

Changes to Fees for Pre-application Advice

Purpose

- 1.1 Under Section 93 of the Local Authorities Act 2003, Councils can make a charge for providing discretionary services such as pre-application advice. These charges should be on a cost recovery only basis. The charges should be clear, calculated transparently and reviewed to remain appropriate.
- 1.2 Current charges were adopted charges for pre-application advice since April 2009 which require regular review.

Recommendation

- 2.1 To endorse the revisions to the adopted charging regime for pre-application advice as identified in Appendix 1, with such changes coming into effect on 31 December 2022.

Reason

- 3.1 Offering pre-application advice is a key part of delivering a good planning service. It means we can set out our expectations for when any planning application is submitted and developers can explain what they are trying to achieve. The discussions give an opportunity to steer projects on our policy, timescales and requirements that are desired by the community and acceptable to the local planning authority. Many requests for advice are speculative and not all lead to the submission of an application. Pre-application advice still requires dedicated officer time and for larger projects, this is considerable. Where an application is submitted the application fee is for considering the application and does not cover the cost of any pre-application.

Supporting information

4.1 Background

In April 2009 Derby City Council adopted a charging regime for pre-application advice. The level of charges must relate to the purposes for which they are set. The income from the charges must not exceed the costs of providing the service and the charging regime cannot go beyond cost recovery into profit. Since 2009 we have reviewed these charges and updated them where necessary.

The charge for pre-application advice is separate from the planning application fee. The latter is set by national regulation and designed to meet the Council's costs when considering the application, it does not cover advice given before this point.

- 4.2 Charges were introduced to help improve the delivery of the services, filter out speculative and poorly thought-out development, and of course respond to budgetary pressures. There were also increasingly significant resources involved in dealing with requests for pre-application advice. It was, therefore, agreed appropriate to recover at least some of the cost of providing this service.
- 4.3 The objective of improving the quality of actual planning applications has been achieved since charging was introduced. It has reduced the number of invalid applications by providing a structured approach to pre-application enquiries. While the increase in charging might deter some pre-application discussions, which could result in greater work needed at the application stage, particularly on the minor developments, we should be seeking to cover our costs.

4.4 Experience from charging

- improved delivery of an essential but resource intensive service
- led to better quality applications, with fewer speculative and poorly thought-out development proposals
- the principle is broadly accepted by developers and their agents. Major developers are generally happy to pay if they have timely access to a planning officer and carefully written advice at the end of the process
- allows for constructive and iterative dialogue not simply a list of policy constraints
- must be easy to understand and to administer - a standard fee rather than an hourly rate is preferable for developers so they can budget
- creates a greater 'business' culture between professionals

We continue to provide a service that developers clearly need, and value and the fees ensure that we have the resources and capacity to provide professional and responsible advice at the level required.

- 4.5 The majority of our requests for pre-application discussions relate to "major" development – those proposals in excess of nine dwellings or sites over 1,000 square metre floorspace. Since adopting the charging structure, however, our experience is that charging for householder developments such as extensions, certain small-scale works affecting small businesses, works to listed buildings and trees has proven very popular despite the charge.

4.6 The charging regime

This must continue to be easily understood by the customer – and straight forward for us to administer. Our charges are based on application types and general complexity. The proposed charges are set out in Appendix 1, additional aspects to consider:

- **Follow-up meetings:** the pre-application process means that these are unusual as the structured approach should deal with all the issues in one go. If a further meeting is agreed, however, then a charge at the same rate would be applied.
- **Meeting following refusal:** The **first hour** would not be charged, because the second planning application would not attract a fee, provided the applicant had paid originally for pre-application advice.

Public/stakeholder engagement

- 5.1 None.

Other options

- 6.1 To not raise fees in line with cost recovery would impact on wider planning resources being detrimental to the sustainability of the planning section. While this service is discretionary it brings many benefits and is common practice in Local Authorities. By raising our fees we can continue to provide a service that developers need and value. The fees ensure that we have the resources and capacity to provide professional and responsible advice.

Financial and value for money issues

- 7.1 Revising this process will assist in recovering our costs from a service is essential to streamlining applications but non statutory.

Legal implications

- 8.1 Section 93 of the Local Government Act 2003 provides a general power for to an authority to charge for services that an authority has a power to, but is not required by an enactment to provide and subject that taking one year with another, the income from those charges does not exceed the costs of provision.

Climate implications

- 9.1 Early engagement with developers helps promotion of council policy that can be included in the scheme from an early stage.

Socio-economic implications

- 10.1 Outcomes from our experience
- better quality submissions, better built development, improved performance
 - fewer speculative enquiries
 - more structured approach helping the customer with response times
 - filtering out of unsatisfactory schemes therefore fewer refusals and appeals
 - a direct enhancement of the service as a result of the above
- Customer feedback
- value the assured and structured access to officers
 - positive and constructive written response giving certainty
 - assisting with confidence in funding decisions of investors

Other significant implications

- 11.1 Our performance levels in dealing with planning applications have implications for delivering excellent services, performance and value for money (priority). Charging for pre-application advice will assist in achieving these objectives allowing appropriate allocation of resources.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Stephen Teasdale	26/10/22
Finance	Janice Hadfield	01/11/22
Service Director(s)	Verna Bayliss	
Report sponsor	Rachel North	
Other(s)		

Background papers:	
List of appendices:	Appendix 1: Charging scheme

Planning Pre-application charges

From 1 December 2022

Very Large development	(+200 dwellings)
From £ 2,500 + £300 per extra meeting per hour TO £ 3,600 + £500 per extra meeting per hour	

Major	(10-199 dwellings)
From £2,000 + £250 per extra meeting per hour TO £3,000 + £400 per extra meeting per hour	

Minor	(2-9 dwellings)
From £1,000 + £200 per extra meeting per hour TO £1,560 + £300 per extra meeting per hour	

Works to Listed Buildings	
From £150 TO £600	

Change of use (not incl. major developments/engineering work)	
From £100 TO £250	

Domestic Extensions and one dwelling	
From £35 TO £100	

High Hedge applications	
From £280 TO £550	

(Includes 20% VAT)