

Council Meeting

19 September 2006

Booklet 2

Recommendations

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CABINET

19th September 2006

Cabinet Members Present:-	Councillor Arrowsmith Councillor Blundell Councillor Foster Councillor Mrs Johnson Councillor Matchet Councillor H Noonan Councillor O'Neill Councillor Ridley Councillor Taylor (Chair)
Non-Voting Opposition Representatives present:-	Councillor Benefield Councillor Duggins Councillor Mutton Councillor Windsor (Substitute for Councillor Nellist)
Employees Present:-	 G. Carey (Head of Democratic Services) F. Collingham (Chief Executive's Directorate) J. Crook (Interim Director of Children, Learning and Young People) C. Hinde (Director of Legal and Democratic Services) S. Iannantuoni (Chief Executive's Directorate) D. Knaggs (Children, Learning and Young People's Directorate) L. Knight (Legal and Democratic Services Directorate) S. Manzie (Chief Executive) J. McGuigan (Director of City Development) B. Parker (Children, Learning and Young People's Directorate) J. Parry (Children, Learning and Young People's Directorate) A. Ridgwell (Director of Finance and ICT) C. Steele (Chief Executive's Directorate) C. Wainwright (Children, Learning and Young People's Directorate) L. Wroe (City Development Directorate)
Apologies:-	Councillor Nellist J. Bolton (Director of Community Services) M. Green (City Services Directorate)

RECOMMENDATION

80. Housing and Planning Delivery Grant – Consultation Paper

The Cabinet considered a joint report of the Director of City Development and the Director of Community Services, which sought approval of a response to a consultation paper "Housing and Planning Delivery Grant" which was published by the Department for

Communities and Local Government in July 2006. The Cabinet noted that the report had also been considered by Scrutiny Board (3) at their meeting held on 6th September 2006 (Minute 18/06 refers) and that since the report was issued to Scrutiny Board (3), the original Appendices to the report had been superseded and replaced by the version now attached to the report submitted.

The Planning Delivery Grant (PDG) was launched by the Government in 2003 to help local authorities deal with the implementation of the new planning system. It was always seen as a time-limited measure and 2007/08 will be the final year. The Government intend to replace it by a new Housing and Planning Delivery Grant (HPDG) and it has invited comments on its proposals. The Government is also consulting on the criteria for allocating the final year of the PDG and consultation for both documents ends on 17th October 2006.

The proposed HPDG stems from a recommendation in the Barker Review of Housing Supply that the Government should consider ways of providing incentives to local authorities to meet housing growth targets. The Government has accepted this recommendation and says that, as a first step, it wants to better support areas which are delivering high numbers of new homes. It sees the aims of the HPDG as strengthening the incentive for local authorities to respond to local housing pressures; supporting increased housing delivery to meet local needs; encouraging local authorities to become proactively involved in housing delivery; returning the benefits of growth to the community through new funding streams; and providing incentives for efficient and effective planning procedures.

Although the Government accepts that local authorities cannot facilitate housing in isolation from others, especially the development industry, it believes that it is housing delivery that should be targeted for incentives, rather than other aspects such as processing planning applications. It proposes to provide funding as an un-hypothecated grant, providing "direct benefits to those communities that accommodate new housing growth". The housing element would go to "bodies that directly influence the delivery of new housing developments", such as local planning authorities and urban development corporations, and the planning element would go to plan-making bodies, such as local planning authorities and regional planning bodies.

The Government believes that the scheme should be targeted at those areas that are responding to high levels of housing demand and that local authorities "that fail to adequately meet the demand for new housing" should not be rewarded. Consequently, it intends "to introduce a floor level that needs to be reached before any incentive will be granted." Thus, a minimum target would have to be reached before consideration for financial reward. The report submitted detailed the Government's proposals under the headings of Performance Improvement Reward; Rewarding Challenging Targets; Areas of High or Low Demand; Measurement of Delivery; and Resources for Planning.

The Cabinet noted that in the three years of Planning Delivery Grant, the City Council has received just over £1m. The criteria for allocating the Planning Delivery Grant have been based on a combination of housing delivery; plan-making; the handling of planning applications; and e-planning. For 2007/08, these are broadly similar, but with more weight given to planning application performance and housing delivery. The Cabinet further noted that it would be difficult to forecast the effect on Coventry's allocation, but

some of the comments made in Appendix 2 of the report submitted reflect employees' concerns. For instance, performance will be based on the collection of certain monitoring data and systems will need to be set up for those not currently collected.

Appendix 1 of the report submitted detailed the 11 questions asked within the Housing and Planning Delivery Grant consultation paper, along with the draft responses on behalf of the City Council. Appendix 2 of the report submitted provided a draft response to the Planning Delivery Grant 2007/08 Consultation Paper.

RESOLVED that the City Council be recommended to approve the Council's response.