

**Cabinet Report**  
**1<sup>st</sup> November 2022**

**Pre-app fees and discretionary Development Management charges**

**Cabinet Member(s)** Cllr R Chesterton, Cabinet Member for Planning and Economic Regeneration.

**Responsible Officer** Richard Marsh, Director of Place

**Reason for the Report:** To advise Members of the proposal to increase the fees associated with our current pre-application service in addition to introducing a range of new charges relating to discretionary services currently provided by the Planning department. As pressure on the Council's budget continue to increase, the introduction of these charges will assist this key service area to maintain the level of service provided to our customers whilst managing the cost to the Council of providing these services. It will also bring Mid Devon more in to line with similar district councils within the wider Devon and South West geography.

**RECOMMENDATION:**

- **That the proposed fees and charges set out in Appendix 1 of this report be introduced from 15 November 2022**
- **That the duty planning service be removed from 15 November 2022.**
- **That future increases to discretionary fee charges to be delegated to the the Director of Place in conjunction with the Cabinet Member for Planning and Economic regeneration**

**Relationship to Corporate Plan:** The gathering of these fees will ensure the Council can to continue to provide a quality service for our customers and allow us to realise broad Corporate Plan ambitions by supporting good quality development within the district. Our customers will be able to receive clear, helpful advice, that should lead to better quality development and less negotiation at the planning application stage – thereby making the process more time and cost effective.

**Financial Implications:** The income generated by the proposed fees will contribute towards the 'self-sufficiency' target for Development Management. The fees proposed see an increase which will bring Mid Devon in line with other regional Local Planning Authorities and will assist the department in sustaining a budget for the services which we are obligated to provide. The proposed fee levels are based on an assessment of the time, on average, that it will take planning, and support officers to provide the services to be offered and an hourly rate for the officers providing the service. Please note that such charges have been calculated on the 22/23 pay rates (including pay rises) and may be subject to change in the next financial year as rates increase.

**Legal Implications:** Statutory planning fees in England are set nationally by the government and are detailed in the Town and Country Planning (Fees for Applications, Deemed Applications, Requests and Site Visits) (England) Regulations 2012, as amended. Such application fees cannot be amended. However, Section 93 of the Local Government Act 2003 sets out that Local Planning Authorities have the right to set discretionary fees that they provide as a service to the public, provided

they do not make a profit. The proposals within this report are therefore appropriate in the legal context in which we operate.

**Risk Assessment:** The new charges and the removal of the planning duty service could see some individuals go straight to apply for planning permission as opposed to utilising the pre-app service. However, in such a circumstance, depending on the size and scale of development proposed, this may trigger the new discretionary fee for validation of applications (explained later in the report). The new fees and charges proposed have been calculated by undertaking an assessment on how long an officer would normally take to complete the task. This has then been multiplied against the Officers hourly rate as set out by the Council. As noted above, this may change in future due to rises in costs and wages as a result of inflation.

**Equality Impact Assessment:** No equality issues arise directly from this report upon people / groups with protected characteristics.

**Impact on Climate Change:** The Local Plan makes provision for sustainable development within the district up to 2033, as well as providing policies for the protection and enhancement of the natural and built environments. A more robust pre-application service will see better developments coming forward which will contribute the sustainability of our environment.

No climate change issues arise directly from this report.

## **1. INTRODUCTION**

1.1 It is proposed to introduce a range of new charges relating to discretionary services currently provided by the Planning (Development Management) services. As pressure on the Council's budget continues to increase the introduction of these charges will assist this key, statutory service area to maintain the level and quality of service provided to our customers

## **2. EXISTING FEES**

2.1.1 Mid Devon District Council Planning (development management) service is, in part, funded by the fees received from the submission of planning applications. Such fees are statutory are set nationally by Government and the Council currently has no control over the level of these fees.

2.1.2 It is widely acknowledged that for the majority of local planning authorities the current level of planning application fees do not cover the full costs to Councils planning services they provide.

2.3 Government continues to introduce changes to planning legislation which create more and more changes to the planning system and make the system increasingly complex. This is somewhat at odds with the focus of government policy, which has had a stated aim of seeking to streamline the planning process. Some of these implemented policy changes bring with them a change to how planning fees would normally be obtained. For example, the introduction of more permitted development rights can allow for a developer to

pay a much smaller statutory fee than that which they would if applying for full planning permission. An example would be the ability for a developer to obtain an additional storey on a house through prior approval (permitted development) as opposed to asking for full planning permission.

- 2.4 Whilst planning application fees represent the majority of fee income received by the planning service, some additional discretionary fees income is also received. This includes charges relating to our current service of pre-application advice, the current planning duty service and microfiche retrieval. Such fees have not been reviewed since 2020, since which we have seen a rise in in general inflation. The current pre-application fees do not currently reflect the amount of hours that officers spend on this type of work, nor do they reflect the fees that are reasonably being charged in other regional local planning authorities to reflect the time and cost associated with such services and requests. A benchmarking exercise of this data has therefore been undertaken together with a series of calculations relating to hourly rate of an officer multiplied by the hours of which an exercise would take to complete and this has been used to inform a proposed revised charging schedule for Mid Devon (the subject of this paper)

### **3 PROPOSED DISCRETIONARY CHARGES**

- 3.1.1 The pre-application process is considered to be an important part of the overall planning service. The National Planning Policy Framework advises:

*Early engagement has significant potential to improve the efficiency and effectiveness of the planning application system for all parties. Good quality pre-application discussion enables better coordination between public and private resources and improved outcomes for the community.*

- 3.1.2 Notwithstanding the acknowledged importance of pre-application advice, the provision of such advice is discretionary and to ensure that the Council can provide high quality pre-application advice it is important to ensure that the Planning service has the appropriate level of resource available. The fees charged to applicants for the submission of a planning application do not include provision for providing pre-application application advice.
- 3.1.3 A new set of pre-application fees are therefore proposed together with the introduction of new fees which seeks to recognise work that the officers have been undertaking for some time without an associated fee. The new fees will see a significant uplift on the current fees charged which are also considered to help sustain the budget pressure felt across the planning department as there are with other services across the Council.
- 3.1.4 The proposed pre-application fee charges together with the associated percentage increase on the existing fee can be seen in Appendix 1. Where a new fee has been introduced, this is simply entitled 'new fee' and captures a fee for work that has always been undertaken by the officers but not charged for to date. Furthermore, it has been considered necessary to update the

descriptions upon which pre-application advice is being sought for to make it clearer and more helpful for those applying.

3.1.5 In order to demonstrate the effect of adopting these new charges, there are a few worked examples below. These seek to demonstrate the income associated with the current charges, and a comparison done for the same work if charged under the proposed fees.

3.1.6 Forecast examples

Type of pre-application	Costs obtained via existing fee	Proposed fee
Replacement dwelling	£180	£355
Erection of 50 units	£780	£5900 or bespoke fee
Erection of 150 units	£1200	£10,650 or bespoke fee

A total of 162 pre-applications were submitted last year, with a total cost of £32,801 being received. Given this is based on the existing charges, it is forecasted that there will be a significant increase in income for the planning service which in turn will help sustain resource and support the Council financially overall.

3.1.7 Other proposed discretionary fee charges that are also noted under Appendix 1 include:

- Validation of applications – ‘fast track’.  
This is a proposed new service whereby the checking of an application prior to submission is offered for 10% of the statutory application fee. The benefit of doing this ensures that the team check the documentation prior to submission ensuring that applications are made valid upon official submission. Housebuilders and those with a time constraint would likely use this service.
- Validation of applications that are not correct the second time around.  
The team spend an enormous amount of time going back and forth with applicants and agents to ensure their submission is valid before it can be registered. This is despite the Council having guidance on what supporting information must be submitted with an application to enable it to be valid. As such, the fee charge proposed is set to encourage agents/applicants to ‘get their application right’ the first time around, otherwise they are subject to a fee of 10% of the statutory application fee that they are applying for.
- Validation fee for retrospective planning applications.  
A fee of 10% would be sought of the overall application fee for any retrospective application. This would seek to discourage individuals from submitting retrospective applications.

- **Printing of scanned applications**  
Requests for printing an application will be charged on a sheet by sheet basis at 50 pence. This seeks to claim back the monies the Council spend on printing as well as the officer time taken to undertake the work.
- **Retrievals of microfiche records**  
This request is frequent and is currently charged at £25. The proposed new charge to reflect officer time is £150.00. This is again based on the hourly rate for a support officer multiplied by the hours to undertake the work.
- **Appeals and the LPA's right to go for costs on more applications.**  
We do not exercise this right enough – following an appeal against the LPA we should be applying for costs against the applicant where the LPA considers its position to be favourable. This would happen in circumstances where the LPA is confident in its position on refusing a development as it may be directly contrary to planning policy and the applicant chooses not to follow planning officer advice.
- **Planning Performance Agreements (PPA's)**  
On average, it is expected that applications can be dealt with within the 8, 13 or 16 week statutory period, but for some applications a bespoke timetable is appropriate. The timetable for dealing with development applications can be extended beyond the statutory period so long as the council and the applicant agree. Provided the council is then able to meet the new mutually agreed date, an application will be counted as satisfying the timeliness requirement for development applications. The LPA can use PPAs more widely to assist with resourcing the department as appropriate to deal with applications whereby a PPA would be useful and helpful to both parties. This is a matter we have already begun implementing.
- **The introduction of an 18% uplift charge for administration work**  
This would be a fee that we would charge an applicant when applying for planning permission which required further administration work than that normally required as part of the process. An example of this would be when the LPA are required to seek an Independent Viability Assessor to assess a viability assessment submitted by the applicant. Due to the rules around procurement, would have to first pay the associated fee before claiming back through the applicant.

#### **4.0 The removal of the duty planning service**

- 4.0.1 The planning service currently operates a duty planning service twice a week on a Tuesday morning and Thursday afternoon. This currently allows for members of the public or agents to book an appointment with a planning officer for a small fee (£36) whereby they can ask any question relating to development. This is usually responded to by an officer by means of phone call or a written response by email. There are many examples however whereby follow ups are requested under the same fee. Such appointments are meant to only take up to half an hour of officer time, but this is very rare

and officers usually spend up to an hour to respond to a query due to the detail required.

- 4.0.2 Whilst a duty planning service was typically adopted by most Local Planning Authorities some time ago, Mid Devon is now one of the only Local Planning Authorities across the region to still offer this service.
- 4.0.3 The proposed pre-application fee charges encompass a detailed breakdown of proposed developments with an appropriate fee charged to cover the length of time this would normally take an officer to complete. The fee list is also broken down into more detail which advises how the response will be received including whether a meeting will be given or just a written response or both. The revised fee schedule therefore is a much more accurate means of dealing with the type of enquires officers can receive under the duty planning service, and enables for a much more accurate and appropriate fee to be charged.
- 4.0.4 It is therefore recommended to members as part of the adoption of the new discretionary fees that the duty service be removed in its entirety, with officers then able to spend more of their valuable time comprehensively answering pre-application enquires in accordance with the proposed new fees.

## **5. CONCLUSION**

- 5.1 The adoption of the proposed increase in pre-application advice and discretionary charges will assist the planning service to maintain the level and quality of service provided to customers whilst reducing the cost to the Council of providing these statutory services.
- 5.2 It is possible that the introduction of charges will reduce the number of pre-application enquiries received, but this will help reduce pressure on the service and improve capacity and resilience.

### **Contact for more Information:**

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**File Reference:** None

**Circulation of the Report:** Cllr Richard Chesterton, Cabinet and Leadership Team.