

Report to Cabinet

Thursday, 25 January 2024

By the Deputy Leader and Cabinet Member for
Planning and Infrastructure

DECISION REQUIRED



**Horsham
District
Council**

Not Exempt

Planning Skills Delivery Fund – Approval of Budget

Executive Summary

Cabinet is recommended to ask Council to increase the strategic planning and development management budgets so that Strategic Planning and Development Management can receive a grant that has been allocated by the Department for Levelling Up, Housing and Communities (DLUHC). The receipt of the grant, from the Planning Skills Delivery Fund, was not known when the annual budget for 2023-2024 was set. Notification of the grant was received in December 2023. The grant is for the sum of £308,333. £250,000 to be used to help deliver solutions to Water Neutrality and £58,333 to assist with reducing the backlog of planning applications.

The Teams are currently awaiting receipt of a Memorandum of Understanding from DLUHC which will set out more detail as to how the grant can be spent. Discussions will be held with the Council's water neutrality partners in other affected Local Authority areas to consider the options for using the water neutrality funds in due course.

Recommendations

The Cabinet is recommended to ask Council to:

- i) Approve the receipt of a grant for the sum of £308,333 for Strategic Planning and Development Management (government grants received).
- ii) Approve an increase in the Strategic Planning 2023/24 revenue income and expenditure budgets of £250,000 to cater for the receipt and expenditure of the grant.
- iii) Approve an increase in the Development Management 2023/24 revenue income and expenditure budgets of £58,333 to cater for receipt and expenditure of the grant.

Subject to approval of the above recommendations, Cabinet is recommended to:

- i) Approve that the grant monies be spent in accordance with any conditions attached to the same; and

- ii) Delegate authority to the Head of Strategic Planning to spend the grant monies, in the sum of £250,000, to procure additional project support for the delivery of the Sussex North Offsetting Water Scheme.
- iii) Delegate authority to the Head of Development Management and Building Control to spend the grant monies, in the sum of £58,333 to procure additional support to reduce the planning application backlog.

Reasons for Recommendations

- i) Increasing the revenue income and expenditure budget in Strategic Planning and Development Management will allow the Council to receive and spend the grant offered by DLUHC.
- ii) Full Council must approve an increase to the budget and the Cabinet must approve expenditure in excess of £250,000.
- iii) To provide funds to help deliver the Sussex North Offsetting Water Scheme (SNOWS).
- iv) To provide additional resource to reduce the planning application backlog.

Background Papers

None

Wards affected: All

Contact: Catherine Howe, Head of Strategic Planning, and Emma Parkes, Head of Development Management and Building Control

Background Information

1 Introduction and Background

- 1.1 In September 2023, Horsham District Council, in partnership with the other Local Authorities affected by Water Neutrality (Crawley Borough Council, Chichester District Council, South Downs National Park and West Sussex Council) submitted a bid to DLUHC for grant funding as part of the Planning Skills Delivery Fund. The bid outlined the need for additional financial resources to support the delivery of the Sussex North Offsetting Water Scheme (SNOWS), in order to deliver much needed development and economic development in the region of North West Sussex affected by water neutrality.
- 1.2 Horsham District Council also submitted a bid to DLUHC outlining the need for additional resource in Development Management to reduce the planning application backlog.
- 1.3 In the week commencing 18 December 2023 DLUHC confirmed to Horsham District Council that the bid had been successful and awarded the requested grant of £250,000 for SNOWS and £58,333 for Development Management.

2 Relevant Council policy

- 2.1 The funds received will support the Council in meeting the priorities set out in the Council Plan. In particular, the delivery of a solution to water neutrality will in support the progression of the Council's emerging Local Plan, which will help deliver much needed development, including schools and other infrastructure whilst also protecting the environment.

3 Details

- 3.1 The bid submitted for Planning Skills delivery funding outlined that the funds would be used to procure additional project support for the delivery of SNOWS. This includes the continued employment of the Water Neutrality Project Manager, legal and other consultancy support that may be necessary.
- 3.2 The grant funding will be utilised in accordance with the grant criteria supplied. The final detail around the use of the grant will be set out in a Memorandum of Understanding that will be provided by DLUHC. At the time of writing this report, this documentation had not been received and precise details are not available.

4 Next Steps

- 4.1 If approved by Cabinet, the recommendations in this report will be considered at Full Council.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 Due to the date that Horsham District Council were informed by DLUHC that the funding bid has been successful, it has not been possible for a meeting of the Planning and Infrastructure PDAG to consider the receipt of this funding prior to the Cabinet and Council meeting. Members of this group have however been informed of this grant income. A number of PDAG members have welcomed this news.
- 5.2 The Monitoring Officer and the Director of Resources were consulted to ensure legal and financial probity.

6 Other Courses of Action Considered but Rejected

- 6.1 The Council has considered not accepting these funds from DLUHC. This option has been dismissed as there is an urgent need for additional funding to help deliver the water neutrality offsetting scheme across a number of affected Local Authority areas.

7 Resource Consequences

- 7.1 As outlined in Section 3 above, (and subject to the details of the Memorandum of Understanding provided by DLUHC), the receipt of this grant will enable the continued employment of the Water Neutrality Project Manager, together with other legal and other consultancy support that may be necessary to help implement SNOWS.
- 7.2 The additional revenue budget income of £250,000 received through this grant will be used to meet expenditure in this area. It is anticipated any unspent funds would be required to be returned to DLUHC. There is no net effect on the revenue budget. We expect the Memorandum of Understanding to permit us to carry forward any unspent funds into 2024/25.

8 Legal Considerations and Implications

- 8.1 Section 31 of the Local Government Act 2003 enables central government to make a grant for any purpose, capital or revenue, to any local authority. A grant made pursuant to this section will be (i) for such amount, and (ii) paid on such conditions as may be determined by the relevant minister.
- 8.2 Section 1(1) of the Localism Act 2011 provides that a local authority has power to do anything that individuals generally may do. The Council therefore has the power to accept and receive grant funding.
- 8.3 The Council should (i) comply with the terms of and conditions attached to the grant, and, (ii) complete any legal documentation which is required to give effect to the receipt and use of the said grant.

- 8.4 The grant funding will be managed in accordance with the Financial Procedure Rules (inter alia paragraph 4e.33 External Funding) contained in the Council's constitution.

9 Risk Assessment

- 9.1 The grant the Council will receive will support the delivery of SNOWS. Not receiving the grant could pose additional financial risk to the Council and partner Local Planning Authorities in seeking to progress planning and water neutrality requirements.

10 Procurement implications

- 10.1 There are no direct procurement implications arising from this report. Where the grant funds are used to procure additional support or resourcing, this will be undertaken in accordance with the Council's procurement procedures.

11. Equalities and Human Rights implications / Public Sector Equality Duty

- 11.1 Under equality legislation, the Council has a legal duty to pay 'due regard' to the need to eliminate discrimination and promote equality in relation to Race, Disability, Gender including gender reassignment, Age, Sexual Orientation, Pregnancy and maternity, Religion or belief. The Council also has a duty to foster good relations, and to consider the impact of its decisions on human rights.
- 11.2 It is not considered that the receipt of this grant will have any direct or indirect impact on Equalities or Human Rights. Where the funds are used for specific projects, any relevant Equalities and Human Rights assessment will be undertaken as part of that work.

12 Environmental Implications

- 12.1 The requirement for development in North West Sussex to be water neutral has arisen as a result of evidence collected by Natural England which has identified harm to the protected habitats of the Arun Valley as a result of water abstraction. The use of grant funding to deliver SNOWS will ensure that new development can take place without generating additional harm to this habitat, in accordance with the Conservation of Habitats and Species Regulations 2017.

13 Other Considerations

- 13.1 There are no GDPR/Data Protection or Crime & Disorder implications arising from the receipt of this grant.