



East
Northamptonshire
Council

Policy and Resources Committee – 29 September 2011

Charging for Pre Application advice

Purpose of report

The purpose of this report is to seek approval for introducing a system of charging for the advice given to applicants prior to the submission of a planning application.

Attachment(s)

Appendix A - Estimated income for ENC pre-applications activity

1.0 Background

- 1.1 The Local Government Act 2003 gives Local Authorities the power to charge for discretionary services. In planning, pre-application advice is one of the few examples of a discretionary service.
- 1.2 Councils that charge claim that:
- It can help sift out speculative or poorly thought out development proposals - for example when a property is for sale we can get a number of queries
 - It can lead to the submission of a much better planning application as customers don't tend to pay for advice and then ignore it
- 1.3 On the other hand, there is a concern amongst some councils that a charge could:
- Discourage prospective speculative developers, who could go to an authority elsewhere which does not charge
 - Result in developers not seeking pre-application advice and going straight to the submission of a planning application, which could result in a poorer overall quality of proposal or supporting information being submitted.
- 1.4 East Northamptonshire Council has previously held back from charging for pre-application advice due to the difficulty in responding in a timely manner. The Council had to suspend its pre-application service in November 2010 because of staff capacity issues.
- 1.5 It had originally been intended that the service would only be suspended for a short period of time and that a charging regime would be recommended, alongside the new proposal that the Government had consulted upon, to allow councils to set their own planning fees. However, the legislation in relation to the latter has been delayed so pre-application charging only is being considered in this paper.
- 1.6 It should be noted that, under the Localism Bill, developers of larger schemes would be required to undertake public consultation before submission of the planning application. This consultation may occur before or instead of any pre-application discussions with the council.

2.0 Fees that other Councils charge

2.1 In North Northamptonshire the situation is mixed:

- Wellingborough BC did charge for pre-application advice but stopped charging as they felt their system was too time-consuming and bureaucratic. In addition, their lawyers were concerned the council would be open to challenges due to applications being refused after officers had given informal advice. However, Wellingborough BC reinstated charging in August 2011.
- Kettering BC charges for pre-application advice.
- Corby BC has advised that they are not charging for pre-application advice as they feel it would turn investment away from the town.

2.2 The fees that neighbouring councils charge also vary considerably, as can be seen in the table below:

Dev Type	Kettering	Northampton	Huntingdonshire	Wellingborough
Householder	£35	No charge	Free for HDC residents, otherwise £50	No charge
1 dwelling	£100	£35	£100	10% of fee
2 - 9 dwellings	1 - 4 = £100 5 - 9 = £400	£75	£200	10% of fee
Major dev residential	10 + = £750 50+ = £2500	10% of fee	10 - 59 = £1000 60 - 200 = £500 200+ = £10000	10% of fee
Change of use	£100	10% of fee	£100	£100
Business	>100 sqm = £100 100 - 499sqm = £250 <500sqm = £1000 <1000sqm = £2500	£150	100 - 1000 sqm = £200 1001 - 5000sqm = £1000 5001 - 10000 = £3000 10001sqm+ = £4000	10% of fee 10% of fee 10% of fee £550 - £800 Different category for retail. Minor is £500 per meeting + £250 per letter. Major is £1000 + £500 per letter
Adverts	£35	£15	£50	10 % of fee
LBC	£35	Quote required	No charge	No charge but Listed Building Consents to alter / extend or demolish is £100.
Certificate of Lawful Use	£200	50% of application fee	Quote required	10% of fee
Agricultural	£200	10% of fee	0 - 465sqm = £50 466+ sqm = £100	10% of fee

- 2.3 In addition some of the above authorities have extra charges:
- Kettering BC stipulates that major pre-application proposals include up to 3 meetings. Any further meetings required are charged at an additional fee of £50 per hour. However, all the fees above include a site visit and one meeting at usually one hour.
 - Huntingdonshire DC's fees are for written advice only. There is an additional fee depending on whether a meeting is held at their offices or on site and depending on the level of officer dealing with the pre-application enquiry.

2.4 The table below shows which types of enquiries are exempt from attracting fees:

Authority	Exemption
Kettering	None
Northampton	Householder applications and proposals relating to works that require planning permissions by virtue of an Article 4 Direction
Huntingdonshire	Proposals for people with disabilities; Proposals for Registered Charities; Proposals for Town and Parish Councils; Proposals for householder developments from Huntingdonshire residents; Proposals for 100% affordable housing; and Proposals involving works to a listed building(s), or works within the curtilage of a listed building, where a planning application is not required (e.g. repairs, development granted planning permission by the General Permitted Development Order or internal works only)

3.0 Proposed Charging Approach

- 3.1 Our ENC Charging Policy Framework has four fundamental principles:
- Fees and Charges should maximise net income wherever there is a power or duty to do so, providing there is no conflict with corporate outcomes
 - the net income raised should cover the full costs of providing the service including all overheads
 - charges are agreed in a transparent way so they are seen to be fair and are understandable
 - in accordance with legislative requirements the Council will carry out an equality impact assessment before applying the policy - whether to a charge or provide for a concession
- 3.2 The table below sets out the proposed fee structure. This has been calculated using an officer hourly rate of £43 which represents an average officer cost rather than a fee dependent on seniority (given that there is no strict framework which sets out who deals with a particular enquiry). This hourly rate has then been used to calculate the charge based on an estimate of the average time spent to deal with an enquiry.

3.3

Pre-App Type	Time	Officer level likely to be involved	Proposed Charge
Householder	1.5 hrs	DC Officer	£65
Dwellings 1 - 4	2.5 hrs	DC Officer	£108
Dwellings 5 - 9	3 hrs - Time period is longer than the above as proposals are more complex	DC Officer	£129
Major applications - 10+ dwellings and more than 1000 sq. m floor space	It is difficult to predict the time spent on major applications due to the complexity, see Para 8.6 below. As such a percentage of the planning fee is deemed appropriate.	PPO / DCM	10 % of application fee
Business and Commercial less than 1000 sq.m floor space	2hrs	DC Officer	£86
Change of use - land (no increase in floor space)	2hr (this is only for a change of use in principle any buildings would fall into the other categories)	DC Officer	£86
Adverts	1.5 hour	DC Officer	£65
Agricultural Development - minor	2hr	DC Officer	£86
Agricultural Dev which involves a new dwelling	2.5 hrs	DC Officer	£108

Please note that:

- The proposed fees and category types set out may have to be changed in the future, depending upon the outcome of the Government's proposal to introduce a system for Local Planning Authorities to set their own planning application fees, as referred to in paragraph 1.5 above. It is anticipated that the legislation for this will be introduced in October 2011 and indications are that it will enable councils to recover their full costs.
- The time required for major applications, is much more in depth and includes carrying out consultations, meetings, discussing the proposal with the Ward Member/s, meeting with the Town Council, advising on Section106 requirements, Environmental Impact scoping and screening opinions and written responses. Therefore using a percentage of the actual application fee is considered more appropriate.

3.4 It is suggested that the following exemptions should apply as these are consistent with those for planning applications (with the exception of the last item):

- People with disabilities - The fee would be exempt if the proposed works are to create access for, or to provide for or improve the safety, health or comfort of a disabled person.
- Registered charities - exempt if the development was in association with the charity.
- Town and Parish Councils

- Listed Buildings applications (any works which would only require listed building consent and not a full planning application)
- 100% affordable housing applications.
- Applications made by ENC

3.5 Having regard to the focus in the Corporate Plan for encouraging businesses, Members' views would be welcomed as to what extent any discount should be given for businesses applications. Issues to consider are:

- How easy it would be to relate the level of discount to the number of jobs created or retained and how that information can be realistically verified at pre-application stage
- Whether it applies to all commercial businesses including retail and construction businesses.

4.0 Potential Income from Charging Pre-applications

4.1 For the purposes of estimating income, 214 pre-applications received in the financial year 2008/09 have been analysed into charging categories. The table in Appendix A sets out the fee that would have been received based on neighbouring authorities' charges. Members will need to bear in mind that the level of pre-application advice varies from year to year and also that charging for pre-application advice is likely to deter some requests. The figures provided are therefore only best estimates of the possible income. It is estimated that the potential income from charging for pre-application advice is between £20,000-35,000 per year.

4.2 When the guidance for locally setting of planning charges is finally produced consideration will be given to the potential for reducing application fees where pre-application advice has been sought to recognise that there should be some reduction in post application activity. However it is not possible to offer such a discount at present.

5.0 Staffing implications

5.1 As noted above, the pre-application service is currently suspended because of staff capacity issues. When the council was previously responding to pre-application queries, the target (as set out in the service Plan 2009 – 10) was to determine 75% of pre-application enquiries within 20 working days. Whilst we did not achieve our target (see table below) our performance had improved significantly when compared to the previous year.

Period	Target	Performance
April 08- June 08	70%	23%
July 08 - Sept 08	70%	30%
Oct 08 - Dec 09	70%	52%
Jan 09 - Mar 09	75%	70%

5.3 To charge for pre-application advice it will be essential that our performance can meet the stated target. As noted above, the Development Control Team continues to experience difficulties in matching resources to capacity, due to two recent staff resignations. When combined with a sustained significant level of major applications this has resulted in high current workloads within the team. It is therefore proposed that some of the income from pre-applications is re-invested in 2011/12 & 2012/13 in the provision of a new Principal Development Control Officer post and the upgrading of a Development Control Officer post to senior level in 2012/13. Funding is in place for the additional Principal Development Control Officer post in 2011/12.

5.4 It is proposed that funding for the additional staff capacity as noted above of £15,000 in 2012/13 be taken from the anticipated pre-application income. This short-term

approach is proposed because:

- a) Although it is anticipated that pre-application advice will reduce the future post application workload, it is not expected to be a 1:1 relationship in terms of work saved. There is also likely to be a period of about a year before any benefits of reduced post application workload will be realised
- b) A review of workloads in comparison with other similar local planning authorities is being commissioned from a consultant to inform future staffing requirements. It is anticipated that this will report by the end of the 2012.
- c) The level of future income from pre-application charging is still uncertain.

5.5 To ensure that the pre-application process is carried out in an efficient manner, a protocol will be developed alongside a revised 'Member Involvement in the Pre-Application Process' and a revised 'Protocol for Dealing with Major Planning Applications or Applications of Significant Interest'. As these protocols form part of the Council's constitution, a further report will be brought to Policy and Resources Committee in time to be considered at the January 2012 Council.

6.0 Equality and Diversity Implications

6.1 An Equality Impact Assessment has been carried out and there are no equality and diversity implications arising from these proposals.

7 Legal Implications

7.1 There are no legal implications arising from the proposals to charge as outlined in this report

8 Risk Management

8.1 There is a risk of complaints if formal planning decisions are different to advice contained within pre-application correspondence. Officer advice at pre-application stage will be the best available, based on information submitted and the planning framework that exists at that time. However, any advice given by officers at pre-application stage is not a formal planning decision by the Council and applicants will be advised accordingly.

9 Financial Implications

9.1 The potential income generation is discussed in section 4 of this report

10 Corporate Outcomes

10.1 The pre-application process will help deliver the following corporate outcomes as it will help improve the quality of development; can lead to the submission of a better planning applications and can lead to more effective discussion around wider community/economic benefits:

- Regeneration and Economic Development
- Good Value for Money
- High Quality Service Delivery

11 Promotion of charging for pre-applications

11.1 It is proposed that the pre-application service will resume on 1 November 2011.

11.2 If the Committee accepts the recommendation then in October we will contact the regular Agents who submit planning applications, advertise on the Council's website and also in Nene Valley News.

12 Recommendation

- 12.1 The Committee is recommended to agree to the introduction of a scheme for pre-application charging as outlined in para 3.3.
(Reason: The recommended charging schedule will help improve the quality of discussions and accordingly the quality of applications and the built environment and will assist in helping to recover costs incurred in providing this service).
- 12.2 The committee is requested to consider what, if any, discounts for businesses should be offered and on what criteria these discounts should be based.
(Reason: Discounts might be considered to assist the delivery of the “Regeneration and Economic Development” and “Business friendly planning service” Corporate Plan outcomes).
- 12.3 The committee is recommended to agree the reinvestment of £15,000 from the projected income in 2012/13 to fund a further 12 months of the new Principal Development Control Officer post and a 12 month temporary upgrade of a Development Control Officer.
(Reason: to temporarily increase capacity in the Development Control Team to restart delivery of pre-application advice)

Legal	Power: The Local Government Act 2003				
Background Papers:					
Person Originating Report: Trevor G Watson, Head of Planning Services tgwatson@east-northamptonshire.gov.uk					
Date: 19 September 2011					
CFO		MO		CX	

(Committee Report Normal Rev. 22)

Appendix A

ENC QRY's received between 1 April 2008 and 31 March 2009 showing the amount of income that would have been generated by other authorities based upon their charging schedules.

Application type		No of apps	No of units (or 0.1ha)	£ based on Kettering fee	£ based on Northampton fee	£ based on Huntingdon fee	£ based on proposed ENC fee (excluding all business applications)	£ based on proposed ENC fee (including all business application)
Outline applications	site area up to 2.5ha	4	36	£3,000.00	£1,206.00	£4,000.00	£1,206.00	£1,206.00
	site area over 2.5ha	1	4	£2,500.00	£868.50	£5,000.00	£868.50	£868.50
New dwellings	50 units or lower	43	82	£32,250.00	£2,747.00	£43,000.00	£5,547.00	£5,547.00
	over 50 units	5	66	£12,500.00	£16,598.00	£25,000.00	£16,598.00	£16,598.00
New buildings/extensions	None							
	40m2 or less	1	1	£100.00	£150.00	£100.00	-	£86
	40m2 to 75m2							
	75m2 to 3750m2	2	2	£2,000.00	£67.00	£400.00	-	£67
	over 3750m2							
Agricultural buidings	465m2 or less							
	465m2 to 540m2							
	540m2 to 4215m2							

	over 4215m2							
Glasshouses	465m2 or less							
	over 465m2	1	1	£200.00	£187.00	£200.00	£86.00	£86
Plant or machinery	site area up to 5ha							
	site area over 5ha							
Extensions to dwellings	one dwelling	38	38	£1,330.00	£950.00	£0.00	£2,470.00	£2,470.00
	two or more dwellings	9	9	£315.00	£225.00	£0.00	£585.00	£585.00
Ancillary within curtilage of dwelling		11	11	£385.00	£275.00	£0.00	£715.00	£715.00
Car parks, roads, access		4	4	£800.00	£68.00	£200.00	£260.00	£260.00
Operations not in above (minerals)								
Operations not in above (excluding minerals)		1	2	£200.00	£34.00			
Change of use (dwelling to multiple dwellings)	50 units or lower	9	15	£900.00	£502.50	£9,000.00	£1,161.00	£1,161.00
	over 50 units							

Change of use (building to multiple dwellings)	50 units or lower	29	61	£21,750.00	£2,043.50	£29,000.00	£3,741.00	£3,741.00
	over 50 units							
Material change of use not above		39	39	£3,900.00	£1,306.50	£3,900.00	£3,354.00	£3,354.00
Advertisements	related to business	2	2	£70.00	£30.00	£100.00	£130.00	£130.00
	directional							
	all other							
Prior Notifications	agricultural/forestry building/roads	1	1	£200.00	£25.00			
	demolition	1	1	£200.00	£25.00			
	telecommunication	3	3	£600.00	£75.00			
Others	variation	1	1	£200.00	£25.00			
	LDC existing							
	LDC proposed							
	alterations of dwellings for disabled access	3	3	£600.00	£75.00	£0.00		
	LBC/CAC	6	6	£210.00	£300.00	£0.00		
TOTAL				£84,210.00	£27,783.00	£119,900.00	£36,721.50	£36,874.50