

Planning Committee 17 October 2018 Agenda Item no. 7

Ward: All

## Proposed Revision to Pre-Application Charging

### **Report by the Director for the Economy**

### 1. BACKGROUND

- 1.1 In 2015, the Committee agreed to charge for pre-application advice for residential and commercial proposals. (This followed an earlier agreement to charge for such advice in 2010, but was not implemented at that time due to the recession and an ongoing service review). The Committee agreed to the charging of fees from £150 + VAT for proposals of 1-4 dwellings or up to 499 square metres of commercial floorspace up to £750 + VAT on proposals of over 50 dwellings or above 5000 square metres of commercial floorspace. Strategic schemes, such as New Monks Farm or Teville Gate, are subject to bespoke planning performance agreements (PPA). There is currently no charge for advice for householders.
- 1.2 When considering the proposals in 2015,Members did indicate that the charging scheme should be reviewed after a suitable period, and given that nearly 3 years have elapsed since the scheme was introduced, your officers now feel it is appropriate to review the charges.
- 1.3 Government advice encourages pre-application discussions and such discussions are often beneficial in ensuring that the Council's planning policies are explained to an applicant at an early stage. Often, discussions at the pre-application stage reduce the length of time taken to determine an application when it is subsequently submitted. Early engagement can secure design improvements and advice on relevant planning policies that the application will need to address.

- 1.4 The number of pre-application enquiries remains high and there is little apparent evidence that the charging scheme has dissuaded applicants from seeking advice. Indeed, the number of pre-application enquiries is still a significant part of the workload of officers, reflective of the number of planning applications between the Councils remaining at its peak of around 1900 per annum, having dropped to around 1500 following the recession. Householder planning enquiries, for which no fee is currently charged, also remain high and in light of the fact that no fee is charged, relatively resource intensive. Indeed, out of 700 pre-application enquiries received during the financial year, only 15% attracted a fee. The total income from pre-application charging in the financial year 2017/2018 was £27,550.
- 1.5 Given the benefits of providing pre-application advice, it is important to ensure that the service meets the costs of providing it to ensure that advice can be provided of suitable quality and in a timely manner. It is noted that Arun District Council recently suspended their pre-application advice scheme, except for the most major schemes, because of the backlog of enquiries received. There is no desire from your Officers to suspend pre-application advice, given the benefits of providing such advice as outlined above.

## 2.0 HOUSEHOLDER PRE-APPLICATION ENQUIRIES

2.1 It is noticeable that a high number of householder enquiries are received. Your officers note that the other local authorities in the area charge as follows:

Arun: £30	£30 for enquiry and response and £30 for any	
subsequent meeting (but service currently suspended)		
Brighton and Hove:	£100 or £150 with a meeting	
Chichester:	£100	
Crawley:	Do not charge	
Horsham:	£50	
Mid Sussex:	Verbal advice free but £50 if a site visit required.	

A comparison with other local authorities who currently provide a similar level of performance to the Councils, in respect of speed of decision making for non major applications (with reference to the government performance tables), also revealed:

East Hampshire:	£48
Elmbridge:	£70 to £210
Central Bedfordshire:	£84
Test Valley:	£58

While both Adur & Worthing generally perform well in terms of government performance tables (ordinarily in the top third of planning authorities), it has become increasingly difficult, especially in Worthing, to maintain current performance levels with the current level of work being received.

- 2.2 It does appear from the above comparisons that, Crawley BC apart, other local authorities both locally and of similar performance, charge for their advice on householder proposals and therefore the Councils would be justified in doing the same.
- 2.3 Aside from the obvious benefit of providing income to the Councils, a charge for pre-application advice for householder proposals, with set parameters for the information that needs to be submitted for such advice to be received, is likely to improve the quality of information submitted making easier and quicker to deal with the enquiry. Often, at present, householder enquiries lack information which requires officers to contact the enquirer again to seek more information or alternatively means that only basic advice can be given. It is also hoped that it would help to reduce very speculative enquiries where a householder is unsure about what they want and could obtain general information from the Planning Portal.
- 2.4 It is therefore considered that a charge of £50 plus VAT at 20% would be justified for householder pre application proposals.

### 3.0 RESIDENTIAL PRE APPLICATION ENQUIRIES

3.1 In respect of residential development proposals, the Council pre-application charges are currently as follows:

1-4 dwellings:	£150 + VAT (£180)
5-9 dwellings:	£350 + VAT (£420)
10-49 dwellings:	£550 + VAT (£660)
50+ dwellings:	£750 + VAT (£900)

As stated above, major strategic scheme may be subject to a separate Planning Performance Agreement which is likely to include an agreed timescale for the determination of any subsequent planning application. 3.2 Comparison with other authorities is rather more difficult in respect of this category as different thresholds are used by the various authorities. Using the fees for below 10 dwellings, where the Councils fee is currently £180-£420 after VAT:

Arun: £204 to £380 Brighton and Hove: £420 to £1012 (including meeting) Chichester: £350 to £550 Horsham: £350 Mid Sussex: £205 to £307.50 East Hampshire: £130 to £245 Elmbridge: £145 to £870 Central Bedfordshire: £180 to £600 Test Valley: £144 to £432

- 3.3 The table above demonstrates that fees vary between the authorities, although the more local authorities in the table appear to charge a higher fee for smaller developments (the lower Arun fee only applies for developments up to 2 dwellings and the lower Chichester fee for developments up to 3 dwellings). The Councils current charging regime does differ quite markedly between 4 dwellings, which would attract a fee of £150 + VAT, and 5 dwellings which would attract a fee of £350 + VAT, although the likely work required in responding to the respective proposals is unlikely to differ as widely. It is considered, therefore, that there may be scope to raise the 1-4 dwelling figure to £200 before VAT with the 5-9 dwelling figure remaining unchanged.
- 3.4 For developments between 10 and 49 dwellings, where the Council currently charges £550 + VAT, other authorities currently charge:

Arun:	£700 (up to 99 dwellings)	
Brighton and Hove:	£720 to £1560 (up to 99 dwellings)	
Chichester:	£2000	
Horsham:	£500 to £750	
Mid Sussex:	£460	
East Hampshire:	£550	
Elmbridge:	£360 to £2160	
Central Bedfordshire: £960 to £2400		
Test Valley:	£763 to 10% of planning application fee	

- 3.5 The Council's charge is therefore lower than the majority of the other councils quoted, and given the relative rarity of developments of this size within the Borough and District, there may be some justification to raise the charge to a similar level to that of Arun or the upper range of Horsham's charge, which could be set at £750 + VAT.
- At present, the Councils charge a fee of £750 + VAT for all developments over
  50 dwellings, whereas some of the authorities in table below, have further
  thresholds at over 100 dwellings for example.

Arun:	£700/£1500 (over 100 dwellings)/£1500 (over 200		
dwellings with £300 for every extra 50 dwellings)			
Brighton and Hove:	£1560 to £2400		
Chichester:	£2500 to £4500		
Horsham:	£1250		
Mid Sussex	£460 to £770		
East Hampshire:	10% of the planning application fee		
Elmbridge:	£720 to £4320		
Central Bedfordshire: £2400 + £120 per additional dwelling			
Test Valley:	10% of the planning application fee + VAT.		

- 3.7 Although the 50 dwelling fee is currently comparable to most other fees charged by other local authorities, it is appear that there is scope to introduce a further fee. Charging 10% of the application fee for example would equate to around £3000 for a 100 dwelling development.
- 3.8 Given that any proposed development of over 100 dwellings is likely to have strategic implications, it is more likely that a bespoke planning performance agreement will be agreed with the applicant, however in the absence of such an agreement it is considered that 10% of the application fee + VAT would be a suitable fee for proposals of 50 dwellings and above.

# 4. COMMERCIAL PRE APPLICATION ENQUIRIES

- 4.1 At present, commercial and residential pre application enquiries are subject to the same pricing regime based on the size of the development.
- 4.2 Current charges are, therefore:

Up to 499 sq m:	£150 + VAT
500 to 999 sq m:	£350 + VAT
1000 to 4999 sq m:	£550 + VAT

5000 sq m+ £750 + VAT

4.3 The other authorities listed above currently charge:

Arun: No charge except for food retail, between £750 and £1500 Brighton and Hove: Up to 499 sq m - £420/£840 (letter/meeting), 500-999 -£612/£1012, 1000-4999 - £720/£1200, 5000-9999 - £936/£1560, 10000+ -£1440/£2400 Chichester: Up to 499 sg m - £350, 500 to 999 - £550, 1000 to 2499 -£2000, 2500-4999 - £2500, 5000+ - £4500 or 10% of application fee Up to 999 sg m - £350, 1000-4999 - £500, 5000-9999 -Horsham: £750, 10000+ - £1250 Mid Sussex: Up to 999 sq m -  $\pounds 102/\pounds 250$  (letter or meeting), 1000-4999 - £153/307, 5000+ £256/£512 Test Valley: Up to 100 sq m - £108, 100-499 - £288, 500-999 - £540, 1000+ - £648 Elmbridge: Up to 49 sq m - £70 to £210, 50-999 - £145-£870, 1000-4999 - £360-£2160, 5000 - £720-£4320 Central Bedfordshire: Up to 999 sq m - £600, 1000-1999 - £960, 2000-2999 -£1440, 3000+ - £2400

- 4.4 The above fees therefore vary, but it does appear that the current charge of £150 + VAT for developments of up to 499 square metres is rather less than other authorities, and it is suggested that there to simplify the charging regime that a single fee of £350 for all developments up to 999 sq m may be appropriate, particularly as the likely work involved between pre-application enquiries of, say, 250 square metres and 750 square metres is likely to be quite similar, therefore justifying a flat fee.
- 4.5 The current charge for development between 1000 and 4999 square metres appears comparable to other authorities and therefore could be unchanged. As is the case for development of over 5000 square metres.

# 5. OTHER PRE APPLICATION OR GENERAL ENQUIRIES

## LISTED BUILDINGS

5.1 At present there is no charge for listed building enquiries, but these are often of a specialist nature and require the input of the Council's Conservation Architect. Given the statutory protection afforded to listed buildings, effective pre-application advice is often of importance and can be of considerable benefit to an applicant in the formal application process. Some of the other authorities charge for listed building advice as follows:

Chichester - £95 Horsham - £150 Mid Sussex - £76/153 (letter/meeting) Brighton and Hove - £216/£432 (letter/meeting)

5.2 It would appear justifiable for the Council to charge a fee equivalent to that of the householder fee at £50 + VAT (while a smaller cost than the authorities above, other authorities do not appear to charge at all as is the case presently at Adur & Worthing)

### **ADVERTISEMENTS**

5.3 Similarly, some other authorities charge for advertisement pre application enquiries as follows:

Chichester - £120 Horsham - £150 Mid Sussex - £76/153 (letter/meeting) Brighton and Hove - £150/£300 (letter/meeting) Test Valley - £58

5.4 Advertisements are an important part of the street scene, especially in district or town centres and again it is considered that a charge of £100 + VAT could be justified.

### TREES

5.5 Both Horsham and Mid Sussex charge for pre-application advice:

Horsham - £30 Mid Sussex - £30.75

5.6 The Councils have a single Arboricultural Officer whose individual planning application caseload is usually higher than any other Officer. Given the high number of enquiries received, it is felt that there is justification to charge for tree advice and while higher than the examples above, a similar charge to listed buildings and advertisements of £50 + VAT could be applied.

5.7 It is noted that Chichester charge for other specialist advice, Environmental Health being cited as an example. The Council's Environmental Health team are intending to introduce their own charging regime which could be linked to any planning advice where necessary with consideration to a joint charge being applied once the Environmental Health section have finalised their own fees. This would be particularly important for major developments where there is a need to consider air quality and more complex noise/environmental issues.

# 6. CONFIRMATION OF COMPLIANCE WITH CONDITIONS/SECTION 106 OBLIGATIONS

6.1 The Councils receive many enquiries regarding compliance with conditions from potential purchasers of properties and a charge of £116 is applied to such enquiries. However, at present there is no charge for confirmation of compliance with Section 106 obligations (eg provision of infrastructure). Often, the enquiries relate to obligations agreed some years ago and therefore are quite time consuming to respond to. It is therefore considered that the charge of £116 could also be applied to Section 106 enquiries

# 7. CONCLUSION

7.1 It is considered that the pre-application charging system has proved successful in the quality of pre-application advice provided and that, after 3 years, it is justified to review the charges to bring them in line with other local and comparable authorities.

## 8. **RECOMMENDATION**

8.1 It is recommended that the committee considers the proposed changes to the Councils Charging Schedule and recommend to the Adur and Worthing Executive Members for Regeneration that the following charges are adopted by both Councils:

Householder: £50 + VAT 1-4 dwellings: £200 + VAT 5-9 dwellings: £350 + VAT 10-49 dwellings: £750 + VAT 50 dwellings and above: 10% of the application fee + VAT

Commercial developments up to: 999 sq m - £350 + VAT 1,000 to 4999 sq m - £550 + VAT 5,000 sq m - £750 + VAT

Listed Buildings: £50 + VAT Advertisements: £100 + VAT Trees: £50 + VAT

Confirmation of compliance with Section 106 obligations: £116 incl VAT

### Contact Officer:

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# Schedule of other matters

# **1.0 Council Priority**

- 1.1 Protecting front line services
- 1.2 Ensuring value for money and low Council Tax.

## 2.0 Specific Action Plans

2.1 (A) Provide and develop customer driven cost effective services.(B) Generate financial capital, increase income and seek external funding sources.

## 3.0 Sustainability Issues

3.1 Matter considered and no issues identified.

# 4.0 Equality Issues

4.1 Matter considered and no issues identified.

# 5.0 Community Safety issues (Section 17)

5.1 Matter considered and no issues identified.

# 6.0 Human Rights Issues

6.1 No direct HR implications arising from this report.

# 7.0 Reputation

7.1 It is anticipated that introducing charging for householder enquiries will reduce the number of speculative enquiries and free up Officer time to deal with genuine proposals. Overall it is envisaged that charging for pre-application advice will enhance the reputation of the Council.

# 8.0 Consultations

8.1 Stakeholders will be advised of the revision to the charging system following committee consideration and Executive Member approval (if given)

## 9.0 Risk assessment

9.1 There is a perception that charging for pre-application advice raises the expectation of the customer about the level of service they can expect to receive, but at present a number of enquiries are received which do not attract a charge which officers are finding difficult to respond to within prescribed timescales.

## 10.0 Health & Safety Issues

10.1 Matter considered and no issues identified

## **11.0 Procurement Strategy**

11.1 Matter considered and no issues identified

### 12.0 Partnership working

12.1 Matter considered and no issues identified