

## **Draft funding proposals for funding a scheme of planning delegation**

### **Overarching principles**

There will one funding scheme for the three counties and another one for the 11 districts and the one single tier authority. However the overarching principles will be the same, as follows:

- funding agreements for the provision of planning services to the SDNPA from April 2011 will be as fair and transparent as possible, and will aim to ensure that initially there are no 'winners or losers'.
- the objective will be to improve Development Management performance, quality and value for money over a three year period

### **Methodology Year 1 (2011/12)**

- The SDNPA will fund the Councils providing development management on its behalf for the gross cost of that part of this service which relates to the SDNPA area
  - Payments in 2011/12 will reflect actual costs incurred in 2008/9 and 2009/10 with adjustments as follows:
    - to remove non-cash costs such as pension liabilities calculated under FRS 17
    - to ensure that overhead charges are reasonable
    - to take into account both the impact of inflation and national government efficiency saving requirements
- The aim is to reach estimated 2011/12 costs for predicted levels of activity
- Councils will collect fee and other relevant income (for example compliance fees for counties and condition discharge fees where appropriate) on behalf of the SDNPA and retain it as a payment on account
  - Mechanisms will be developed for dealing with significant variations in workload volume and types of application and extraordinary costs
  - There will be a process for negotiation between the SDNPA and each Council in relation to dealing with appeals and for agreeing the action to be taken by the SDNPA and the Councils and how costs will be met
  - Quarterly returns will be provided by the Councils to SDNPA providing agreed information on activity levels, fee income, performance and other relevant information to support payments to the Councils
  - All planning policy and LDF costs incurred by the Councils before April 2011 will continue to be borne by them. For LDFs not adopted by April 2011 costs will also continue to be borne by the Councils, but the SDNPA will consider sharing specific additional costs such as the costs of Environmental Assessments, enquires, legal costs etc. where appropriate. These will each be the subject of negotiation and agreement between the SDNPA and each Councils
  - The SDNPA will fund the costs of preparing its own Core Strategy and any other LDD it decides to include in its LDS
  - The SDNPA will meet identified and agreed transition costs where appropriate

### **Methodology Years 2 and 3**

- During Year 1 each Council will collect actual cost information in an agreed format to facilitate open book accounting and this will involve trading accounts for the larger authorities
- The cost information will be reviewed to provide a revised funding methodology for year 2 with the intention of reaching a fair and consistent tariff scheme for given types and levels of activity by year 3
- During year three, the SDNPA will review how its planning service is to be provided, and decide on the charging basis for any continued delegation scheme