

House of Commons: Written Statement (HCWS291)

Ministry of Housing, Communities and Local Government

Written Statement made by: **Minister of State for Housing and Planning (Matthew Pennycook)** on 16 Jul 2026.

Local Planning Authority Capacity

It is essential that local planning authorities (LPAs) have the resources and skilled planners they need to provide a proactive, efficient planning service for local communities and support housing delivery, economic growth and the provision of infrastructure. Yet we know that planning departments across the country are experiencing challenges with resourcing, recruitment, retention, and skills gaps and that in many cases these issues are having a negative impact on service delivery.

That is why the government is investing heavily to boost local planning department capacity and capability. At the Autumn Budget 2024, the Chancellor announced a £46 million package of investment into the planning system as a one-year settlement for 2025-2026. At the Budget on 26 November 2025, the Chancellor announced a further £48 million of investment over three years to support local planning authorities to attract, retain and develop skilled planners over a sustained period.

However, we recognise that more must be done to better resource LPAs and drive better outcomes including faster determination times, improved service standards and stronger performance across the planning system. To address local planning department underfunding, we included in the Planning and Infrastructure Act powers that allow the Secretary of State to delegate planning fee-setting to local planning authorities, enabling them to recover costs and reinvest to provide a more efficient and responsive planning service.

To inform the implementation of this local variation model, the government consulted earlier this year on a new national default fee schedule, based on 90% of estimated costs, and the wider framework for local fee setting.

I am today publishing the government's response to that consultation, which can be found on gov.uk [here](#). The response confirms that the government will proceed with a national default fee based on 90% of estimated processing costs, providing a significant uplift in resources for local planning departments and establishing a robust national baseline ahead of the introduction of local fee setting powers. The regulations required to increase national planning application fees have been laid today.

The national default fee will remain in place and apply to all LPAs, unless an authority chooses to vary from the default fee for any or all application fee categories to reflect their own costs. Regulations and guidance for local fee setting will be taken forward in due course.

To justify a variation in fees, LPAs will need to evidence that the national schedule does not cover their costs. Having considered the feedback received, we have decided that LPAs should be able

to set planning fees up to a maximum of 30% above the national default fee. This strikes an appropriate balance between supporting local flexibility and cost recovery, while providing applicants and developers with greater certainty about the extent of local fee variation.

We recognise that a small number of LPAs may face exceptional cost pressures that cannot reasonably be addressed within this limit. Where this is the case, LPAs will be able to consult the Secretary of State with a view to providing robust evidence to justify a proposed fee level above the 30% cap. The operation of the cap, including the use of the approval mechanism and intervention powers, will be subject to further policy development and set out through future regulations.

Taken together, these changes will enable LPAs to secure the funding necessary to strengthen their capacity, invest in skilled staff, and deliver a more efficient, high-quality planning service, helping to unlock growth and accelerate the delivery of new homes.

It is vital that increased fees translate into improved performance. We will continue to monitor the speed and quality of LPA decision-making and will take action where performance does not meet expectations. We also intend to review the performance regime to identify opportunities to strengthen it further and drive sustained improvements.

Finally, we intend to undertake a further consultation before the end of the year on the detailed design and implementation of the proposed planning fee surcharge, including how it should operate in practice and be linked to improved performance of statutory consultees.