

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
EXECUTIVE COMMITTEE**

Date: 20 October 2006

Subject: **Planning Delivery Grant**

Report of: Planning Strategy Director

Recommendation:

That Members welcome the opportunity given by DCLG to comment on the proposed changes and endorse this report and the attached annexes as the Assembly's formal response to the consultations.

Purpose of Report:

The Government is currently consulting on:

- Planning Delivery Grant (PDG) 2007/08: proposed allocation criteria; and
- Housing and Planning Delivery Grant (HPDG)

The consultation on PDG sets out the proposed criteria which the Government intends to use in future to award the grant, with an increasing bias towards local authorities which perform well against housing targets. This is further emphasised in the proposal to replace PDG with the HPDG which is a direct response to Kate Barker's views that local authorities need incentives to deliver housing, particularly in the South East.

The deadline for both consultations is the 17 October, therefore a copy of the draft response has been forwarded to DCLG pending agreement by the Executive on the 20 October.

A response to both consultations has also been prepared by the English Regions Network (ERN) and the Inter Regional Forum, both of which reflect the same concerns outlined in this report and the attached responses.

Key Issues:

The Government has proposed for some time that PDG would be reduced in 2007/08 but that this would be offset, in the case of Regional Assemblies, by an increase in the single pot funding. The attached response seeks the Government's continued commitment to funding planning at the regional level, acknowledging the ongoing policy development, implementation and monitoring work required to support the strategies.

The response to the consultation on the HPDG raises significant concerns about the narrow focus the Government appears to have on planning, particularly in the South East, where housing delivery is the key criteria for awarding future grant. This will undermine the fundamental objective of the planning system which is to deliver sustainable communities which are properly supported by the right infrastructure; it is not simply about putting bricks on the ground.