDG, which could contribute to further improvements in the Council's performance around development control, such as increasing e-consultation with non-statutory consultees.

Having regard to the Council's priorities, the requirements in relation to the delivery of the LDF have been considered as most urgent and the proposals within this report mirror that already agreed for inclusion within the HPDG expenditure plan through report CHFCS15.

Other related expenditure around commissioning development briefs for Grantham Growth sites have been considered, however these can be funded through the available LABGI funding.

## **5. RESOURCE IMPLICATIONS**

The resource implications for these proposals are as follows:

Available non-committed funding	Revenue	Capital
	£126,624	£204,298
<b>Proposed projects:</b>		
Senior Planning Policy Officer post (one year extension)	£42,000	£0
Planning Policy Officer (2 years fixed term)	£70,000	£0
Purchase of DC software to monitor pre-application cases	£0	£10,000
Purchase of DC software module for permitted development	£5,000	£0
Purchase of Scanner/Printer	£8,000	£0
Contribution to site acquisition in Grantham	£0	£154,000
<b>Total</b>	<b>£125,000</b>	<b>£164,000</b>
<b>Remaining reserves:</b>	<b>£1,624</b>	<b>£40,298</b>

These can be fully met within the available HPDG budget.

## **6. RISK AND MITIGATION (INCLUDING HEALTH AND SAFETY AND DATA QUALITY)**

There are no significant risks arising from the proposed expenditure.

## **7. ISSUES ARISING FROM EQUALITY IMPACT ASSESSMENT**

There are no equality or diversity issues arising from this report.

## **8. CRIME AND DISORDER IMPLICATIONS**

There are no crime and disorder implications arising from this report.

## **9. COMMENTS OF SECTION 151 OFFICER**

I have been consulted regarding this report and can confirm the figures are valid and appropriately presented. Full regard has been taken in respect of the revenue and capital split in accordance with the grant conditions. A system is established to ensure spend is undertaken in accordance with the report recommendations.

## **10. COMMENTS OF MONITORING OFFICER**

The purpose of the housing and planning delivery grant is to allow local authorities to improve planning systems and deliver sustainable communities. The planning delivery grant has been reformed to better support areas which are delivering high numbers of new homes by giving an incentive to local authorities to respond more effectively to local housing pressures and become more actively involved in the delivery of additional housing to meet local demands. Strategic land acquisition should be made in accordance with that purpose.

## **11. COMMENTS OF OTHER RELEVANT SERVICE MANAGER**

N/A