

Local Plan costs eat into Council reserves

13 December 2023



An officers' report to the Council advised a further £629,000 is required to progress the Local Plan 2022-2040. The matter was considered by Epsom and Ewell Borough Council's Strategy and Resources Committee Tuesday 13th December.

The report provided an update on the financial position on advancing the Local Plan toward submission and subsequent adoption, aligning with the timelines outlined in the recently published Local Development Scheme (November 2023). Following a public consultation on the draft plan earlier this year, an extraordinary Council meeting in March 2023 decided to temporarily halt the Local Plan. It was subsequently resumed in October 2023, accompanied by an updated timetable.

The financial crunch, estimated at £629,000, revolves around progressing the plan to Regulation 19 and concluding the Local Plan Examination. To address this, the Licensing and Planning Policy Committee recommended allocating £629,000 from the Corporate Projects Reserve. However, this move comes with significant financial implications, as it would reduce the reserve balance from £2.98 million to £2.35 million. If an additional request to use this reserve, hinted at in reference to a matter concerning the Council's commercial property - which was excluded from public and press scrutiny, is approved, the balance would further decrease to £1.85 million.

The item from which the press and public was excluded concerned drawing half-million pounds of taxpayers' money from the Council's reserves - we quote from the Local Plan item in public view: "Should the separate request to use this reserve at Agenda item 4 also be approved, the reserve balance will further decrease (from £2.35m) to £1.85m." The ground of exclusion was to protect financial information of third parties. Do you think such interests should out-weigh taxpayers' interests in what might justify £1/2 million being taken from reserves? Write to Epsom and Ewell Times.

The Council is facing a projected revenue budget deficit of £1.1m from 2024/25 (as reported to Strategy & Resources Committee in July 2023) and reserves are likely to come under substantial pressure in future years and may fall below the recommended level of £1 million.

The officers' report underscored the importance of maintaining staffing levels and securing external technical support to ensure a robust and timely Local Plan. Any deviation from the Local Development Scheme could amplify costs and resource implications. Despite the financial challenges, the Council was urged to use existing in-house resources wherever possible, given the projected revenue budget deficit.

Cllr **Alison Kelly** (LibDem Stamford) queried whether it was necessary to extend officers' contracts to 2026 when the Local Plan is to be submitted in 2025. The Council was advised that the opportunities for legal challenges and so forth would extend to 2026 and therefore they needed to budget for extending officer employment contracts by two years.

Cllr **Robert Leach** (RA Nonsuch) vented his frustration thus: "I probably have to support this recommendation, but I should do so with gritted teeth. This local plan just seems to be a bottomless pit. I understand that it has cost one and a half million pounds already, and that's probably only half the amount that we will waste. In my opinion, it is a waste of £3 million when the whole project of coming up with a local plan and planning applications could be done more simply. This filled me with horror.

In a recent RA meeting, I pointed out that this worked out at £50 for every household in the country. I asked the people there to put their hands up if they were happy for £50, which is, in effect, their money, to be spent on producing this rather than having £50 to spend on food and energy bills. The number of hands that went up, in round numbers, was a round number. The residents, I think, share my view that we are just wasting money.

I realize that we have to meet a legal obligation, and I would certainly never advocate that the council breaks the law. But I think we should point out that this is being imposed on us by central government. They provide us with no grant at all, apart from perhaps a few specific pet projects of their own. While we have to carry on with the local plan, we should make it clear that we do so reluctantly, only because the law forces us to do so, and that we should make clear to our residents that central government is the villain in this pantomime.

The present government is about to announce a new planning policy. If we have a general election next year with a Labour government, they have said that they will just ride roughshod over local authorities. I shall support the motion, and I shall do so with great reluctance."

Following these two contributions from the Chamber the committee proceeded to unanimously accept the recommendation to draw £629,000 from reserves to fund the ongoing Local Plan process.

The contribution to the prolongation and additional cost of the Local Plan process arising from the unpopularity of the original draft's proposals to develop Green Belt was not mentioned by any Councillor.

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