

Declarations of Interest

Any Member attending the meeting is reminded of the requirement to declare if he/she has a personal interest in any item of business, as defined in the Code of Conduct. If that interest is a prejudicial interest as defined in the Code the Member should also withdraw from the meeting.

A G E N D A

(Pages)

1. **Apologies for absence**

To receive apologies of absence.

2. **Minutes**

To receive the Part I minutes of the meeting of the PAG held on 8 September 2016.

(7 - 8)

3. **Report from Members**

To consider any reports/updates from the Portfolio Holder or Members on Outside Bodies.

4. **Current Issues**

The Portfolio Holder and Head of Service to update Members on Part 1 current issues relating to the PAG and to receive feedback from Members (if any).

Reports Likely to Lead to Portfolio Holder making a Decision in Accordance with the Scheme of Delegations to Cabinet Members

None

Reports Likely to Lead to Portfolio Holder Making a Recommendation to Cabinet

5. **Portfolio Budgets 2017/18**

To consider the report of the Director of Resources.

(9 - 14)

Appendix 1 - Budget Booklet

(15 - 28)

6. **Heathrow Expansion Update**

To consider the report of the Head of Sustainable Development.

(29 - 32)

Appendix 1 - Briefing note: Airports Commission Final Report

(33 - 38)

Reports for Noting

None

7. Any other business

Any other business which the Portfolio Holder considers is urgent.

8. Exempt Information

"That under Section 100(A)(4) of the Local Government Act 1972 following item of business is not for publication to the press or public on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act."

(para 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information))

9. Minutes (Part II)

To receive the Part II minutes of the meeting of the PAG held on 8 September 2016.

(39 - 40)

10. High Speed 2 Update

To consider report of Acting Chief Executive.

(To Follow)

11. Current Issues (Part II)

The Portfolio Holder and Head of Service to update Members on update Part II current issues relating to the PAG and to receive feedback from Members (if any).

The next meeting is due to take place on Thursday, 9 March 2017

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SUSTAINABLE DEVELOPMENT POLICY ADVISORY GROUP

Meeting - 8 September 2016

Present: Mr Naylor (Chairman)
Mrs Gibbs, Mr Samson and Mr Sandy

Apologies for absence: Mrs Lowen-Cooper

42. MINUTES

The minutes of the PAG held on 10 March 2016 were agreed.

43. REPORT FROM MEMBERS

None received.

44. CURRENT ISSUES

None.

45. ANY OTHER BUSINESS

None.

46. EXEMPT INFORMATION

"That under Section 100(A)(4) of the Local Government Act 1972 following item of business is not for publication to the press or public on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act."

(para 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information))

47. MINUTES (PART II)

48. HS2 UPDATE

49. CURRENT ISSUES (PART II)

The meeting terminated at 6.18 pm

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SUBJECT:	Portfolio Budgets 2017/18
REPORT OF:	Councillor Nick Naylor – Sustainable Development Portfolio Holder
RESPONSIBLE OFFICER	Jim Burness – Director of Resources
REPORT AUTHOR	Victoria Green – Senior Accountant 01494 732707, vgreen@chiltern.gov.uk Peter Beckford – Head of Sustainable Development
WARD/S AFFECTED	All

1. Purpose of Report

- 1.1. To provide Members with information on the draft revenue budget for 2017/18, including the context of the overall financial position facing the Council for the coming year.
- 1.2. This report provides summary information on the budgets and highlights issues for consideration. The accompanying booklet presents the detailed information to assist Members in their decision making.

RECOMMENDATION

Members are requested to advise the Portfolio Holder on the approval of the following items for onward submission to Cabinet:

- the 2017/18 revenue budget
- the 2017/18 fees and charges.

2. Context to the 2017/18 Budget

- 2.1. As a result of the Government's deficit reduction strategy, local authority funding is subject to continuing significant reductions particularly from 2018/19 onwards. Local authorities also face constraints on the level of council tax increases. For South Bucks DC the position is set out in detail in the recently updated Medium Term Financial Strategy¹.
- 2.2. It would therefore be prudent at this stage not to include any funding for new recurring expenditure to improve or expand services. The Authority also needs to identify measures to compensate for the reductions in resources referred to. Part of these measures will be the benefits from joint working with Chiltern DC.
- 2.3. The progressing work with Chiltern DC is resulting in more services being provided by joint teams. Where this affects budgets in this Portfolio area it is highlighted in the detailed information.

¹ Cabinet October 2016

3. Budget Assumptions

3.1. The budgets have been prepared in accordance with the following inflation assumptions:

- Salaries inflation from April 2017 of 1%
- Contracts inflation 2% (unless different rate specified within contract)
- Business rates 2.5%
- Gas 4.0%, Electricity 4.0% and Water 4.0%
- Insurance 0.5%
- Other 0%

4. Summary Revenue Budgets

4.1. The draft budgets presented to Members at this stage represent the net direct running costs of services. They do not contain the apportionment of support services such as accommodation, IT, finance etc. These will be included in the final approved budgets, once the budgets for these support services have been set. The budgets reflected in this report are therefore the direct costs under the Portfolio Holder's control.

4.2. The budgets have been reviewed by the appropriate service manager for any material volume changes or changes related to maintaining current service standards.

4.3. The net budget figures for the Portfolio are shown below. A more detailed breakdown by service is shown within the booklet.

Actuals 2015/16 £'000	Budget 2016/17 £'000	Draft Budget 2017/18 £'000
841	976	1,035

4.4. The increase from the current year's approved budget to the 2017/18 draft budget is £60k (6.1%). The main changes are detailed below:

	£'000	Comment
2016/17 Budget	976	
Change in Salaries		
- Provision for pay increase	15	
- Building Control	26	Increments and staffing changes
- Planning Admin	13	Increments and staffing changes
Unavoidable Increases		
- Development Management	40	Reduction in planning income
- Enforcement	10	Budget for Counsel Advice £10k to £20k
- Planning Policy	10	Provision for 3 Neighbourhood plans

	£'000	Comment
Transfers		
- Reallocation of postage budgets	5	Costs now allocated to departments
- Lone Devices to central H&S	-4	
Savings / Income Increases		
- Joint Building Control	-80	Additional income and lower mileage
- Planning Admin	-8	Printing & Stationery
Other Changes		
- Joint Planning Policy	34	Additional LDF cost £54k(reserve funded) Offset by saving on cost of team £20k
- Other minor changes	-2	
2017/18 Draft Budget	1,035	

4.5. The increase to the Sustainable Development Budget includes £54k for expenditure on the Local Plan. An earmarked reserve has been set aside to fund this, and therefore this increase in expenditure will be funded from this earmarked reserve. The balance on the LDF earmarked reserve stood at £668,000 as at 1 April 2016.

4.6. Further details of the budgets for each area are shown within the booklet.

5. Commentary on Budgets

Main Elements of the Budget

5.1. The main elements of this budget are as follows.

- Joint Building Control - including fee earning activities and non fee earning activities such as advising on dangerous structures, access for disabled etc.
- Planning administration – undertaking the administrative functions associated with dealing with applications and appeals.
- Development Management – the processing of planning applications.
- Planning appeals – defending the Council's decisions at appeal.
- Enforcement - dealing with unauthorised development.
- Design and Conservation – specialist advice to protect listed buildings and conservation areas.
- Tree Preservation - dealing with applications for works to protected trees, the making of Tree Preservation Orders and advice to Development Management on trees on development sites.

- Joint Planning Policy - the preparation of a joint local plan for South Bucks and Chiltern. The costs include consultants costs for the preparation of a wide range of evidence base studies needed for the preparation of a local plan.
- Planning Policy (non-shared costs) – provision to provide support to parish councils for the preparation of neighbourhood plans.

Budget Priorities

5.2. The budget reflects the following Council priorities.

- Develop a joint Local Plan and manage development through the terms set out in it
- Manage green belt development pressures.

Risks

5.3. When considering the proposed budgets for the coming financial year it is important to be aware of the risks within the budgets. For this Portfolio the main risk areas are:

- Building Control and Development Management income.
- The cost of defending planning appeals against the refusal of planning permission, and appeals against Enforcement Notices. Those appeals/prosecutions which result in a form of public inquiry or court hearing can incur legal representation costs, court costs, and occasionally damages.
- The costs associated with preparing the Local Plan.

5.4 The actions taken to mitigate or monitor these risks are as follows.

- Budget monitoring and regular meetings with the Portfolio Holder.

5.5. An overall review of the main risk issues for the 2017/18 budget will be undertaken once Cabinet has agreed a proposed budget. This review and proposed actions to mitigate the risks will be part of the final report to Cabinet on the budget in February.

Opportunities and Plans for Improvement

5.6. A major opportunity is the preparation of a joint local plan for South Bucks and Chiltern, which will result in lower costs for both authorities than if each authority were to prepare its own local plan to the Government's enhanced timescales. Additionally, the planning service review is underway in order to deliver enhanced service quality, enhanced resilience and savings.

6. Fees and Charges

6.1. The Budget Booklet also contains the list of proposed fees and charges. All of the proposed fee increases have been built into the draft revenue budgets.

6.2. The Portfolio Holder is asked to consider the list of fees and charges and consider whether to approve these. Income in some service areas may be an important factor in reducing net expenditure.

7. Links to Council Policy Objectives

7.1 One of the primary purposes of the Council's budget process is to ensure that, as far as possible, resources are aligned to the corporate priorities of the Council and that any material risks are assessed.

8. Next Step

8.1 The Cabinet will consider the outcome of the PAG discussions at its February meeting when it will formulate a final draft of the overall 2017/18 budget for the Authority.

Background	None
Papers:	

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South Bucks
District Council

**SUSTAINABLE DEVELOPMENT PORTFOLIO
2017/18 BUDGET PROPOSALS**

**SUSTAINABLE DEVELOPMENT
POLICY ADVISORY GROUP
22nd NOVEMBER 2016**

REVENUE SUMMARY - SBDC SUSTAINABLE DEV

2015/16 ACTUALS	Cost Code(s)	2016/17 BUDGET	2017/18 BUDGET	CHANGE	CHANGE
£		£	£	£'000	%
	<u>BUILDING CONTROL (LH)</u>				
(63,617)	Joint Building Control BC**	(48,392)	(93,109)	(45)	92.4%
	<u>DEVELOPMENT MANAGEMENT (JL, SK, GT)</u>				
250,397	Planning Administration 4330	290,240	293,910	4	1.3%
(95,512)	Development Management 4356	(115,380)	(73,320)	42	-36.5%
(6,120)	Appeals & Public Inquiries 4357	20,000	20,000		0.0%
225,075	Enforcement 4366	172,640	182,380	10	5.6%
30,714	Design & Conservation 4353	43,880	42,570	(1)	-3.0%
36,931	Tree Preservation 4351	57,380	63,140	6	10.0%
	<u>PLANNING POLICY (GW)</u>				
402,212	Joint Planning Policy / LDF PP**	555,370	599,770	44	8.0%
61,128	Transport Policy 4371				
841,208	Net Running Expenses	975,738	1,035,341	60	6.1%

SBDC SUSTAINABLE DEVELOPMENT PORTFOLIO

2015/16 ACTUALS	CIPFA CLASSIFICATION	2016/17 BUDGET	2017/18 BUDGET
£		£	£
1,746,026	Direct Employee Expenses	1,511,210	1,591,420
166,417	Indirect Employee Expenses	27,600	73,610
	Premises Related Expenses		
51,231	Transport Related Costs	74,130	35,790
373,186	Supplies & Services	232,070	240,880
	Recharge from CDC	535,370	569,770
	Third Party Payments	1,240	1,260
	Transfer Payments		
2,336,860	Running Expenses	2,381,620	2,512,730
(1,431,407)	Fees & Charges and Other Income	(1,434,500)	(1,606,500)
	Grant Income	(10,000)	(15,000)
(64,245)	Cost Share - CDC	38,618	144,111
	Recharge to Crem		
	Recharge to Trust		
	Recharge to Capital		
841,208	Net Running Expenses	975,738	1,035,341
	Depreciation		
1,028,679	Support Recharges In	890,465	
221,556	Office Recharge	253,751	
(407,772)	Support Recharges Out	(453,463)	
1,683,671	Net Expenditure	1,666,491	1,035,341

2015/16 ACTUALS	Joint Building Control	2016/17 BUDGET	2017/18 BUDGET
£		£	£
625,354	Direct Employee Expenses	617,270	649,170
68,152	Indirect Employee Expenses	14,990	63,000
	Premises Related Expenses		
18,480	Transport Related Costs	38,000	25,000
40,758	Supplies & Services	54,990	50,850
	Recharge from CDC		
	Third Party Payments	1,240	1,260
	Transfer Payments		
752,744	Running Expenses	726,490	789,280
(839,936)	Fees & Charges and Other Income	(813,500)	(1,026,500)
	Grant Income		
	Recharge to Crem		
	Recharge to Trust		
	Recharge to Capital		
(87,192)	Net Running Expenses	(87,010)	(237,220)
(23,575)	Cost Share - CDC	(38,618)	(144,111)
(63,617)	Cost Share - SBDC	(48,392)	(93,109)

This cost centre contains the operating costs of running the joint Building Control team.

Direct Emp This is the estimated cost of the joint building control team.

Expenses: 17/18 Budgeted FTE 13.9 (16/17 Budgeted FTE 13.7).

Indirect Emp	Temp staff re additional workload		50,000
Expenses:	BUPA contributions	1,990	
	Professional subscriptions	5,000	5,000
	Training & development	8,000	8,000
		<u>14,990</u>	<u>63,000</u>

Transport: This budget is for mileage claims.

Supplies & Services: This budget is for software maintenance, telephones, publications, photocopying, insurance and printing & stationery costs.

Income: The income is from building control application and inspection fees.

2015/16 ACTUALS	Planning Administration	2016/17 BUDGET	2017/18 BUDGET
£		£	£
217,839	Direct Employee Expenses	235,740	251,300
12,347	Indirect Employee Expenses	5,800	5,800
	Premises Related Expenses		
	Transport Related Costs		
20,211	Supplies & Services	48,700	36,810
	Recharge from CDC		
	Third Party Payments		
	Transfer Payments		
250,397	Running Expenses	290,240	293,910
	Fees & Charges and Other Income		
	Grant Income		
	Recharge to Crem		
	Recharge to Trust		
	Recharge to Capital		
250,397	Net Running Expenses	290,240	293,910
250,397	Cost Share - CDC		
	Cost Share - SBDC	290,240	293,910

This cost centre contains the cost of running the Planning Admin section.

Direct Emp Expenses: This is the estimated cost of the SBDC planning admin team.
17/18 Budgeted FTE 9.3 (16/17 Budgeted FTE 9.34).

Indirect Emp Expenses: This budget is for training and development costs for all of planning.

Supplies & Services: This budget is for postage, photocopying, printing & stationery, insurance, telephone and other minor business expenses.
A number of budgets have been amalgamated across planning.

2015/16 ACTUALS	Development Management	2016/17 BUDGET	2017/18 BUDGET
£		£	£
406,719	Direct Employee Expenses	427,990	447,310
5,142	Indirect Employee Expenses	6,510	4,520
	Premises Related Expenses		
18,428	Transport Related Costs	21,690	5,390
55,156	Supplies & Services	49,430	49,460
	Recharge from CDC		
	Third Party Payments		
	Transfer Payments		
485,445	Running Expenses	505,620	506,680
(580,957)	Fees & Charges and Other Income	(621,000)	(580,000)
	Grant Income		
	Recharge to Crem		
	Recharge to Trust		
	Recharge to Capital		
(95,512)	Net Running Expenses	(115,380)	(73,320)
(95,512)	Cost Share - CDC	(115,380)	(73,320)
	Cost Share - SBDC		

This cost centre contains the cost of running the Development Management section.

Direct Emp Expenses: This is the estimated cost of the SBDC development management team.
17/18 Budgeted FTE 10.1 (16/17 Budgeted FTE 10.26).

Indirect Emp Expenses:	Creche allowances	1,500	1,500
	BUPA contributions	1,990	
	Professional subscriptions	3,020	3,020
		<u>6,510</u>	<u>4,520</u>

Transport: This budget is for mileage allowances, mileage claims and the hire of the bus for Planning Committee.

Supplies & Services: This budget includes printing & stationery costs, photocopying, the cost of publicity notices, legal & consultants fees, insurance subscriptions and other minor items of expenditure.

Income:	Sale of print matter	(1,000)	
	Planning application fees	(500,000)	(430,000)
	Pre-application fee income	(120,000)	(150,000)
		<u>(621,000)</u>	<u>(580,000)</u>

2015/16 ACTUALS	Appeals & Public Inquiries	2016/17 BUDGET	2017/18 BUDGET
£	Direct Employee Expenses Indirect Employee Expenses Premises Related Expenses Transport Related Costs Supplies & Services Recharge from CDC Third Party Payments Transfer Payments	£ 20,000	£ 20,000
(6,120)	Running Expenses Fees & Charges and Other Income Grant Income Recharge to Crem Recharge to Trust Recharge to Capital	20,000	20,000
(6,120)	Net Running Expenses	20,000	20,000
(6,120)	Cost Share - CDC Cost Share - SBDC	20,000	20,000

This cost centre contains costs relating to development management appeals and public inquiries.

Direct Emp Expenses: The staffing costs relating to appeals are included within the main development management section.

Supplies & Services: This budget is legal and consultant fees.

2015/16 ACTUALS	Enforcement	2016/17 BUDGET	2017/18 BUDGET
£		£	£
81,252	Direct Employee Expenses	149,870	155,110
72,656	Indirect Employee Expenses	300	290
	Premises Related Expenses		
6,205	Transport Related Costs	8,500	3,000
65,712	Supplies & Services	13,970	23,980
	Recharge from CDC		
	Third Party Payments		
	Transfer Payments		
225,825	Running Expenses	172,640	182,380
(750)	Fees & Charges and Other Income		
	Grant Income		
	Recharge to Crem		
	Recharge to Trust		
	Recharge to Capital		
225,075	Net Running Expenses	172,640	182,380
225,075	Cost Share - CDC	172,640	182,380
	Cost Share - SBDC		

This cost centre contains the cost of dealing with the enforcement of development management issues.

Direct Emp Expenses: This is the estimated cost of the SBDC enforcement team.
17/18 Budgeted FTE 4 (16/17 Budgeted FTE 4).

Transport: This budget is for mileage allowances and mileage claims.

Supplies & Services: This budget is for legal fees, training, photocopying, telephones and other minor items of expenditure.

2015/16 ACTUALS	Design & Conservation	2016/17 BUDGET	2017/18 BUDGET
£		£	£
27,623	Direct Employee Expenses	40,170	40,730
	Indirect Employee Expenses		
	Premises Related Expenses		
2,586	Transport Related Costs	2,770	1,100
505	Supplies & Services	940	740
	Recharge from CDC		
	Third Party Payments		
	Transfer Payments		
30,714	Running Expenses	43,880	42,570
	Fees & Charges and Other Income		
	Grant Income		
	Recharge to Crem		
	Recharge to Trust		
	Recharge to Capital		
30,714	Net Running Expenses	43,880	42,570
30,714	Cost Share - CDC		
	Cost Share - SBDC	43,880	42,570

This cost centre contains the cost of running the Design & Conservation section.

Direct Emp Expenses: This is the estimated cost of the SBDC design and conservation team.
17/18 Budgeted FTE 1 (16/17 Budgeted FTE 1).

Transport: This budget is for mileage claims.

Supplies & Services: This budget is for archaeology fees and insurances.

2015/16 ACTUALS	Tree Preservation	2016/17 BUDGET	2017/18 BUDGET
£		£	£
29,406	Direct Employee Expenses	40,170	47,800
	Indirect Employee Expenses		
	Premises Related Expenses		
2,433	Transport Related Costs	3,170	1,300
5,092	Supplies & Services	14,040	14,040
	Recharge from CDC		
	Third Party Payments		
	Transfer Payments		
36,931	Running Expenses	57,380	63,140
	Fees & Charges and Other Income		
	Grant Income		
	Recharge to Crem		
	Recharge to Trust		
	Recharge to Capital		
36,931	Net Running Expenses	57,380	63,140
36,931	Cost Share - CDC		
	Cost Share - SBDC	57,380	63,140

This cost centre contains the cost of running the Tree Preservation section.

Direct Emp Expenses: This is the estimated cost of the SBDC tree team.
17/18 Budgeted FTE 1 (16/17 Budgeted FTE 1).

Transport: This budget is for mileage claims.

Supplies & Services: This budget is for legal fees, consultants fees and insurances.
It includes £10,000 in 2017/18 for the scanning of TPO files.

2015/16 ACTUALS	Planning Policy / LDF	2016/17 BUDGET	2017/18 BUDGET
£		£	£
357,833	Direct Employee Expenses		
8,120	Indirect Employee Expenses		
	Premises Related Expenses		
3,099	Transport Related Costs		
120,824	Supplies & Services	30,000	45,000
	Recharge from CDC	535,370	569,770
	Third Party Payments		
	Transfer Payments		
489,876	Running Expenses	565,370	614,770
156	Fees & Charges and Other Income		
	Grant Income	(10,000)	(15,000)
	Recharge to Crem		
	Recharge to Trust		
	Recharge to Capital		
490,032	Net Running Expenses	555,370	599,770
87,820	Cost Share - CDC		
402,212	Cost Share - SBDC	555,370	599,770

This cost centre contains the cost of running the Planning Policy section and costs relating to the development of the Local Development Framework. The LDF costs are funded from the LDF reserve.

It also includes a provision of £45,000 for 4 Neighbourhood plans, offset by £15,000 of grant income.

2015/16 ACTUALS	Transport Policy	2016/17 BUDGET	2017/18 BUDGET
£	Direct Employee Expenses Indirect Employee Expenses Premises Related Expenses Transport Related Costs Supplies & Services Recharge from CDC Third Party Payments Transfer Payments	£	£
64,928			
64,928	Running Expenses		
(3,800)	Fees & Charges and Other Income Grant Income Recharge to Crem Recharge to Trust Recharge to Capital		
61,128	Net Running Expenses		
61,128	Cost Share - CDC Cost Share - SBDC		

This cost centre has now been left open re High Speed Rail & Heathrow expansion.

SUSTAINABLE DEVELOPMENT PORTFOLIO REVISED CHARGES FROM 1 APRIL 2017

VAT Codes: (1a)=inclusive standard rated (1b)=plus standard rated (2)=zero rated (3)=outside scope,

BUILDING CONTROL	General ledger code	2016/17 £	2017/18 £
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The Building (Local Authority Charges) Regulations 2010 authorise Local Authorities in England & Wales to fix and recover charges for the performance of their main building control functions relating to building regulations in a charging scheme governed by the principles laid down in the Regulations. This scheme was adopted by the Council effective from 1st October 2010. The setting of charges is dealt with by the Building Control Manager in consultation with the Sustainability Portfolio Holder and the Head of Finance. Revised charges are subsequently reported to Members for information.

PHOTOCOPYING (1a)	General ledger code	2016/17 £	2017/18 £
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A4 Sheet B/W	4356-0833	10p	10p
A4 Sheet Colour	4356-0833	20p	20p
A3 Sheet B/W	4356-0833	20p	20p
A3 Sheet Colour	4356-0833	40p	40p
Large maps re-produced by the Plotter	4356-0833	10.00	10.00

These charges apply to:

- Decision Notice (Planning)/Appeal Decisions
- Tree Preservation Orders
- Legal Agreements, etc.

PLANNING ADVICE AND INFORMATION	General ledger code	2016/17 £	2017/18 £
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Pre-Application Advice (1b)

Administration Charges (per hour)			
- Head of Service	4356-0937	220.00	220.00
- Area Team Manager	4356-0937	170.00	170.00
- All other planning officers/equivalent service posts	4356-0937	150.00	150.00
- Assistant Planning Officer/Customer Service Officers or equivalent service posts	4356-0937	100.00	100.00
Site Visits – Flat Rate per officer	4356-0937	100.00	100.00

SUSTAINABLE DEVELOPMENT PORTFOLIO

REVISED CHARGES FROM 1 APRIL 2017

VAT Codes: (1a)=inclusive standard rated (1b)=plus standard rated (2)=zero rated (3)=outside scope,

PLANS, POLICIES AND PUBLISHED INFORMATION (Prices include Postage/Packing) (2)	General ledger code	2016/17 £	2017/18 £
South Bucks Core Strategy (Adopted February 2011)	PP01-0837	17.50	17.50
South Bucks District Local Plan 1999 (consolidated version)	PP01-0837	20.00	20.00
South Bucks Development Plan Proposals Map	PP01-0837	20.00	20.00
Core Strategy Inspectors Report (January 2011)	PP01-0837	4.20	4.20
Statement of Community Involvement (Adopted 2007)	PP01-0837	8.60	8.60
Local Development Scheme (March 2010)	PP01-0837	4.80	4.80
Residential Design Guide SPD (October 2008)	PP01-0837	9.40	9.40
Annual Monitoring Report (published in January each year)	PP01-0837	price based on normal photocopyin	price based on normal photocopyin
<i>Other LDF documents, including those relating to earlier stages in the Core Strategy process and evidence base studies are available to download from the Council's website or can be made available in hard form on request (these are charged at normal photocopying [and postage, if relevant] charges)</i>			
Conservation Area Leaflets / Appraisals			
Huntercombe (1977), Fulmer(1979), Hedgerley Village (1981), Hedgerley Green (1987), Iver (1982), Stoke Green (1987) and Stoke Park (1987).	PP01-0837	1.00	1.00
Boveney (1996), Burnham (2002)	PP01-0837	price based on normal photocopyin a charges Free	price based on normal photocopyin a charges Free
Dorney (1996) was sponsored			
Taplow (2006), Taplow Riverside (2006), Uxbridge Lock (2006), Hampden Hill (2005), Beaconsfield Old Town (2006), Denham(2008), Gerrards Cross Common (2009), Gerrards Cross Centenary (2009), Stoke Poges - West End (2011), Framewood Road (2011) and subsequent documents.	PP01-0837	price based on normal photocopyin g charges	price based on normal photocopyin g charges

SUBJECT:	<i>Heathrow expansion update</i>
REPORT OF:	<i>Head of Sustainable Development</i>
RESPONSIBLE OFFICER	<i>Bob Smith, Chief Executive</i>
REPORT AUTHOR	<i>Jane Griffin jane.griffin@southbucks.gov.uk</i>
WARD/S AFFECTED	<i>All</i>

1. Purpose of Report

This report provides Members with an update on the Government's decision on Heathrow Expansion; Heathrow Strategic Planning Group and discussions with Heathrow Airport Ltd with regard to a Memorandum of Understanding between the parties.

Items to note:

- 1) That the Government recommendation that additional runway capacity in the South East of England is provided at Heathrow with a 3rd Runway is noted;
- 2) That while South Bucks District Council recognises the economic benefits and growth that expansion will bring to the area there are concerns about negative impacts on our residents including from aircraft (particularly new routings or flight paths) and ground noise, reduction in air quality, pollution and construction impacts and that SBDC will be seeking assurances and mitigation (compensation?) from Heathrow Airport Ltd regarding these impacts;
- 3) That the Development Consent Order process will impose significant resource issues on the Council which will require appropriate compensation.

Items for RECOMMENDATION:

- 4) That Cabinet notes the ongoing negotiations with Heathrow Airport Ltd to agree a Memorandum of Understanding to cover future resources and agrees that the Acting Chief Executive in consultation with the Leader and Head of Legal and Democratic Services be authorised to approve any future settlement.

2. Reasons for Recommendations

The items to note and the recommendation brings Members up to date on the implications that Heathrow expansion will have on residents and on the work of the Council.

3. Content of Report

- 3.1 The Government in making the recommendation that Heathrow Airport is expanded to create a third runway has accepted the Airport Commission's findings. Previously in January 2015 SDPAG and Council considered a report on the findings on the Airport Commission consultation was drafted. **A summary of the Airport Commission's findings and the SDPAG report and the Council's response are included in the Appendix to this report.**

- 3.2 On 25th October 2016 the government recommended that a third runway at Heathrow should be constructed. A statement of principles has now been agreed between Heathrow Airport Ltd and the Secretary of State for Transport. The application for Heathrow's new runway will be determined under the 2008 Planning Act regime for Nationally Significant Infrastructure Projects (NSIPs). In order to proceed, a draft version of the National Policy Statement (NPS) will be published early in the New Year which will be subject to a 16 week consultation period. This NPS will then be subject to parliamentary debate, but it is anticipated will be designated by the end of July 2017. The NPS will provide the detail and the framework under which expansion will take place such as noise and air quality thresholds and aim to increase the number of staff and customers using public transport to access the airport. Meanwhile Heathrow Airport Ltd will begin preparing the Development Consent Order for submission to the Planning Inspectorate within approximately 3 years.
- 3.3 South Bucks has recently had experience of the DCO process with M4 Smart Motorway and is currently in the early stages of the Western Rail Link to Heathrow (WRLtH) DCO. We have recently negotiated a Planning Performance Agreement with Network Rail for the WRLtH DCO which will refund officers time spent on the project. It is likely that we will need to negotiate a similar agreement with Heathrow.
- 3.4 A number of authorities close to Heathrow already have an MOU with the Airport. In some cases there is also a financial arrangement. Any financial arrangement is conditional on the authority working with the airport operator. A number of meetings have been held between Bucks CC, SBDC and the airport operator at officer and Member level. The next meeting is likely to be on 16th November. A verbal update will be provided following this meeting. At the last officer meeting Bucks and SBDC suggested that any support for airport expansion would be conditional on mitigation being provided for the local communities. Communities likely to be affected are primarily Iver during the construction period and Iver, Dorney, Taplow and Burnham during operation as they are closest to both ends of the runway and are likely to experience an increase in aircraft noise (and potentially ground noise at Iver).
- 3.5 It is also likely that expansion of the airport will have a significant impact on the Colne Valley Regional Park. We are aware that the River Colne will be diverted and that compensatory flood storage will be needed and that this is likely to be provided on land to the south of Richings Park within South Bucks. Land in the Colne Valley Park will be lost to the third runway. In discussions with Colne Valley CIC, Heathrow have provided assurances that replacement recreation land and enhanced facilities will be provided.
- 3.6 Construction traffic routing is a major concern particularly for Iver residents. We will seek assurances that no Heathrow construction traffic uses local roads.
- 3.7 Air quality in Iver is already giving cause for concern. Additional motorway traffic (and possibly aircraft movements) will exacerbate this. It is likely that air quality thresholds will form part of the NPS and there will be strict limits. This will be an issue for local residents and will require monitoring.
- 3.8 None of South Bucks is within the property compensation zone. However it is applicable for all property to the south of the M4 at 125% of market value.

- 3.9 Aircraft noise is likely to affect more South Bucks residents than at present. We are expecting a consultation of routing of aircraft in 2017.
- 3.10 The Council is a member of Heathrow Strategic Planning Group. This group is formed by a consortium of local planning authorities who are all affected by Heathrow, they include London Boroughs, Slough, Windsor and Maidenhead, North Surrey authorities and SBDC and Bucks CC together with the LEPs. Heathrow Airport Ltd also attends. This consortium plays an important part in the duty to cooperate. The group is facilitated by the LB Hounslow. The one glaring omission to the group is Hillingdon who are sent minutes of the meeting but will not attend. GLA, TfL, DCLG and BIES are all observers. The group was formed and authorities attend on the basis that not all participants support expansion but recognise the economic importance of the airport and the environmental issues raised by airport operation and want to work with the airport operator to help resolve issues. All work so far was caveated by a 2 runway scenario or a 3 runway scenario.
- 3.11 We have been working for the last year on common issues including a shared vision. There are also four sub-groups – transport; planning; environment and employment/economy. SBDC is represented on the first three groups and Bucks LEP is represented on the fourth. Recently Heathrow Airport has commissioned a study on airport related employment and the brief was shared and commented on by the local authorities and a presentation was received from the consultants. This work is important and can be used by the LPA's in their local plan preparation. There is a summit on 10th November where the work of the group will be explained. This is being attended by senior figures in the LEP's, the local authorities, government departments and the Airport. Again any issues that come out of this Summit will be the subject of a verbal update.

4. Next Steps

- 4.1 Negotiate an MOU with Heathrow Airport Ltd in conjunction with Bucks CC making Heathrow aware of required mitigation for the local communities.
- Negotiate a Planning Performance Agreement with Heathrow to recharge officers time spent on the DCO.
- To continue attending the Heathrow Strategic Planning Group to align with other local authorities as far as possible on common planning issues.

5. Corporate Implications

Financial – Negotiations on recharge of officers' costs and compensation for local communities will take place.

Legal –The Council will consider entering into a Memorandum of Understanding with Heathrow Airport Ltd.

Sustainability Implications – Airport expansion will only be allowed if the airport's sustainability credentials are increased.

6 Links to Council Policy Objectives

- 6.1 This particularly links to the Council's aim of "sustainable and clean environment, protecting our heritage, protecting our future."

Briefing note: Airports Commission Final Report published on July 1st 2015

What is the Airports Commission?

The independent Airports Commission was set up in late 2012 with a brief to make recommendations which will allow the UK to maintain its position as Europe's most important aviation hub. The commission is led by Sir Howard Davies.

Around 50 schemes were submitted to the Commission, with 2 Heathrow options and 1 Gatwick option being the shortlisted finalists in summer 2014.

What has SBDC's role to date been?

We have responded to all of the Commissions consultations. Most notably was the final consultation on the 3 short listed schemes in Feb 2015. This is a link to the SDPAG report <http://www.sbdc-spider.southbucks.gov.uk/documents/s17630/Airport%20commission%20report.pdf> and the



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Commission Consultat

Council's response here.

What does the final report published today say?

In 2013 the Commission concluded that more aviation capacity was needed in the south-east of England, and today it announced that it has concluded Heathrow is the best place to do that.

There were two Heathrow options on the table. One, promoted by Heathrow Airport, is for a third runway to the north west of the airport. The second was for an extension of the existing northern runway and was promoted by a group called Heathrow Hub. It is the option for a third runway which has now been backed by the Commission.

In addition, the commission has recommended that a number of measures should be taken forward in parallel with the addition of the third runway to address its impacts on the environment and communities. These include:

- Following construction of a third runway at the airport there should be a ban on all scheduled night flights in the period 11:30pm to 6:00am. This is only possible with expansion.
- A third runway should allow periods of predictable respite to be more reliably maintained.
- Heathrow Airport Ltd should be held to its commitment to spend more than £1 billion on community compensation.

What does the report say about why it chose Heathrow?

Connectivity and capacity

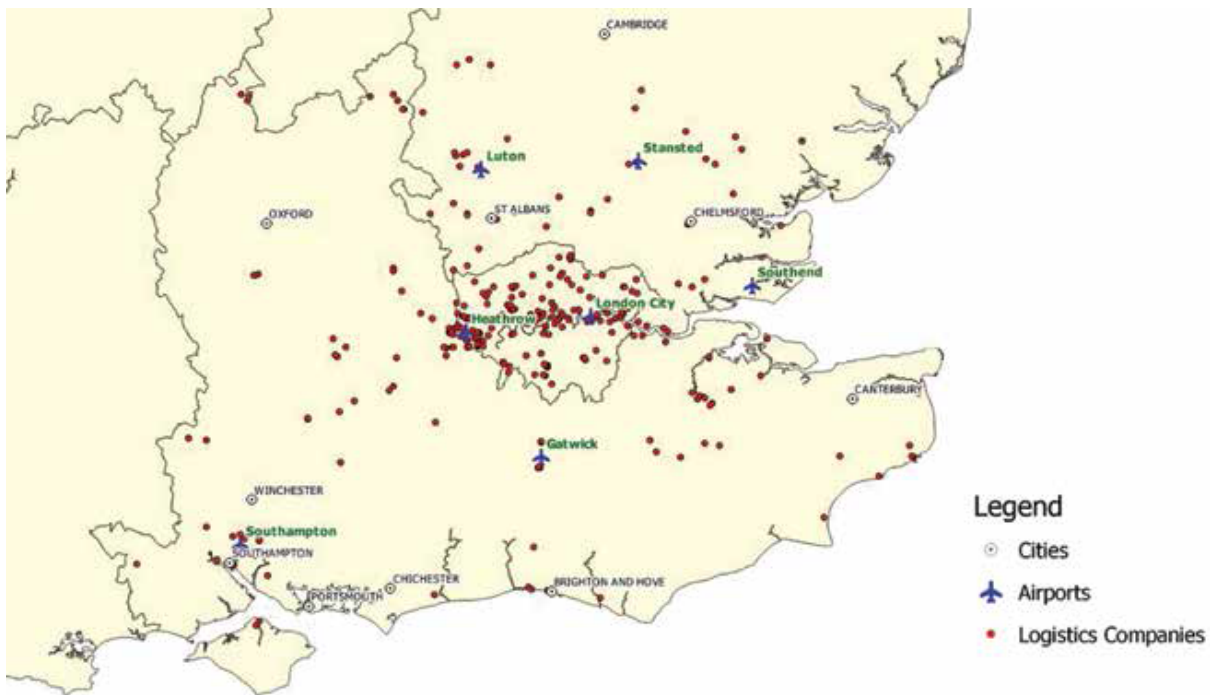
- A third runway at Heathrow would provide capacity for an additional 260,000 air traffic movements a year. There would be significant opportunities to establish new links to prosper in an increasingly integrated global economy.
- The degree of global connectivity and the wider impacts on the UK economy created by expansion at Heathrow could not be delivered by a second runway at Gatwick.
- Increasing capacity at Heathrow would see passenger numbers at the airport increase rapidly from the current level of approximately 70 million to over 100 million by 2030 and over 130 million by 2050

Accessing the airport

- Heathrow is not just well-connected globally, it also has strong local and national transport connections, which make it accessible to a wide area of the country
- The introduction of Crossrail services to the airport in 2019 will further enhance its links to London
- Rail access to other regions will be transformed by a combination of the planned Western Rail Link to Reading, and the connection to HS2 at Old Oak Common. Southern Rail Access will also improve links.
- With these improvements, some 38 million people would live within three hours' travel of Heathrow by 2030.
- Heathrow's position close to the M25, M4 and M40 makes it well-located for access from much of the country.
- However the motorway links serving Heathrow are amongst the most congested in the country, meaning that significant additional investment in widening, or effective policy measures such as a congestion charge, may be needed to accommodate growth in traffic resulting from the airport's expansion. It is unclear how these will be funded. If by the Government then State Aid rules will need to be respected.

Competition and growth

- Heathrow is the most important freight airport in the country. Effective access to the national motorway network is also crucial for air freight. This can be seen clearly from the map below which shows the location of logistics businesses in the South East of England. Gatwick Airport does not come close to compete with Heathrow airport in terms of air freight.



- The relative case for expansion at Heathrow is strengthened as tighter constraints are put upon carbon emissions from aviation. With emissions constrained in line with the Committee on Climate Change planning assumption, the economic impacts are reduced for all three schemes but the gap between Heathrow and Gatwick expansion widens in favour of Heathrow.
- The 10 local authority areas (including South Bucks) closest to the airport account for 63% of on-airport employment, with the remainder being drawn from still further afield. This reflects the strong transport links to the airport, which make it accessible to surrounding areas, including the Thames Valley region.
- Expansion at Heathrow would drive a substantial increase in employment at and around the airport, generating an additional 59-77,000 jobs in 2030 for local people and for the fast-growing wider population in London and the South East
- Heathrow is part of the broader 'Western Wedge' corridor running from Paddington to the Thames Valley, whose economy is already strongly supported by the connectivity provided by Heathrow and would benefit significantly from expansion. [Buckinghamshire is in the 'western wedge']
- The Thames Valley economy has a higher proportion of foreign-owned enterprises than any other LEP area in the UK. Expansion will help to maintain this pattern of success by enhancing the international connectivity which is a key strength of the region.

Surface access proposals

- To conduct surface access appraisals, the Commission formed a view of what the UK's surface transport might look like in 2030. Major projects including Crossrail and HS2 were included to form this baseline. There is a very big assumption that with new surface access being provided the number of people using public transport to access the airport will increase.

- The Government will need to ensure they can begin implementation of necessary surface access improvements at the appropriate juncture. This will involve linking in with work of appropriate local authorities on funding and delivery

Environment and community

- Noise impacts from Heathrow are forecast to reduce significantly, as new and quieter aircraft come into service and as flight paths are redesigned.
- The overall number of flights would grow, but new approach and departure paths could enable the noise impacts to be dispersed more widely, limiting the impacts on any individual community. In South Bucks the communities of Richings Park and Dorney are most affected.
- The Commission's conclusion is that the environmental impacts of expansion at Heathrow, once effective mitigations and generous provision for compensation are in place, should not outweigh its very significant national and local benefits

What reference is there to Buckinghamshire ?

- Apart from a couple of references to the Thames Valley area, Buckinghamshire is not referred to in the final report. This is an issue which has been noted in previous documentation from the Commission and from the scheme promoters.
- In order for the County and District to have a 'good' seat at the table as/if proposals for the Heathrow expansion and mitigation develop, we need to keep reminding the scheme promoters that we are a key stakeholder.

What is next?

David Cameron has ruled out making a decision on a third runway at Heathrow until later in the year. In the House of Commons today he said:

"This very thorough report that landed on my desk yesterday afternoon is going to get properly studied. If you make some precipitous decision, rule out one particular option, you will likely make the decision impossible to achieve because of a judicial review."

Planning

Securing planning permission for the new runway will involve a number of phases, and a number of organisations. The primary responsibility for delivering the new runway is expected to lie with the private sector scheme promoter, Heathrow Airport Ltd.

Nevertheless, there are a number of processes which will require Government to deliver important enabling actions including:

- granting planning consent for development;
- driving through key supporting policies such as to deliver airspace changes or to establish an independent aviation noise authority and a Community Engagement Board; and

- facilitating the delivery of the required surface access works.

The Government may wish to deposit a 'Paving Bill' or table a motion in Parliament to set out its early commitment to progressing the Commission's recommendations.

There are two main options for planning consent.

1. Under the Planning Act 2008, the government could publish a National Policy Statement
2. Alternatively, a Hybrid Bill may be introduced in Parliament. This has recently been the route adopted for major transport projects such as HS2 and Crossrail

Unsurprisingly, the commission say that:

"A timely decision by Government on the Commission's recommendations will greatly facilitate expeditious delivery of new capacity. Following that decision, it will be critical that all parties involved in delivering the new runway agree clear roles and responsibilities and an appropriate governance framework quickly."

Jane Griffin July 2015

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